

CODE OF REGULATIONS  
OF  
RIVER'S EDGE AT ALUM CREEK HOMEOWNERS' ASSOCIATION, INC.

ARTICLE I

Definitions

All of the terms used herein shall have the same meanings as set forth in the Declaration of Restrictive Covenants for River's Edge at Alum Creek Subdivision ("the Declaration"), recorded in the office of the Delaware County, Ohio Recorder, with respect to the real property described therein ("Property"), and as the Declaration may be lawfully amended from time to time.

ARTICLE II

Name and Location

The name of the Association is River's Edge at Alum Creek Homeowners' Association, Inc. The principal office of the Association shall be as provided by the Articles of Incorporation.

ARTICLE III

Members

Section 1. Membership. Membership in the Association is divided into three separate categories as follows:

- (a) Declarant (Developer) being Maronda Homes, Inc. of Ohio, its successors or assigns;
- (b) Builders being those persons or entities (excluding Declarant) who or which acquire title to any Lot within the Property for the purpose of constructing a residential dwelling thereon with the strict purpose of reselling the improved Lot to an Owner; and
- (c) Owners being the holders of record title in fee simple to any Lot on the Property, whether or not such title holder actually resides on the Lot.

Section 2. Voting Rights. Owners and Builders shall be entitled to one vote for each Lot owned. If ownership of a Lot is held by more than one person or entity, then the Owners shall determine, among themselves, who shall be entitled to exercise the single vote for each Lot. If the Owners cannot jointly agree as to which of them shall be entitled to exercise the vote attributable to that Lot, then the right to vote shall be forfeited until such time as the Owners designate which of them shall exercise such vote.

Section 3. Number of Votes. At the time this Association comes into existence, the Declarant category of membership shall be entitled to cast a total of twenty-six (26) votes, that being the combined total number of Lots that may be constructed upon the land originally platted as

"River's Edge at Alum Creek Section One". This total number of votes shall not be reduced by any transfers of Lots from the Declarant to Builders or Owners, and those Builders and Owners shall simply have the right to cast one vote for each Lot they may own, with the Declarant continuing to hold the aforesaid total number of twenty-six (26) votes.

If additional Lots are created as a result of Lot splits created by the Declarant, or if property adjacent to the Property is platted and made a part of River's Edge at Alum Creek Subdivision, so as to increase the total number of Lots within the Property, the total number of votes that may be exercised by Declarant shall increase by the number of new Lots added to the Property. This new total number of votes shall not be reduced by any transfers of Lots from the Declarant to Builders or Owners, and those Builders or Owners shall simply have the right to cast one vote for each Lot they may own.

At such time as there is no additional property that may be added to River's Edge at Alum Creek Subdivision, and all of the combined number of available home sites have been sold to Owners, then the Declarant category of membership and the Builder category of membership shall cease to exist. Thereafter, the Association shall operate with only one class of membership, that being Owners of Lots, and any Builder who holds a title interest in a Lot shall be deemed an Owner of Lots and thereby a Member of the Association.

Through this arrangement of voting rights, participating Builders and Owners will have an opportunity to act as Members and to exercise voting rights, but control of the Association will remain with the Declarant since the Declarant's voting powers are not reduced merely by virtue of transfer of ownership of a Lot to a Builder or Owner.

**Section 4. Annual Meetings.** A regular annual meeting of the Members shall be held on the first Monday of April of each calendar year hereafter, or on such other date as may be designated by the Board of Directors at an hour and at a location established from time to time by the Directors.

**Section 5. Special Meetings.** Special meetings of the Members may be called at any time by the Chairman, the President, the Board of Directors, or upon written request of Members entitled to exercise one-fourth ( $\frac{1}{4}$ ) or more of the voting power of Members, and shall be held on such date, hour and location within Delaware County, Ohio as specified by the person calling the meeting.

**Section 6. Notice of Meetings.** Written notice of each meeting of Members shall be given by, or at the direction of, the person or persons authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least five days before such meeting to each Member entitled to vote thereat, addressed to the Member's address last appearing on the books of the Association, or supplied by such Member to the Association for the purpose of notice, or by delivering a copy of that notice at such address at least five days before the meeting. The notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Section 7. Quorum. The Members present, in person or by proxy, at any duly called and noticed meeting of Members, shall constitute a quorum for such meeting.

Section 8. Proxy. At any meeting, a Member may vote in person or by proxy. All proxies shall be in writing and in the event more than one person or entity owns any single Lot, then each person and an authorized representative of each entity or any combination thereof, representing the total Ownership of any single Lot shall join in signing the proxy. All proxies shall be filed with the Secretary prior to the meeting. Every proxy shall be revocable and shall automatically cease upon conveyance by a Member of his, her or its Lot.

Section 9. Voting Power. Except as otherwise provided herein, in the Articles or in the Declaration, or by law, a majority of the voting power of Members voting on any matter that may be determined by the Members at a duly called and noticed meeting shall be sufficient to determine that matter. The rules of Roberts Rules of Order shall apply to the conduct of all meetings of Members except as otherwise specifically provided herein or in the aforesaid documents.

Section 10. Action in Writing Without Meeting. Any action that could be taken by Members at a meeting may be taken without a meeting with the affirmative vote or approval, in a writing or writings, of Members having not less than a majority of the voting power of Members.

#### ARTICLE IV

##### Board of Directors

Section 1. Initial Directors. The directors shall initially be those named in the Articles, or substitutes or additional directors selected by Declarant.

Section 2. Successor Directors. At each annual meeting of Members held, the Members shall elect three directors, who shall serve until removed by Member action or the election of a successor. Notwithstanding the foregoing, Members exercising not less than a majority of the voting power of Members may, from time to time, change the number and terms of directors.

Section 3. Removal. Excepting only directors named in the Articles, any director may be removed from the Board, with or without cause, by Members exercising a majority of the voting power of Members. In the event of death, resignation or removal of a director other than an initial director or a replacement selected by Declarant, that director's successor shall be selected by the remaining directors and shall serve until the next annual meeting of Members, when a director shall be elected to complete the term of such deceased, resigned or removed director. Declarant shall have the sole right to remove, with or without cause, any director designated in the Articles or selected by it, and select the successor of any director selected by it who dies, resigns, is removed or leaves office for any other reason before the first election of directors.

**Section 4. Cumulative Voting.** No cumulative voting shall be permitted in the election of directors.

**Section 5. Compensation.** Unless otherwise determined by the Members at a meeting duly called and noticed for such purpose, no director shall receive compensation for any service rendered to the Association as a director. However, any director may be reimbursed for his or her actual expenses incurred in the performance of duties.

**Section 6. Regular Meetings.** Regular meetings of the directors shall be held no less than semi-annually, without notice, on such date and at such place and hour as may be fixed from time to time by resolution of the directors.

**Section 7. Special Meetings.** Special meetings of the directors shall be held when called by the president, or by any director, after not less than three days' notice to each director.

**Section 8. Quorum.** The presence at any duly called and noticed meeting, in person or by proxy, of directors entitled to exercise a majority of the voting power of directors, shall constitute a quorum for such meeting.

**Section 9. Voting Power.** Except as otherwise provided in the Declaration or Articles, or by law, the vote of a majority of the directors voting on any matter that may be determined by the directors at a duly called and noticed meeting shall be sufficient to determine that matter.

**Section 10. Action In Writing Without Meeting.** Any action that could be taken by directors at a meeting may be taken without a meeting with the affirmative vote or approval, in a writing or writings, signed by all of the directors.

**Section 11. Powers.** The directors shall exercise all powers and authority under law, and under the provisions hereof and of the Articles and Declaration, which are not specifically and exclusively reserved to the Members by law or by other provisions thereof, and without limiting the generality of the foregoing, the directors shall have the right, power and authority to:

- (a) take all actions deemed necessary or desirable to comply with all requirements of law, this Code, the Declaration and the Articles;
- (b) obtain insurance coverage, and cause officers and employees having fiscal responsibilities to be bonded as the directors deem appropriate;
- (c) enforce the covenants, conditions and restrictions set forth in the Declaration;

- (d) own and maintain the Common Property and improvements thereon, including, but not limited to, any and all private streets, berms, and easements, if any, within River's Edge at Alum Creek Subdivision;
- (e) establish, enforce, levy and collect assessments as provided in the Declaration;
- (f) adopt and publish rules and regulations governing the use of the Common Areas and the exterior portions of all improvements and the personal conduct of Members and their guests thereon, and establish charges for the infraction thereof;
- (g) suspend the voting rights of a Member during any period in which such Member shall be default in the payment of any assessment levied by the Association (such rights may also be suspended after notice and hearing, for infractions of published rules and regulations or of any provision of the Declaration);
- (h) declare the office of a member of the Board of Directors to be vacant in the event such director shall be absent from three consecutive regular meetings of the Board of Directors;
- (i) authorize the officers to enter into management and security agreements with third parties in order to facilitate the efficient operation of the Association's affairs and the safety of the occupants of River's Edge at Alum Creek Subdivision; provided, however, that any such contract shall not exceed a term of three (3) consecutive years;
- (j) borrow funds to finance authorized activities, and grant security and pledge and/or assign revenues received or to be received as security for repayment thereof;
- (k) cause excess funds to be invested in government agency insured accounts as the Board deems desirable and prudent, and such other investments as the Members approve; and
- (l) do all things and take all actions permitted to be taken by the Association by law, hereby or by the Articles or Declaration, not specifically reserved thereby to others.

Section 12. Duties. It shall be the duty of the directors to:

- (a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of Members, or at any special meeting when such statement is requested in writing by Members representing one-half (1/2) or more of the voting power of Members;
- (b) supervise all officers, agents and employees of the Association and see that their duties are properly performed;
- (c) as more fully provided in the Declaration, to:
  - (i) fix the amount of assessments against each Lot as provided therein;
  - (ii) give written notice of each assessment to every Member subject thereto within the time limits set forth therein; and
  - (iii) foreclose the lien against any Lot for which assessments are not paid within a reasonable time after they are authorized by the Declaration to do so, or bring an action at law against the Members personally obligated to pay the same, or both;
- (d) issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid;
- (e) maintain liability insurance in such amount as is deemed sufficient by the directors;
- (f) cause the property subject of the Association's scope of authority to be maintained within the scope of authority provided in the Declaration;
- (g) cause the restrictions created by the Declaration to be enforced; and
- (h) take all other actions required to comply with all requirements of law, the Articles, and the Declaration.

## ARTICLE V

### Officers

**Section 1. Enumeration of Offices.** The officers of this Association shall be a president, a vice president, a secretary, a treasurer and any such other officers as the directors may from time to

time determine. No officer need be a Member of the Association nor need any officer be a director. The same person may hold more than one office.

Section 2. Selection and Term. The officers of the Association shall be selected by the directors, from time to time, to serve until the directors elect their successors.

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

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

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

- (a) President. The president shall preside at all meetings of the directors, shall have the authority to see that orders and resolutions of the Board are carried out, and shall sign all leases, mortgages, deeds and other written agreements.
- (b) Vice President. The vice president shall act on behalf of the president in the president's absence. The vice president shall also assume the duties respectively of the secretary and the treasurer in the absence of either or both at any meetings of the directors and of the Members.
- (c) Secretary. The secretary shall record the votes and keep the minutes and proceedings of meetings of the directors and of the Members, service notice of meetings to the directors and to the Members, and keep appropriate current records showing the names of Members of the Association, together with their addresses, and shall act in the place and stead of the president in the event of the president's absence or refusal to act.
- (d) Treasurer. The treasurer shall receive and deposit and/or invest monies of the Association as directed by the directors, disburse such funds as directed by resolution of the directors, sign all checks and promissory notes of the Association, keep proper books of account, and prepare an annual budget and a statement of income and expenditures to be presented to the Members at the annual meeting, and deliver or mail a copy to each of the Members.

## ARTICLE VI

### Indemnification of Directors, Officers and Others

The Corporation shall indemnify every person who is or has been a trustee, director, officer, agent, or employee of the Corporation and those persons' respective heirs, legal representatives, successors, and assigns, against expenses, including attorneys' fees, and judgments, decrees, fines, penalties, and amounts paid in settlement actually and reasonably incurred in connection with any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative, and whether in an action or proceeding by or in the right of the Corporation, or otherwise, in which such person was or is a party or is threatened to be made a party by reason of the fact that person was a trustee, director, officer, employee, or agent of the Corporation, or is or was serving in such capacity at the request of the Corporation, provided that person (a) acted in good faith and in a manner that person believed to be in or not opposed to the best interests of the Corporation, and (b) with regard to any matter the subject of a criminal action or proceeding, had no reasonable cause to believe the questioned conduct was unlawful, but provided that in the case of any threatened, pending, or completed action or suit by or in the right of the Corporation to procure a judgment in its favor against any such person by reason of that person serving in such capacity, no indemnification shall be made in respect of any claim, issue, or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of a duty to the Corporation, unless and only to the extent that the court in which such action was brought shall determine upon application that in view of all the circumstances of the case that person is fairly and reasonably entitled to indemnity for such expenses as the court shall deem proper.

Nothing contained in this Article VI, or elsewhere in the Code of Regulations, shall operate to indemnify any director or officer if such indemnification is for any reason contrary to any applicable state or federal law.

## ARTICLE VII

### Books and Records

The books, records and financial statement of the Association, including annual audited financial statements when such are prepared, shall be available during normal business hours or under other reasonable circumstances, upon request to the Association, for inspection by Members and the holders and insurers of first mortgages on Lots. Likewise, during normal business hours or under other reasonable circumstances, the Association shall have available for inspection by Members, lenders and their insurers, and prospective purchasers, current copies of the Association's organization documents and its rules and regulations.



## ARTICLE VIII

### Financial Statements

Upon written request to the Association by an institutional first mortgagee of a Lot, or its insurer, or by vote of the holders of a majority of the voting power of Members, the directors shall cause the preparation and furnishing to those requesting of a financial statement of the Association for the preceding fiscal year, provided that no such statement need be furnished earlier than one hundred twenty (120) days following the end of such fiscal year.

## ARTICLE IX

### Fiscal Year

Unless otherwise changed by the directors, the fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation of this Association.

## ARTICLE X

### Amendments

So long as Declarant owns at least one Lot within the Property, the Declarant may amend this Code of Regulations as it sees fit at its sole discretion. After all Lots are sold or transferred, any modification or amendment of this Code of Regulations shall be made only by the affirmative vote of a minimum of sixty-six percent (66%) of the total available votes of the Members of the Association.