



**BY-LAWS MOUNTAINSIDE FARMS
HOMEOWNERS ASSOCIATION, INC.**

The Mountainside Farms Homeowners Association, Inc. is a non-profit organization organized to enforce the Declaration or Restrictions, Easements, and Covenants of Mountainside Farms Subdivisions.

ARTICLE I

OFFICES

The principal office of the Association shall be located in Township of Concord, Lake County, Ohio.

ARTICLE II

The Association shall be formed for the following purposes:

1. To accept ownership of the real estate or responsibility for the easements located in the subdivision together along with any improvements or equipment located or to be located thereon in Mountainside Farms Subdivisions.
2. To maintain such real estate and easements for the use and benefit of the members of the Association, and further to provide for the perpetual maintenance of all ponds, entrance plantings, subdivision signs and all facilities and structures erected thereon.
3. To represent and promote the welfare of the residents of Mountainside Farms Subdivisions as aforesaid generally; and to cooperate with the officials of municipal, county, state, and other public authority for the promotion and betterment of the interest of the said Subdivisions as aforesaid, including, without limitation, the dedication of drainage ways for the purpose of carrying off storm water or granting easements thereto, to the appropriate

municipal, county or state authority requesting said dedication or easement, in any part of the real estate located in the Subdivisions as aforesaid, in order to permit said requesting authority to properly maintain and regulate said drainage ways and easements.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS

SECTION 1. The owner or owners of record of each sub lot within the Subdivisions shall automatically become a member of the Mountainside Farms Homeowner Association, Inc., an incorporated non-profit organization formed under the laws of the State of Ohio for purposes set forth in Article II and shall be entitled to participate in the operation of the Association and shall be bound by the regulations and restrictions set forth herein. Said regulations and restrictions shall be binding on all successors and assigns, occupants, or renters. Membership in the Association shall lapse and terminate when an owner ceases to be the owner of record of the sub lot.

SECTION 2. Each lot shall have one vote which shall be exercised by the owner or owners of record. Any owner or owners entitled to vote may be represented and vote thereat by proxy in writing subscribed by such owner or owners and submitted to the Vice President/Secretary of the Association. Renters shall not have voting rights unless they hold a proxy as provided in this section.

SECTION 3. Annual Meetings. The purpose of the annual meeting of members is to elect trustees and to transact such other matters as may properly come before the members. The annual meeting of the members of the Association shall be held at the times and places designated by the Board of Trustees or the President of the Association. The annual meeting of members for any year shall be held not later than thirteen (13) months after the last annual

meeting of members. However, failure to hold an annual meeting timely shall in no way affect the terms of officers or trustees of the Association or the validity of actions of the Association.

SECTION 4. Special Meetings. Special Meetings of members may be called by the president or by a majority of the Board of Trustees then in office or by members owning one-fourth (1/4) or more of the outstanding votes of the Association. The purpose of each special meeting shall be stated in the notice and may only include purposes, which are lawful and proper for members to consider.

SECTION 5. Place of Meeting. The Board of Trustees may designate any place as the place of meeting for any meeting of members. If no designation is made, then the place of meeting shall be the principal office of the Association in the State of Ohio.

SECTION 6. Notice of Meeting. Written or printed notice stating the place, day, and hour of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered personally or by mail not less than ten (10) days nor more than sixty (60) days before the date of the meeting. Notice shall be given by or at the direction of the president or the secretary or the persons calling the meeting to each member of record entitled to vote at the meeting. If mailed, such notice shall be deemed to have been delivered when deposited in the United States Mail addressed to the member at his address as it appears on the records of the Association with postage thereon prepaid.

SECTION 7. Waiver of notice. A written waiver of notice signed by a member, whether before or after a meeting, shall be equivalent to the giving of such notice. Attendance of a member at a meeting shall constitute a waiver of notice of such meeting, except when the member attends for the express purpose of objecting, at the beginning of the

meeting, to the transaction of any business because the meeting is not lawfully called or convened.

SECTION 8. Action Without Meeting. Any action of the members may be taken without a meeting, without prior notice and without a vote, if a consent in writing setting forth the action so taken is signed by a majority of members of the Association. Within ten (10) days after obtaining such authorization by written consent, notice must be given to those members who have not consented in writing. The notice shall fairly summarize the material features of the authorized action.

SECTION 9. Voting Record. If the Association has six (6) or more voting members of record, the officers having charge of the membership records of the Association shall make, at least three (3) days before each meeting of members, a complete list of the members entitled to vote at such meeting or any adjournment thereof. The list shall be kept on file at the registered office of the Association or at the principal place of business of the Association and any member shall be entitled to inspect the list at any time during usual business hours. The list shall also be produced and kept open at the time and place of the meeting and shall be subject to the inspection of any member at any time during the meeting. If the requirements of this section have not been substantially complied with, then upon demand of any member in person or by proxy, the meeting shall be adjourned until the requirements are complied with. If no such demand is made, failure to comply with the requirements of this section shall not affect the validity of any action taken at such meeting.

SECTION 10. Member Quorum and Voting. Unless otherwise required in the Articles of Incorporation, a majority of the members appearing in person or by proxy shall constitute a quorum at a meeting of members. When a specified item of business is required

to be voted on by the members, unless otherwise required in the Articles of Incorporation, a majority of the members shall constitute a quorum for the transaction of such items of business. If a quorum is present, unless otherwise provided by law or in the Articles of Incorporation, the affirmative vote of a majority of the members at the meeting entitled to vote on the subject matter shall be the act of the members. After a quorum has been established at a member's meeting, the subsequent withdrawal of members, so as to reduce the number of members entitled to vote at the meeting below the number required for a quorum, shall not affect the validity of any action taken at the meeting or any adjournment thereof. If a quorum is not present when a meeting starts, then a majority of the members at a meeting may adjourn the meeting from time to time without further notice until a quorum is present.

ARTICLE IV

BOARD OF TRUSTEES

SECTION 1. General Powers. Subject to the limitations of the Articles of Incorporation, these By-Laws, and the Ohio Not for Profit Corporation Act concerning corporate action that must be authorized or approved by the members of the Association, all corporate powers shall be exercised by or under the authority of the Board of Trustees, and the management and affairs of the Association shall be controlled by the Board of Trustees

SECTION 2. Number, Qualification, Election, and Tenure. The number of trustees shall be the number of trustees elected from time to time in accordance with these By-Laws, but shall never be less than five (5). The Board shall consist of a maximum of three (3) officers of the Corporation and at least two (2) members of the Association. The number of trustees may be increased or decreased from time to time. Trustees shall be elected by the

voting members and shall serve until the next annual meeting and until their successors have been elected and qualified provided, however, that at the first annual meeting the members shall elect two (2) trustees for a one year term and three (3) trustees for a two (2) year term. Thereafter, all Trustees shall be elected to, and serve, a two (2) year term.

SECTION 3. Annual Meetings. The Board of Trustees shall hold its annual meeting of members for the purpose of the election of officers and the transaction of such other business as may come before the meeting. If a majority of the trustees are present at the annual meeting of members, no prior notice of the annual meeting of the Board of Trustees shall be required. However, another place and time for such meeting may be fixed by written consent of all the trustees.

SECTION 4. Regular Meetings. Regular meetings of the Board of Trustees may be held without notice at such time and at such place as shall be determined from time to time by the Board of Trustees.

SECTION 5. Special Meetings. Special meetings of the Board of Trustees may be called by the President or any Trustee. The person or persons authorized to call special meetings of the Board of Trustees may fix a reasonable time and place for holding them.

SECTION 6. Telephone Meetings. Trustees may participate in meetings of the Board of Trustees by means of a conference telephone or similar communications equipment by which all persons participating can hear each other at the same time, and participation by such means shall constitute presence in person at such a meeting.

SECTION 7. Action Without Meeting. Any action of the Board of Trustees may be taken without a meeting if a consent in writing setting forth the action so taken signed by all

of the Trustees is filed in the minutes of the Board of Trustees. Such consent shall have the same effect as a unanimous vote.

SECTION 8. Notice and Waiver. Notice of any special meeting shall be given at least three (3) days prior thereto by written notice delivered personally, by mail, or telegram to each director at his address. If mailed, such notice shall be deemed to be delivered when deposited in the United States Mail with postage prepaid. If notice is given by telegram, such notice shall be deemed to be delivered when the telegram is delivered to the telegraph company. Any trustee may waive notice of any meeting, either before, at, or after such meeting by signing a waiver of notice. The attendance of a trustee at a meeting shall constitute a waiver of notice of such meeting and a waiver of any and all objections to the place of such meeting or the manner in which it has been called or convened, except when a trustee states at the beginning of the meeting any objection to the transaction of business the meeting is not lawfully called or convened.

SECTION 9. Quorum and Voting. A majority of trustees in office shall constitute a quorum for the transaction of business. The vote of a majority of trustees present at a meeting at which a quorum is present shall constitute the action of the Board of Trustees. If less than a quorum is present, then a majority of those trustees present may adjourn the meeting from time to time without notice until a quorum is present.

SECTION 10. Vacancies. Any vacancy occurring in the Board of Trustees may be filled by the affirmative vote of majority of the remaining trustees even though it is less than a quorum of the Board of Trustees, unless otherwise provided by law or the Articles of Incorporation. A trustee elected to fill a vacancy shall hold office only until the next election of trustees by the members. Any trusteeship to be filled by reason of an increase in the

number of trustees shall be filled by election at an annual meeting of members or a special meeting of members called for that purpose.

SECTION 11. Removal. At any meeting of members called expressly for that purpose, any trustee or trustees may be removed from office, with or without cause, by majority vote of the voting members. New trustees may be elected by the members for the un-expired terms of trustees removed from office at the same meetings at which such removals are voted. If the members fail to elect persons to fill the un-expired terms of removed trustees, and if the members did not intend to decrease the number of trustees to serve on the Board, the vacancies unfilled shall be filled in accordance with provisions in these By-Laws for vacancies.

SECTION 12. Presumption of Assent. A trustee of the Association who is present at a meeting of the Board of Trustees at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless he votes against such action or abstains from voting because of an asserted conflict of interest.

ARTICLE V

OFFICERS

SECTION 1. Officers. The Officers of this Association shall be a President, Vice President, Secretary, and Treasurer, each of whom shall be elected by the Board of Trustees. A failure to elect a President, Vice President, Secretary, or Treasurer shall not affect the existence of the Association.

SECTION 2. Election and Term of Office. The Officers of the Association shall be elected annually by the Board of Trustees at its meeting after each annual meeting of members. If the election of Officers shall not be held at such meeting, such election shall be

held as soon thereafter as conveniently may be. Each Officer shall hold office until his successor shall have been duly elected and shall have qualified, or until his death, or until he shall resign or shall have been removed in the manner hereinafter provided.

SECTION 3. Removal. Any Officer may be removed from office at any time, with or without cause, on the affirmative vote of a majority of the Board of Trustees whenever, in its judgment, the best interests of the Association will be served thereby. Removal shall be without prejudice to any contract rights of the person so removed, but election of any Officer shall not of itself create contract rights.

SECTION 4. Vacancies. Vacancies in offices, however occasioned, may be filled at any time by election by the Board of Trustees for the un-expired terms of such offices.

SECTION 5. Duties. The President shall preside at all meetings of the Board of Trustees and of the members. The President shall be the chief executive officer of the Association. Subject to the foregoing, the officers of the Association shall have such powers and duties as usually pertain to their respective offices and such additional powers and duties specifically conferred by law, by the Articles of Incorporation, by these By-Laws, or as may be assigned to them from time to time by the Board of Trustees.

SECTION 6. Delegation of Duties. In the absence or disability of any officer of the Association or for any other reason deemed sufficient by the Board of Trustees, the Board may delegate his powers or duties to any other officer or to any other trustee.

ARTICLE VI
COMMITTEES

SECTION 1. Creation of Committees. The Board of Trustees may, by resolution passed by a majority of the whole Board, designate one or more committees, which shall have such functions and may exercise such power of the Board of Trustees as can be lawfully delegated by the Board.

SECTION 2. Meetings. Regular committee meetings may be held without notice at such time and place as may be determined and may be called by any committee member upon two (2) days notice to the other members of such committee or on such shorter notice as may be agreed in writing by each of the other members of such committee given either personally or in the manner provided in these By-Laws pertaining to Trustees meeting.

SECTION 3. Vacancies. Vacancies on committees shall be filled by the Board of Trustees then in office at any regular or special meeting of the Board of Trustees.

SECTION 4. Quorum. At all meetings of a committee, a majority of the committee's members then in office shall constitute a quorum for the transaction of business.

SECTION 5. Manner of Acting. The acts of a majority of the members of a committee present at any meeting at which there is a quorum shall be the act of such committee.

SECTION 6. Minutes. All committees shall keep regular minutes of their proceedings and report the same to the Board of Trustees when required.

ARTICLE VII

BOOKS, RECORDS, AND REPORTS

SECTION 1. Report to Members. The Association shall send an annual report to the members of the Association not later than four months after the close of each fiscal year of the Association. Such report shall include a balance sheet as of the close of the fiscal year of the Association and a revenue and disbursement statement for the year ending on such closing date. Such financial statements shall be prepared from and in accordance with the books of the Association.

SECTION 2 Inspection of Corporate Records. Any person who is a voting member of the Association shall have the rights, for any proper purpose and at any reasonable time, on written demand stating the purpose thereof, to examine and make copies from the relevant books and records of accounts, minutes, and records of members of the Association. Upon the written request of any voting member, the Association shall mail to such member a copy of the most recent balance sheet and revenue and disbursement statement. If such a request is received by the Association before such financial statements are available for its last fiscal year, the Association shall mail such financial statements as soon as they become available. In any event, the financial statements must be mailed within four months after the close of the last fiscal year. Additionally, balance sheets and revenue and disbursement statements shall be filed in the registered office of the Association and shall be kept for at least five (5) years, and shall be subject to inspection during business hours by any voting member, in person or by agent.

ARTICLE VIII

NON-PROFIT OPERATION

The Association will not have or issue shares of stock. No dividends will be paid. No part of the income or assets of the Association will be distributed to its member, directors, or officers without full consideration. The Association may contract in due course with its members, trustees and officers without violating this provision.

ARTICLE IX

INDEMNIFICATION

The Association shall indemnify each officer and trustee, including former officers and trustees, to the full extent permitted by the Ohio General Corporation Act and the Ohio Not For Profit Corporation Act.

ARTICLE X

AMENDMENTS

These By-Laws may be altered, amended or replace and new By-Laws may be adopted by the Board of Trustees; provided that any By-Laws or amendment thereto as adopted by the Board of Trustees may be altered, amended, or repealed by vote of the members or a new By-Law in lieu thereof may be adopted by the members. No By-Law which has been altered, amended, repealed, or adopted by such a vote of the members may be altered, amended, or repealed by a vote of the Board of Trustees for a period of two (2) years after the action of the members.