CODE OF REGULATIONS

ST. JAMES WOOD PROPERTY OWNERS ASSOCIATION

Section 1. Name and Nature of Association. The Association shall be an Ohio corporation not for profit and shall be called ST. JAMES WOOD PROPERTY OWNERS ASSOCIATION.

Section 2. Membership. The Membership of the Association shall consist of Owners, as defined in the adoption of "St. James Wood Plat I" and Declaration of Restrictions therefor ("Declaration") and any owners of additional lots as set forth in Article V, and Innsbrook Builders, Inc., its successors and assigns ("Innsbrook"). Membership of an Owner shall terminate upon the sale or other disposition by such Owner of his ownership interest in his Lot (as defined in the Declaration), at which time the new Owner shall automatically become a Member of the Association.

Section 3. Voting Rights. There shall be one (1) person with regard to each Lot who shall be entitled to vote at any meeting of the Members. Such person shall be known as a "Voting Member". If two (2) or more persons or entities, whether fiduciaries, tenants in common or otherwise, own undivided interest in the ownership interest in a Lot, such owners shall designate one (1) individual as a "Voting Member". The total number of votes shall be equal to the total number of Lots as of the date of the meeting, and each Lot shall have no more and no less than one (1) equal vote in the association. If one (1) individual or entity owns more than one (1) Lot, such individual or entity shall have the number of votes equal to the number of Lots owned. The vote of a Lot shall not be divisible. Voting rights shall commence from the time the Lot becomes subject to assessments, as set forth in the Declaration.

Section 4. Proxies. Members may vote or act in person or by proxy. The person appointed as proxy need not be a Member of the Association. Designation by a Member or Members of a proxy to vote or act on his or their behalf shall be made in writing to the Board of Trustees ("Board") and shall be revocable at any time by actual notice to the Board by the Member or Members making such designation. Notice to the Board in writing or in open meeting of the revocation of the designation of a proxy shall not affect any vote or act previously taken or authorized.

Section 5. Meetings of Members.

A. Annual Meeting. The annual meeting of Members of the Association for the election of members of the Board, the consideration of reports to be laid before such meeting, and the transaction of such other business as may properly be brought before such meeting shall be held on the fourth (4th) Tuesday of May of each year unless the Board determines that it should be held at a different date. The time of day and place of the meeting shall be designated by the Board.

B. Special Meeting. Special meetings of the Members shall be called upon the written request of the Board by action at a meeting, a majority of the members of the Board acting without a meeting, or by Members entitled to exercise at least twenty-five percent (25%) of the voting power. Such written requests shall specify the time, place and purposes of such meeting and shall be delivered to any Trustee of the Association at least ten (10) days prior to the date fixed for such meeting. No business other than that specified in the call shall be considered at any special meeting.

C. 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 this Code of Regulations to give such notice. The notice shall be given by personal delivery or by mail to each Member of the Association. 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 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 Member 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, the lack of proper notice shall be deemed to be a waiver by him of notice of such meeting.

D. Quroum: Adjournment. At any meeting of the Members of the Association, the Members of the Association (present in person or by proxy) entitled to exercise Fifteen percent (15%) of the voting power of the Association shall constitute a quorum for such meeting; provided, however, that no action required by law, by the Declaration or Declarations, or by this Code of Regulations to be authorized or taken or taken by a lesser percentage, and provided further, 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 6. Actions Without a Meeting. All actions, except removal of a Trustee, may be taken without a meeting with the approval of, and in a writing or writings signed by Members of the Association having the percentage of voting power required to take such action if the same were taken at a meeting. Such writings shall be filed with the Trustees of the Association.

ARTICLE II

BOARD OF TRUSTEES

SECTION 1. Number and Qualification. Until such time as a meeting is held at which Trustees are elected by the Members of the Association, the Board shall consist of three (3) person, all of whom shall be appointed by Innsbrook, and such Board shall exercise all the powers, duties, rights and functions of the Board. The first such meeting at which Trustees are elected by the Members

shall be held within one (1) year of the formation of the Association. At all times after such first meeting, the Board shall consist of seven (7) persons. Except for those persons appointed by Innsbrook, every person nominated and elected to the Board shall be an Owner. A Trustee appointed by Innsbrook need not be an Owner, Resident or Member of the Association but may be any individual competent to contract under the laws of the State of Ohio.

At such first meeting and for the period ending fifteen (15) years after the filing of the Declaration, or upon the sale and occupancy of all lots in St. James Wood Plats, I, II, IV, V, and VI, or until such time as Innsbrook shall assign all its rights, powers, and duties pursuant to any declaration of restrictions or similar instrument for any Plat in St. James Wood to the Association, Innsbrook shall have the right to appoint three (3) Members of the Board. At the end of such 15-year period, all Trustees appointed by Innsbrook shall be automatically removed and their replacements chosen as provided in Section 2 hereof. The Trustees appointed by Innsbrook shall hold office for the same term as other Trustees but may be removed as a Trustee at Innsbrook's pleasure and without cause on three (3) days' written notice by Innsbrook to the Association or to any two (2) Board Members other than the one being removed. Innsbrook shall have the right to appoint replacements for any Trustee appointed by it who shall have resigned or been removed, without the requirement of any concurrence by the Board or the requirement for any Board meeting or membership meeting. A Trustee appointed by Innsbrook who resigns or is removed as a Trustee by Innsbrook and who holds an office of the Association shall forthwith automatically be removed as such officer.

SECTION 2. Election of Trustees, Vacancies. Trustees shall be elected at the annual meeting of Members of the Association, provided that the first meeting at which Trustees are to be elected by the Members may be a special meeting. The candidates receiving the greatest number of votes shall be elected. During such time as Innsbrook shall have, under the terms of Section 1 above, the right to appoint three (3) Members of the Board, Innsbrook shall not cast any votes it may have in the election of the balance of the Board; to wit: the majority thereof, but such majority of the Board shall be elected by the Members exclusive of Innsbrook. Any Lots owned by Innsbrook shall be included, however, for the purpose of determining a quorum at any meeting of the Association at which the election of Trustees takes place. In the event of the occurrence of any vacancy or vacancies in the Board, however caused, the remaining Trustees may call a special meeting of the Members to fill such vacancy or vacancies or may, by vote of a majority of their number, fill any such vacancy until the next annual meetingof the Association; provided, however, that a vacancy in the position filled by appointment by Innsbrook shall be filled by a subsequent appointment by Innsbrook, except such vacancies occurring upon the termination of the 15-year period during which Innsbrook has the right to appoint three (3) Members of the Trustees, and a vacancy in the majority of the Board exclusive of Innsbrook shall be filled by a subsequent appointment of said majority, exclusive of Innsbrook.

SECTION 3. Term of Office; Resignations. Each Trustee shall hold office 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 or in a writing to that effect delivered to the Secretary of the Association, such reisgnation to take effect

immediately or at such time as the Trustee may specify. Trustees shall serve without compensation. The term of the Trustees to be elected at the first annual meeting of the Association (which shall take place in May, 1982) shall be as follows: The term of office of the three (3) Trustees appointed by Innsbrook shall be of an indeterminate term, as said Trustees are appointed by and serve at the pleasure of Innsbrook; however, said Trustees shall serve no longer than as previously set forth in Article II, Section 1. The term of the remaining four (4) Trustees, who are to be elected by the Association, as set forth in Article II, Section 2, shall be as follows: two (2) candidates receiving the highest number of votes shall serve for a two-year term; the two (2) remaining candidates shall serve for a one-year term. Thereafter, at each annual meeting, any Trustees elected shall serve for a two-year term.

SECTION 4. Regular Meetings. Regular meeting of the Board may be held at such times and places as shall be determined by a majority of the Board.

SECTION 5. Special Meetings. Special meetings of the Board may be held at any time upon call by any two (2) Trustees. 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 purposes of the meeting; provided, however, that 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, and 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 hereof, any business may be transacted at any regular or special meeting.

SECTION 6. Quorum; Adjournment. A quorum of the Board 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 or fixed and announced at such meeting. At each meeting of the Board 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 this Code of Regulations.

SECTION 7. Powers and Duties. Except as otherwise provided by law, the Declaration or Code of Regulations, all power and authority of the Association shall be exercised by the Board. In carrying out the purposes of the Association and subject to the limitations prescribed by law, the Declaration or this Code of Regulations, the Board, for and on behalf of the Association, may:

A. make contracts;

B. effect insurance;

C. levy assessments for current operations against the Members, which shall not exceed Twenty Dollars ($20.00) per year, beginning in 1982; any assessment for current operations exceeding $20.00 per year shall be authorized only after an

affirmative vote of two-thirds (2/3) of the Members, which vote may be taken by mail or personally within the discretion of the Trustees;

D. employ lawyers and accountants to perform such legal and accounting services as the Board may authorize within the budget for current operations;

E. do all things permitted by law and exercise all power and authority within the purposes stated in this Code of Regulations or the Declaration, or incidental thereto.

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, except the Trustees appointed by Innsbrook as provided in Section 1 of this Article II, may be removed with or without cause by the vote of the Members of the Association entitled to exercise at least sixty percent (60%) of the voting power of the Association, and a successor or successors 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 may require that all officers and employees of the Association handling or responsible for Association funds shall furnish adequate fidelity bonds. The premium on such bonds shall be paid by the Association.

ARTICLE III

GENERAL PROVISIONS

SECTION 1. Indemnification of Trustees. Each Trustee of the Association and each former Trustee of the Association shall be indemnified by the Association against the costs and expenses reasonably incurred by him in connection with the defense of any pending or threatened action, suit or proceeding, criminal or civil, to which he is or may be a party by reason of his being or having been such Trustee of the Association (whether or not he is a Trustee at the time of incurring such costs and expenses), except with respect to matters as to which he shall be adjudged in such action, suit or proceeding to be liable for misconduct or negligent in the performance of his duty as such Trustee. In case of settlement of any action, suit or proceeding to which any Trustee of the Association or any former Trustee of the Association is made a party or which may be threatened to be brought against him by reason of his being or having been a Trustee of the Association, he shall be indemnified by the Association against the costs and expenses (including the cost of settlement) reasonably incurred by him in connection with such action, suit or proceeding (whether or not he is a Trustee at the time of incurring such costs and expenses), if (a) the Association shall be advised by independent

counsel that such Trustee did not misconduct himself or was not negligent in the performance of his duty as such Trustee with respect to the matters covered by such action, suit or proceeding, and the cost to the Association of indemnifying such Trustee (and all other Trustees, if any, entitled to indemnification hereunder in such case), if such action, suit or proceeding were carried to a final adjudication in their favor, could reasonably be expected to exceed the amount of c osts and expenses to be reimbursed to such Trustees as a result of such settlement; or (b) disinterested Association Members entitled to exercise a majority of the voting power shall, by vote at any annual or special meeting of the Association, approve such settlement and the reimbursement to such Trustee of such costs and expenses. The phrase "disinterested members" shall mean all Members of the Association other that (i) any Trustee of the Association who at the time is or may be entitled to indemnification pursuant to the foregoing provisions, (ii) any corporation or organization of which any such Trustee owns of record or beneficially ten percent (10%) or more of any class of voting securities, (iii) any firm of which any Trustee is a partner, and (iv) any spouse, child, parent, brother or sister of any such Trustee. The foregoing rights of indemnification shall inure to the benefit of the heirs and legal representatives of each such Trustee and shall not be exclusive of any rights to which any Trustee may be entitled as a matter of law or under the Declaration, any vote of the Association Members or any agreement.

SECTION 2. Rules. The Association, by vote of Members entitled to exercise 55% of the voting power of the Association or the Board may adopt such reasonable rules and form time to time amend the same as it or they may deem advisable for the use, administration, maintenance, conservation and beautification of the Common Open Space and for the health, comfort, safety and general welfare of those provisions of the Declaration or this Code of Regulations. The provisions of the Declaration and of this Code of Regulations shall govern.

SECTION 3. Amendments. This Code of Regulations may be amended by the record Owners of all real property subject to the Declaration or by Members exercising not less than fifty-five percent (55%) of the voting power of the Association.

SECTION 4. Definitions. The terms used in this Code of Regulations (except as herein otherwise expreslly provided or unless thecontext otherwise requires), for all purposes of this Code of Regulations and of any amendments hereto, shall have the respective meanings specified in the Declaration.

ARTICLE IV

COVENANTS FOR ASSESSMENTS

SECTION 1. Creation of Lien and Personal Obligation for Assessments. Innsbrook Investors hereby covenants and agrees and all Owners of any real property within St. James Wood and all Members of the Association hereby covenant and agree, by acceptance of a deed thereofor, whether or not it shall be so expressed in any such deed or other conveyance, and with a two-thirds (2/3) vote of theAssociation as set forth in Article II of the Declaration or similar provisions in other declarations, to agree to pay to the Association

all assessments provided in this Article IV. A Lot shall be deemed subject to assessments herein provided commencing with the calendar month following the calendar month in which the Lot is "fully improved," which shall be interpreted to include the installation of required streets and utilities serving such Lots. Except as hereinabove provided, real property within St. James Wood shall not be subject to assessments by the Association.

All assessments, together with interest thereon and costs of collection thereof as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with such interest thereon and cost of collection thereof as hereinafter provided, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment became due and of certain subsequent owners, as hereinafter provided in Section 7 of this Article IV.

SECTION 2. Budgets and Assessments. Each year on or before December 1, beginning in 1982, the Association shall estimate the total amount necessary during the next calendar year (Current Operating Budget) to pay (a) the cost of maintaining, operating and improving the Common Open Space, together with its properties, services, facilities and improvements, including, without limiting the generality of the foregoing, the payment of any taxes and insurance thereon, the payment of any repairs, replacements and additions thereto, the cost of labor, equipment, materials, supplies and accessories therefor, and the salaries of employees, managers and supervisors thereof; and (b) the cost of maintaining the berms and median strips within the rights-of-way of certain dedicated streets and roads, and common electrial expenses; and (c) if the Association so determines, a reasonable amount considered to be necessary for a Reserve for Nonrecurring Expenses and Capital Improvements, to be set for each year in a separate budget, a "Capital Expense Budget." Said "Capital Expense Budget" shall not exceed One Thousand Dollars ($1,000.00) per year and shall be an itemized part of the Current Operating Budget"; however, under no circumstances may the total annual assessment for current operations and capital expenses, taken together, exceed the amount set forth in Article II, Section 7(C) without an affirmative vote of two-thirds (2/3) of the Members.

Notwithstanding anything to the contrary herein contained, the Board of Trustees of the Association may at any time determine that all future assessments for the Reserve for Nonrecurring Expenses and Capital Improvements shall be held in a separate account of the Association with a financial institution and not by a Trustee. Upon notice from the Board of the Association of such determination, Members shall thereafter pay directly to the Association all assessments for such Reserve.

SECTION 4. Failure to Prepare Annual Budget. The failure or delay of the Association to prepare or deliver the estimated cash requirement shall not constitute a waiver or release in any manner of the Members' obligations to pay the assessments as herein provided whenever the same shall be determined.

SECTION 5. Certificate. The Association shall, upon demand at any time, furnish to any Owner a certificate in writing signed by a Trustee of the Association, setting forth whether the assessments levied against such Owner's Lot have been paid. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid.

Section 6. Effect of Non-Payment of Assessment. If any assessment or installment thereof is not paid by an Owner within thirty (30) days after the date when due, then the entire assessment for such calendar year shall become immediately due and payable, shall thereafter bear interest at the maximum rate provided under Ohio law, and shall thereupon become a continuing lien on all property of the Owner upon which such assessments were levied, which lien shall bind such property in the hands of the then Owner, his heirs, devisees, personal representatives, successors and assigns, as the case may be. The Owner of the property at the time any such assessment becomes due shall be personally liable therefor. Furthermore, in a voluntary conveyance of a Lot, other than by deed in lieu of foreclosure to a first mortgagee, the grantee shall be jointly and severally liable with the grantor for all unpaid assessments levied by the Association against such Lot prior to the time of the conveyance, without prejudice to the grantee's right to recover from the grantor the amounts paid by the grantee therfor. However, such prospective grantee shall, upon written request, be entitled to a statement from the Board of Trustees of the Association setting forth the amount of all unpaid assessments due the Association with respect to the ownership interest to be conveyed, and such grantee shall not be liable for, nor shall the Lot conveyed be subject to a lien for any unpaid assessments which become due prior to the date of the making of such request if the same were not set forth in such statement.

The Association may bring an action at law against the Owner and/or previous Owner(s) personally obligated to pay any delinquent assessment. The Association may also seek, in the same action or in a subsequent action, to foreclose the lien against the property. There shall be added to the amount of the assessment the costs of preparing and filing the complaint in any such action, and in the event a judgment is obtained, such judgment shall include interest on the assessment as above provided, and a reasonable attorney's fee to be fixed by the court, together with the costs of the action.

Section 7. Subordination of the Lien to First Mortgages. The lien of assessments provided for herein shall be subordinate to the lien of any first mortgages now or hereafter placed upon a Lot subject to assessment; provided, however, that such subordination shall apply only to the lien of assessments which have become due and payable prior to any sale or transfer of such property pursuant to a decree of foreclosure or any proceeding in lieu of foreclosure. Such sale or transfer shall not relieve the new property Owner from liability for any assessment thereafter becoming due, or for that portion of any assessment previously due but which is attributable to a period of time after such sale or transfer (which portion of such assessment shall be due and payable within thirty (30) days after such sale or transfer), nor from the lien or any such assessment.

ARTICLE V

PROPERTY SUBJECT TO PROPERTY OWNERS ASSOCIATION

SECTION 1. Existing Property and Members. All those Lots located in St. James Wood Plats I, II, IV, V and VI, a Subdivision in Sylvania Township, Lucas County, Ohio, and the owners thereof and Innsbrook are members of the St. James Wood Property Owners Association as hereinbefore stated.

SECTION 2. Additions to Existing Membership. Innsbrook from time to time may add additional members to the Association. However, additional membership shall be limited to the owners of the real property in any subsequent Plats in St. James Wood Subdivision, and any declaration of restrictions therefor. Such addition shall be by the execution of an amendment by Innsbrook amending the original Code of Regulations of the Association, adding additional members to the membership of the Association.

Each owner and each resident, by the act of becoming such, shall be taken to have acknowledged and agreed (i) that the members of the Association shall be limited to the owners of those Lots in St. James Wood Subdivision or any subsequent Plats therein, as may be added by the amendment of the original Code of Regulations of the Association; (ii) that neither anything contained in this Declaration nor in any map, picture, drawing, brochure, or other representation of a scheme of development shall be construed as requiring Innsbrook to subject to this Code of Regulations any additional property or add to the membership of the Association any additional members; and (iii) that the only manner in which any additional members can be added to the Association shall be by and in accordance with the procedure set forth in this Section 2 of Article V. The fact that terms or provisions set forth in separate or additional adoptions of Plats for the various Plats in St. James Wood or any Code of Regulations established for any property owners associations thereunder or additional declarations and agreements may be similar or identical, in whole or in part, to those set forth in the adoption of "St. James Wood, Plat I" and Declaration of Restrictions therefor, or in this Code of Regulations, shall not be construed to mean that it was the intent or purpose therein to subject any additional property or lands to such adotpion of St. James Wood Plat I or to such Declaration of Restrictions or the Code of Regulations therefor, or any terms or pvosisions hereof.