***Exhibit B***

**NOB HILL CONDOMINIUMS**

**Chagrin Falls, Ohio**

**By-laws**

**of**

**Nob Hill Condominium Owners’ Association, Inc.**

This Instrument Prepared by:

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**NOB HILL**

**CONDOMINIUM OWNERS’ ASSOCIATION, Inc.**

***Exhibit B***

**By-laws of Nob Hill Condominium Owner’s Association, Inc.**

The within Bylaws are executed and attached to the Declarations of Nob Hill

Condominiums pursuant to Chapter 5311, Ohio Revised Code. Their purpose is to

provide for the establishment of a Unit Owner’s Association for the government of the

Condominium Property in the manner provided by the Declaration and these By-laws.

All present or future owners or tenants or their employees, or any other person who

might use the facilities of the Condominium Property in any manner shall be subject to

the covenants, provisions or regulations contained in the Declaration and these By-laws

and shall be subject to any restrictions, conditions or regulations hereafter adopted by the

Board of Managers of the Association.

The mere acquisition or rental of any of the Family Units (here-in-after referred to as

“Units”) located within the Condominium Property described in the Declaration, or the

mere act of occupancy of any of the units will constitute acceptance and ratification of the

Declaration and the By-laws.

**1.**

**Nob Hill Condominium Owners’ Association: By-laws (cont.)**

**ARTICLE I**

**The Association**

**Section 1. Name and Nature of Association**

The Association shall be an Ohio Corporation not for profit, and shall be called Nob

Hill Condominium Owners’ Association, Inc.

**Section 2. Membership**

Each unit owner, upon acquisition of title to a unit, shall automatically become a

member of the Association. Such membership shall terminate upon the sale or other

disposition by such member of his unit, at which time the new owner of the unit shall

automatically become a member of the Association.

**Section 3. Voting Rights**

There shall be one voting member for each of the units comprising the Condominium

Property. The total number of votes of all voting members shall be one hundred (100) and

each owner or group of owners shall be entitled to the number of votes equal to the total

percentage of ownership in the Common Areas and Facilities applicable to his unit

ownership 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

**2.**

**Nob Hill Condominium Owners’ Association: By-laws (cont.)**

vote or act on his or their behalf shall be made in writing to the Board of Managers of the

Association and shall be revocable at any time by actual notice to the Board of Managers

by the member or members making such designation.

Notice to the Board of Managers in writing or in open meeting of the revocation of the

of the designation of a proxy shall not affect any vote or act previously taken or

authorized.

**Section 5. Meeting of Members**

**A.** **Annual Meeting**

The Annual Meeting of members of the Association for the election of members

of the Board of Managers, 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 at the office of the Association or at such other

place within the Village of Chagrin Falls, Ohio, as may be designated by the Board

of Managers and specified in the notice of such meeting at 8:00 P.M., or at such

other time as may be designated by the Board of Managers and specified in the

notice of the meeting. The first annual meeting of the Association shall be held

when at least sixty (60) units are sold, or by May 23, 1972, whichever shall first

occur. Thereafter, the Annual Meeting of the Association shall be held in each

succeeding year thereafter, on the first Tuesday of the month in which the first

annual meeting was held, if not a legal holiday, and if a legal holiday, then on the

succeeding business day.

**3.**

**Nob Hill Condominium Owners’ Association: By-laws (cont.)**

**B. Special Meetings**

Special meetings of the members of the Association may be held on any

business day when called by the President of the Association, or by the Board of

Managers of the Association, or by members entitled to cast at least thirty-three

percent (33%) of the votes of the Association.

Upon request in writing, delivered either in person or by Certified Mail to the

President or the Secretary of the Association by any person entitled to call a

meeting of members, such officer shall forthwith cause to be given to the member

entitled thereto notice of a meeting to be held on a date not less than seven (7) or

more than sixty (60) days after the receipt of such request as such officer may fix.

If such notice is not given thirty (30) days after the delivery or mailing of the

request, the person calling the meeting may fix the time of the meeting and give

notice thereof.

Each special meeting shall be called to convene at 8:00 o’clock P.M. and shall

be held at the office of the Association or at such place within the Village of

Chagrin Falls, Ohio, as shall be specified in the notice of meeting

**C. Notice 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 or any other person or persons

required or permitted by these By-laws to give such notice. The notice shall be

**4.**

**Nob Hill Condominium Owners’ Association: By-laws (cont.)**

by personal delivery or by mail to each member of the Association who is a unit

owner of record as of the day preceding the day on which notice is given.

If mailed, the notice shall be addressed to members of the Association at their

respective addresses as they appear on the records of the Association. notice of

the time, place, and purpose 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

record of the meeting.

The attendance of any member of the Association at any meeting without

protesting, prior to or at the commencement of the meeting, the lack of proper

notice, shall be deemed as a waiver by him of notice of such meeting.

**D. Quorum: Adjournment**

Except as may be otherwise provided by law or by Declaration, at any meeting

of 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.

No action may be authorized or taken by a lesser percentage than required by

law, by the Declarations, or by these Bylaws. The members of the Association

**5.**

**Nob Hill Condominium Owners’ Association: By-laws (cont.)**

entitled to exercise a majority of the voting power represented at the 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.

**E. Order of Business**

The order of business at all meetings of members of the Association shall be as

follows: **1.)** Calling the meeting to order;

**2.)** Proof of notice of meeting, or waiver of notice;

**3.)** Reading of the Minutes of the preceding meeting;

**4.)** Report of Officers;

**5.)** Report of Committees;

**6.)** Election of Inspectors of election;

**7.)** Election of Managers;

**8.)** Unfinished and/or old business

**9.)** New Business;

**10.)** Adjournment.

**F. Actions without a Meeting**

All sections, except removal of a Manager, which may be taken at a meeting of

the Association, may be taken without a meeting with the approval of, and in

writing or writings signed by members having the percentage of voting power

required to take such action if same were taken at a meeting. Such writings shall

be filed with the Secretary of the Association

**6.**

**Nob Hill Condominium Owners’ Association: By-laws (cont.)**

**ARTICLE II**

**Board of Managers**

**Section 1. Number and Qualifications**

The Board of Managers shall consist of five persons, except as otherwise provided,

all of whom must be owners of a unit.

If at any time, one bank, savings and loan association, insurance company or other

lending institution shall hold mortgages upon more than fifty percent (50%) of the

units, such lending institutions may designate its representative who shall be a sixth

member of the Board of Managers. Such representative need not be an owner or

occupier of a unit

**Section 2. Election of Managers: Vacancies**

The required Managers shall be elected at each annual meeting of members of the

Association. Only person nominated ad candidates shall be eligible for election as

Managers and the candidates receiving the greatest number of votes shall be elected. Each

member may vote as many candidates as there are vacancies in the Board of Managers,

however caused.

The remaining Managers, though less than a majority of the authorized number of

Managers, may by the vote of a majority of their number, fill any vacancy for the

**7.**

**Nob Hill Condominium Owners’ Association: By-laws (cont.)**

unexpired term: provided, however, that a vacancy in the position of a representative of

a lending institution as provided in Section 1. of this Article II, if any shall be filled by

such lending institution.

**Section 3. Term of Office: Resignations**

Each Manager shall hold office until the next annual meeting of the Association and

until his successor is elected, or until his earlier resignation, removal from office or

of the Board of Directors or in writing to that effect delivered to the Secretary of the

Association: such resignation shall take effect immediately or at such other time as the

Manager may specify.

Member of the Board of Managers shall serve without compensation.

At the first Annual Meeting of the members of the Association , the term of office of

three (3) Managers shall be fixed so that such term will expire one year from the date of

the next Annual Meeting of members of the Association. ***(Term to expire in 1973 an***

***odd year.)*** The term of office of the remaining two (2) Managers shall be fixed so that

such term will expire on the date of the Annual Meeting two (2) years from the date of

the first Annual Meeting. ***(Term to expire in 1974 an even year.)***

At the expiration of such initial term of office of each respective Manager, his

successor shall be elected to serve for a term of two (2) years.

**8.**

**Nob Hill Condominium Owners’ Association: By-laws (cont.)**

**Section 4. Organization Meeting**

Immediately after each Annual Meeting of members of the Association , the newly

elected Managers and those Managers 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 Managers may be held at such times and places as

shall be determined by a majority of the Managers, but at least four (4) such meetings

shall be held during each fiscal year.

**Section 6. Special Meetings**

Special meeting of the Board of Managers may be held at any time upon call by the

President or any two Managers. Written notice of the time and place of each such meeting

shall be given to each Manager either by personal delivery or by mail, telegraph or

telephone at least two (2) days before the meeting, which notice need not specify the

purpose of the meeting; provided, however, that attendance of any Manager 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

**9.**

**Nob Hill Condominium Owners’ Association: By-laws (cont.)**

Manager, which writing shall be filed with or entered upon the record of the meeting.

Unless otherwise indicated in the notice thereof, any business may be transacted at any

organization, regular, or special meeting.

**Section 7. Quorum; Adjournment**

A quorum of the Board of Managers shall consist of a majority of the Managers then

in office; provided that a majority of the Managers present at the 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 Managers at which a quorum is present, all questions and

business shall be determined be a majority vote of those present, except as may be

otherwise expressly provided in the Declaration or in these By-laws.

**Section 8. Removal of Managers**

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 Managers, except the Managers, if any,

acting as a representative of a lending institution, may be removed with or without cause

by the vote of members entitled to exercise at least seventy-five percent (75%) of voting

power of the Association, and a successor or successors to such Manager or Managers so

**10.**

**Nob Hill Condominium Owners’ Association: By-laws (cont.)**

removed shall then and there be elected to fill the vacancy or vacancies thus created. Any

Manager whose removal has been prepared by the members of the Association shall be

given an opportunity to be heard at such meeting.

**Section 9. Fidelity Bonds**

The Board of Managers 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.

**11.**

**Nob Hill Condominium Owners’ Association: By-laws (cont.)**

**ARTICLE III**

**Officers**

**Section 1. Election and Designation of Officers**

The Board of Managers shall elect a President, a Vice-President, a Secretary and

Treasurer, each of whom shall be a member of the Board of Managers. The Board of

Managers may also appoint an Assistant Treasurer and an Assistant Secretary and such

officers as in their judgment may be necessary who are not members of the Board of

Managers but who are members of the Association, or persons who could be heirs-at-law

of a unit owner under “Ohio statutes of descent and distribution” provided they are

occupiers of a unit.

**Section 2. Term of Office; Vacancies**

The officers of the Association shall hold office until the next organization meeting of

The Board of Managers and until their successors are elected, except in case of

resignation, removal from office or death. The Board of Managers may remove ay officer

at any time with or without cause by a majority vote of the Managers then in office. Any

vacancy in any office may be filled by the Board of Managers.

**Section 3. President**

The President shall be the chief executive officer of the Association. He/She shall

preside at all meetings of members of the Association and shall preside at all meetings of

the Board of Managers.

**12.**

**Nob Hill Condominium Owners’ Association: By-laws (cont.)**

Subject to directions of the Board of Managers, the President shall have general

executive supervision over the business and affairs of the Association. He/She may

execute all authorized deeds, contracts, and other obligations of the Association and shall

have such other authority and perform such other duties as may be determined by the

Board of Managers or otherwise provided for in the Declaration or in these By-laws.

**Section 4. Vice-President**

The Vice-President shall perform the duties of the President whenever the President

is unable to act and shall have such other authority and perform such other duties as may

be determined by the Board of Managers.

**Section 5. Secretary**

The Secretary shall keep the Minutes of meetings of the members of the Association

and the Board of Managers. He/She shall keep such books as may be required by the

Board of Managers, shall give notices of meetings of members of the Association and of

the Board of Managers required by law, or by these By-laws or otherwise, and shall have

such authority and shall perform such other duties as may be determined by the Board of

Managers

**Section 6. Treasurer**

The Treasurer shall receive and have in charge all money, bills, notes, and similar

property belonging to the Association, and shall do with the same as may be directed by

the Board of Managers.

**13.**

**Nob Hill Condominium Owners’ Association: By-laws (cont.)**

He/She shall keep accurate financial accounts and hold the same open for inspection

and examination of the Managers and shall have such authority and shall perform such

other duties as may be determined by the Board of Managers.

**Section 7. Other Officers**

The Assistant Secretaries and Assistant Treasurers, if any, and any other officers

whom the Board of Managers may appoint shall, respectively, have such authority and

perform such duties as may be determined by the Board of Managers.

**Section 8. Delegation of Authority and Duties**

The Board of Managers 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.

**14.**

**Nob Hill Condominium Owners’ Association: By-laws (cont.)**

**ARTICLE IV**

**General Powers of the Association**

**Section 1. Payments from Maintenance Funds**

The Association, for the benefit of all the owners, shall acquire, and shall pay out of

The maintenance fund hereinafter provided for, the following:

**A. Utility Services** The cost of water, waste removal, electricity, telephone, heat,

power or any other necessary utility service for the Common Areas and Facilities.

The cost of waterlines, waste removal or any utilities which are not separately

metered or otherwise directly charged to individual owners. In the event any utility

service for a Family Unit is paid by the Association for less than all Family Unit

owners, the Association shall charge monthly to such Family Unit owner an

estimated cost for such usage, however, the Association may discontinue such

payments at any time, in which case each owner shall be responsible for direct

payment of his/her share of such expense as shall be determined by the Board of

Managers of the Association.

The Association reserves the right to levy additional assessments against any

owner to reimburse it for excessive use, as shall be determined by the Board of

Managers, by such owner of any utility service having been charged against or to

the maintenance fund;

**15.**

**Nob Hill Condominium Owners’ Association: By-laws (cont.)**

**B. Casualty Insurance** The premium upon a policy or policies of fire insurance,

with extended coverage, vandalism and malicious mischief endorsements, as

provided in the Declaration, the amount of which insurance shall be reviewed

annually;

**C. Liability Insurance** The premium upon a policy or policies insuring the

Association, the members of the Board, and the owners against any liability to the

public or to the owners (of units and of the Common Areas and Facilities, and

their invitees or tenants), incident to the ownership and/or use of the Common

Areas and Facilities, as provided in the Declaration, the limits of which policy shall

be reviewed annually;

**D. Worker’s Compensation** The costs of Worker’s Compensation Insurance to

the extent necessary to comply with any applicable laws;

**E. Wages and Fees for Services** The fees for services of any person or firm

employed by the Association, including, without limitation, the services of a

person or firm to act as a manager or managing agent for the Condominium

Property, the services of any person or persons required for the maintenance or

operation of the Condominium Property (including a Recreation Director, if any),

and legal and/or accounting services necessary or proper in the operation of the

Condominium Property, or the enforcement of the Declaration and these By-laws

and for the organization, operation and enforcement of the rights of the

Association;

**16.**

**Nob Hill Condominium Owners’ Association: By-laws (cont.)**

**F. Care of Common Areas and Facilities** The cost of landscaping, gardening,

snow removal, painting, cleaning, tuck pointing, maintenance, decorating, repair

and replacements of the Common Areas and Facilities (but not including the

interior surfaces of the units or the limited Common Areas and Facilities, which

the owner shall paint, clean, decorate, maintain and repair), the painting, cleaning

and decorating of the exterior surfaces of the building, the operating of the

swimming pool and other recreational facilities situated on the Common Areas

and Facilities, and such furnishing and equipment for the Common Areas and

Facilities as the Association shall determine are necessary and proper, and the

Association shall have exclusive right and duty to acquire the same for the

Common Areas and Facilities;

**G. Certain Maintenance of Units** The cost of the maintenance and repair of any

unit or Limited Common Areas and Facilities if such maintenance or repair is

necessary, in the discretion of the Association, to protect the Common Areas and

Facilities, or any other portion of a building, and the owner or owners of said unit

have failed or refused to perform said maintenance or repair within a reasonable

time after written notice of the necessity of said maintenance or repair delivered by

the Association to said owner or owners, provided that the Association shall levy

special assessment against such unit owner for the cost of said maintenance or

repair;

**17.**

**Nob Hill Condominium Owners’ Association: By-laws (cont.)**

**H. Discharge of Mechanic’s Liens** Any amount necessary to discharge any

mechanic’s lien or other encumbrance levied against the entire Condominium

Property or any part thereof which may in the opinion of the Association

constitute a lien against the entire Condominium Property rather than merely

against the interests therein of particular owners; is being understood, however,

that the foregoing authority shall not be in litigation or any statutory provisions

relating to the same subject matter. Where one or more owners are responsible

for the existence of such lien, they shall be jointly and severally liable for the

cost of discharging it and any cost incurred by the Association by reason of said

lien or liens shall be specially assessed to said owners;

**I. Additional Expenses** The cost of any materials, supplies, furniture, labor,

services, maintenance, repairs, structural alterations, insurance, “common

expenses” or assessments which the Association is required to secure or pay for

pursuant to the terms of the Declaration and these By-laws or which in its opinion

shall be necessary or proper for the maintenance and operation of the

Condominium Property as a first class condominium project or for the enforcement

of the Declaration and these By-laws.

**Section 2. Capital Additions and Improvements**

The Association’s powers hereinabove enumerated shall be limited in that the

Association shall have no authority to acquire and pay for out of the maintenance fund

**18.**

**Nob Hill Condominium Owners’ Association: By-laws (cont.)**

Any capital additions and improvements (other than for purposes of replacing or

restoring portions of the Common Areas and Facilities, subject to all the provisions

of the Declaration and these By-laws) having a total cost in excess of One Thousand

Dollars ($1,000.00), nor shall the Association authorize any structural alterations,

capital additions to, or capital improvements of the Common Areas and Facilities

requiring an expenditure in excess of One Thousand Dollars ($1,000.00), without

in each case the prior approval of the members of the Association entitled to exercise

a majority of the voting power of the Association.

**Section 3. Association’s Right to Enter Units**

The Association or its agents may enter any unit when necessary in connection with

any maintenance or construction for which the Association is responsible. Such entry

shall be made with as little inconvenience to the owners as practicable, and any

damage caused thereby shall be repaired by the Association, at the expense of the

maintenance fund.

The Association reserves the right to retain a pass key to each unit and no locks or

other devices shall be placed on the doors to the units to obstruct entry through the use

of such pass key. In the event of any emergency originating in or threatening any unit

at a time when required alterations or repairs are scheduled, the management agent or

his representative or any other person designated by the Board of Managers may enter

the unit immediately, whether present or not.

**19.**

**Nob Hill Condominium Owners’ Association: By-laws (cont.)**

**Section 4. Rules and Regulations**

The Association, by vote of the members entitled to exercise a majority of the

voting power of the Association, may adopt such reasonable rules and regulations and

from time to time amend the same, supplementing the rules and regulations set forth in

the Declaration and these By-laws as it may be advisable for the maintenance,

conservation, ad beautification of the Common Property, and for the health, comfort,

safety and general welfare of the members and occupants of the Condominium

Property. Written notice of such rules and regulations shall be given to all owners and

occupants, and the Condominium Property shall be maintained subject to such rules

and regulations.

In the event such supplemental rules and regulations shall conflict with any

provisions of the Declaration or these By-laws, the rules and regulations of the

Declaration and these By-laws shall govern.

**Section 5. No Active Business to be Conducted for Profit**

Nothing herein contained shall be construed to give the Association authority to

Conduct an active business for profit on behalf of all the owners or any of them.

**Section 6. Special Services**

The Association may arrange for the provision of any special services and facilities

For the benefit of such owners and/or occupants as may desire to pay for the same,

**20.**

**Nob Hill Condominium Owners’ Association: By-laws (cont.)**

including, without limitation, cleaning, repair and maintenance of units and provisions

of special recreational, educational, or medical facilities. Fees for such special

services and facilities shall be determined by the Board of Managers and may be

charged directly to participating owners, or paid from the maintenance fund and

levied as a special assessment due from the participants.

**Section 7. Delegation of Duties**

Nothing herein contained shall be construed so as to preclude the Association,

through its Board of Managers and officers, from delegating to persons, firms or

corporations of its choice, including any manager or managing agent, such duties and

responsibilities of the Association as the Managers of the Association shall from time

to time specify, and to provide for reasonable compensation for the performance of

such duties and responsibilities.

**Section 8. Applicable Laws**

The Association shall be subject to and governed by the provisions of any statute

at any time and applicable to property submitted to the Condominium form of

ownership (including, without limitation, ***Chapter 5311, Ohio Revised Code***),

provided, however, that all inconsistencies between or among the permissive

provisions of any statute and any provision of the Declaration and these By-laws,

shall be resolved in favor of the Declaration and these By-laws, and any

**21.**

**Nob Hill Condominium Owners’ Association: By-laws (cont.)**

inconsistencies between any statute applicable to associations formed to administer

property submitted to the Condominium form of ownership, shall be resolved in favor

of the latter statute.

In the event of any conflict or inconsistency between the provisions of the

Declaration and the Articles or By-laws of the Association, the terms and provisions of

the Declaration shall prevail, and the owners and all persons claiming under the

covenant to vote in favor of such amendments in the Articles or By-laws as will

remove such conflicts or inconsistencies.

**Section 9. Miscellaneous Issues**

The Association may own or enter into agreements for the lease of washing

machines, dryers, vending machines and other facilities for the convenience of the

owners. In the event such items create a profit, these funds shall be added to the

maintenance fund. Further, all monies received for rental of parking spaces, usage of

party room and swimming pool, if any, shall be added to the maintenance fund. The

above enumerated items of income and any other monies received other than through

assessments shall be used to defray the items of common expense.

**22.**

**Nob Hill Condominium Owners’ Association: By-laws (cont.)**

**ARTICLE V**

**Determination and Payment of Assessments**

**Section 1. Obligation of Owners to Pay Assessments**

It shall be the duty of every owner to pay his/her proportionate share of the

administration, maintenance, and repair of the Common Areas and Facilities and of the

other expenses provided for herein. Such proportionate shall be the same in the same ratio

as his/her percentage of ownership in the Common Areas and Facilities as set forth in the

Declaration. Payment thereof shall be in such amount and at such times as may be

determined by the Board of Directors of the Association, as hereinafter provided.

**Section 2. Preparation of Estimated Budget**

Each year on or before December 1st , the Association shall estimate the total amount

necessary to pay the cost of wages, materials, insurance, services, and supplies which will

be required during the ensuing calendar year for the rendering of all services, together

with a reasonable amount considered by the Association to be necessary for a reserve for

contingencies and replacement, *(In amount equal to 10% of proposed Annual Budget as*

*required by Ohio Statute)* and shall on or before December 15th notify each owner in

writing as to the amount of such estimate, with reasonable itemization the said “estimated

cash requirement” shall be assessed to the owners according to each owner’s percentage

of ownership in the Common Areas and Facilities as set forth by Declaration.

**23.**

**Nob Hill Condominium Owners’ Association: By-laws (cont.)**

On or before January 1st of the ensuing year, and the 1st of each and every month of

the said year, each owner shall be obligated to pay the Association, or as it may direct,

one-twelfth (1/12th) of the assessment made pursuant to this paragraph. On or before the

date of the Annual Meeting in each calendar year, the Association shall supply to all

owners, an itemized accounting of the maintenance expenses actually incurred in the

preceding year, together with a tabulation of the amounts collected pursuant to the

estimates provided, and showing the net over or (short) of the actual expenditures plus

reserves. Any amount accumulated in excess of amount required for actual expenses

and reserves shall be credited according to each owner’s percentage of ownership in the

Common Areas and Facilities to the next monthly installments due from owners under

the current year’s estimate, until exhausted, and any net shortage shall be added to each

owner’s percentage of ownership in the Common Areas and Facilities to the installments

due in the succeeding six months after rendering of the accounting.

**Section 3. Reserve for Contingencies and Replacements**

The Association shall build and maintain a reasonable reserve for contingencies and

replacement *(Now an amount equal to 10% of the Annual Budget is required by statute)*.

Extraordinary expenditures not originally included in the Annual Budget estimate which

may be necessary for the year, shall be charged against the reserve. If said “estimated

cash requirement” proves inadequate for any reason, including non-payment of any

owner’s assessment, the same shall be assessed to the owners according to each owner’s

**24.**

**Nob Hill Condominium Owners’ Association: By-laws (cont.)**

percentage of ownership in the Common Areas and Facilities. The Association shall serve

notice on all owners by a statement in writing giving the amount and reasons therefore,

and such further assessments shall become effective with the first monthly maintenance

payment which occurs more than ten (10) days after the delivery or mailing of such notice

of further assessment. All owners shall be obligated to pay the adjusted amount.

**Section 4. Budget for First Year**

When the first Board of Directors elected hereunder take office, the Association shall

determine the “estimated cash requirements as hereinabove defined, for the period

commencing thirty (30) days after said election and ending December 31st of the calendar

year in which said election occurs. Assessments shall be levied against owners during

said period as provided in ARTICLE V, Section 2.

**Section 5. Failure to Prepare Annual Budget**

The failure or delay of the Association to prepare or serve the annual adjusted estimate

on the owner shall not constitute a waiver or release in any manner of such owner’s

obligation to pay the maintenance cost and necessary reserves, as herein provided,

whenever the same shall be determined. In the absence of any annual estimate or adjusted

estimate, the owner shall continue to pay the monthly maintenance charge at the existing

monthly rate established for the previous period until the first monthly maintenance

payment which occurs more than ten (10) days after such new annual or adjusted estimate

shall have been mailed or delivered

**25.**

**Nob Hill Condominium Owners’ Association: By-laws (cont.)**

**Section 6. 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 reasonable times and upon request by an owner. Upon ten

(10) days notice to the Board of Managers and upon payment of a reasonable fee, any

unit owner shall be furnished a statement of his account setting forth the amount of

any unpaid assessment or other charge due and owing from such owner.

**Section 7. 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

use, benefit and account of all the owners in proportion to each owner’s percentage

ownership in the Common Areas and Facilities as provided by the Declaration.

**Section 8. Assessments Prior to Organization of Association**

Until such time as the Association is organized, monthly assessments in the amount

of one-tenth of one percent (1/10th of 1%) of the purchase price per unit shall be paid

by the owner of each unit and such sums shall be deposited with a bank or savings and

loan association in Cuyahoga County, Ohio, for the account of and for the benefit of

the Association. Such payments in such amount shall continue to be paid until the

**26.**

**Nob Hill Condominium Owners’ Association: By-laws (cont.)**

amount thereof shall be adjusted in accordance with the provisions of the Declaration

and these By-laws immediately following the organization of the Association.

**Section 9. Annual Audit**

The books of the Association shall be audited once a year by the Board of

Managers, and such audit shall be completed prior to each Annual Meeting. If

requested by two (2) members of the Board of Managers, such audit shall be made by

a Certified Public Accountant. In addition and at any time if requested by owners of

thirty-one (31) or more units, the Board of Managers shall cause an additional audit to

be made.

**Section 10. Remedies for Failure to Pay Assessments**

If any owner is in default in the monthly payment of the aforesaid charges or

assessments for thirty (30) days, the members of the Board of Managers may bring suit

for and on behalf of themselves and as representatives of all owners, to enforce

collection thereof or to foreclose the lien therefore as provided in the Declaration.

There shall be added to the amount due the costs of said unit, together with legal

interest and reasonable attorneys’ fees to be fixed by the Court. To the extent

permitted by the Declaration, any decision or any statute or law now or hereafter

effective, the amount of any delinquent and unpaid charges or assessments, and

interest, costs and fees as above provided, shall be a lien or charge against the unit

ownership of the owner involved when payable, and may be foreclosed by an action

**27.**

**Nob Hill Condominium Owners’ Association: By-laws (cont.)**

brought in the name of the Board of Managers as in the case of foreclosure or liens

against real estate, as provided in the Declaration.

As provided in the Declaration, the members of the Board of Managers and their

successors in office acting on behalf of the other unit owners, shall have the power to

bid in the interest so foreclosed at foreclosure sale, and to acquire and hold, lease,

mortgage and convey the same. Any encumbrancer may from time to time request in

writing a written statement from the Board of Managers setting forth the unpaid

common expenses with respect to the unit covered by his encumbrance and unless the

request shall be complied with within twenty (20) days, all unpaid common expenses

which become due prior to the date of the making of such request shall be subordinate

to the lien of such encumbrance. Any encumbrancer holding a lien on a unit may pay

any unpaid common expenses payable with respect to such unit and upon payment

such encumbrancer shall have a lien on such unit for the amounts paid at the same

rank as the lien of his encumbrance

**Section 11. Security Deposits from Certain Owners**

If in the judgment of the Board the equity interest of any owner (whether the

original owner or a subsequent purchaser or transferee) in his/her unit at any time is

not sufficient to assure realization (whether by foreclosure of the lien referred to in

***Section 10*** above, or otherwise) of all assessments, charges or other sums which may

be levied by the Association, then whether or not such owner shall be delinquent in the

**28.**

**Nob Hill Condominium Owners’ Association: By-laws (cont.)**

payment of such levies, the Association shall have the right to require such owner to

establish and maintain a security deposit, in an amount which the Board deems

necessary for such purposes, provided, however, that such security deposit shall in no

event exceed an amount which, when added to such owner’s equity interest in the

purchase unit, will equal twenty-five percent (25%) of the purchase price of the unit in

question. In the event that any owner shall fail to pay any assessment, charges or other

sums which may be due hereunder or shall otherwise violate any provision of ***Chapter***

***5311 Ohio Revised Code***, any covenants, terms and conditions of the Declaration, the

Association shall have the right , but not the obligation, to apply such security deposit

in reduction of its alleged damages resulting from such failure or violation, which right

shall be in addition to all and other remedies provided for in ***Chapter 5311 Ohio***

***Revised Code,*** the Declaration or these By-laws.

Upon any sale by such owner of his/her unit, or at such time as such owner’s equity

in his/her unit is sufficiently great to dispense with the necessity of such security

deposit, any unapplied balance of said security deposit remaining to the credit of said

owner shall be refunded, provided that such owner shall not default under any of

his/her obligations under the Declaration. The Association shall have the right to

maintain all security deposits held by it, as aforesaid, in a single savings account and

shall not be required to credit interest to any owner until such time as the security

**29.**

**Nob Hill Condominium Owners’ Association: By-laws (cont.)**

deposit is refunded. said security deposit shall at all times be subject and subordinate

to the lien referred to in the Declaration and ***Section 10*** above and all rights thereto

shall inure to the benefit of the lien holder..

**30.**

**Nob Hill Condominium Owners’ Association: By-laws (cont.)**

**ARTICLE IV**

**General Provisions**

**Section 1. Declarant’s Rights Pending Sale of Fifty-one Percent (51%)**

**of Units Ownership**

Until such time as the Association is formal, and until such time thereafter as

Declarant shall have consummated the sale of fifty-one percent (51%) of all unit

ownership, or on May 23, 1972, whichever time shall first occur, the powers, rights,

duties and functions of the Association and its Board of Managers shall be exercised

by five persons who shall be selected jointly by Declarant and any lending institution

which shall hold mortgages upon more than fifty percent (50%) of the units.

**Section 2. Copies of Notice to Mortgage Lenders**

Upon written request to the Board of Managers, the holder of any duly recorded

mortgage or trust deed against any unit ownership shall be given a copy of any and all

notices permitted or required by the Declaration or these By-laws to be given to the

owner or owners whose unit ownership is subject to such mortgage or trust deed.

**Section 3. Service of Notice on the Board of Managers**

Notices required to be given to the Board of Managers or to the Association may

be delivered to any member of the board of Managers or officer of the Association

either personally or by mail addressed to such member or officer at his/her unit.

**31.**

**Nob Hill Condominium Owners’ Association: By-laws (cont.)**

**Section 4. Service of Notice on Devisees and Personal Representatives**

Notices required to be given and devisees or personal representatives of a deceased

owner may be delivered either personally or by mail to such party at his, her, its

address appearing on the records of the Court wherein the estate of such deceased

owner is being administered.

**Section 5. Non-waiver of Covenants**

No covenants, restrictions, conditions, obligations or provisions contained in the

Declaration or these By-laws shall be deemed to have abrogated or waived by reason of

any failure to enforce the same, irrespective of the number of violations or breaches

which may occur.

**Section 6. Agreements Binding**

All agreements and determinations lawfully made by the Association in accordance

with the procedure established in the Declaration and these By-laws shall be deemed

to be binding on all unit owners, their successors, heirs and assigns.

**Section 7. Notice of Mortgages**

Any owner who mortgages his unit shall notify the Association, in such manner as

the Association may direct, of the name and address of his mortgage and thereafter

shall notify the Association of the full payment, cancellation or other alteration in the

status of such mortgage. The Association shall maintain such information in a book

entitled, “Mortgages of Units”.

**32.**

**Nob Hill Condominium Owners’ Association: By-laws (cont.)**

**Section 8. Severability**

The invalidity of any covenant, restriction, condition, limitation or any other

provision of these By-laws, 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 By-laws.

**Section 9. Perpetuities and Restraints on Alienation**

If any of the options, privileges, covenants or rights created by these By-laws shall

be unlawful or void for violation of (a.) the rule against perpetuities or some analogous

statutory provision, (b.) the rule restriction restraints on alienation, or (c.) any other

statutory or common law rules imposing time limits, then such provision shall

continue only until twenty-one (21) years after the death of the survivor of the now

living descendants of Joseph R. Cleary and Howard E. Ferguson.

**Section 10. Joint Management Contracts**

The Board of Managers shall have the power to enter into an agreement on behalf

of the Association for the common management by a management agent of said

properties; without standing to limit the generality of the foregoing, such agreement may

provide for the allocation of common expenses, purchase of maintenance equipment and

supplies, jointly sharing employees and management overhead.

**33.**

**Nob Hill Condominium Owners’ Association: By-laws (cont.)**

**In Witness Whereof,** Joseph R. Cleary and Howard E. Ferguson have executed these

By-laws this \_\_\_\_\_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_\_, 1972.

**In the Presence of:**

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Joseph R. Cleary**

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Howard E. Ferguson**

**State of Ohio )**

**) ss**

**Cuyahoga County )**

Before me, a Notary Public in and for said County and State, personally appeared

Joseph R. Cleary and Howard E. Ferguson, who acknowledged that they execute the

Foregoing instrument, and that the same was their free act and deed.

**In Testimony Whereof,** I have hereunto set my hand and affixed my official seal

At Cleveland, Ohio, this \_\_\_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 1972.

**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

Notary Public

**This Instrument Prepared By:**

Fedor & Fedor

Attorneys-At-Law

1026 Terminal Tower

Cleveland, Ohio, 44113

**34.**

**Nob Hill Condominium Owners’ Association, Inc.**

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