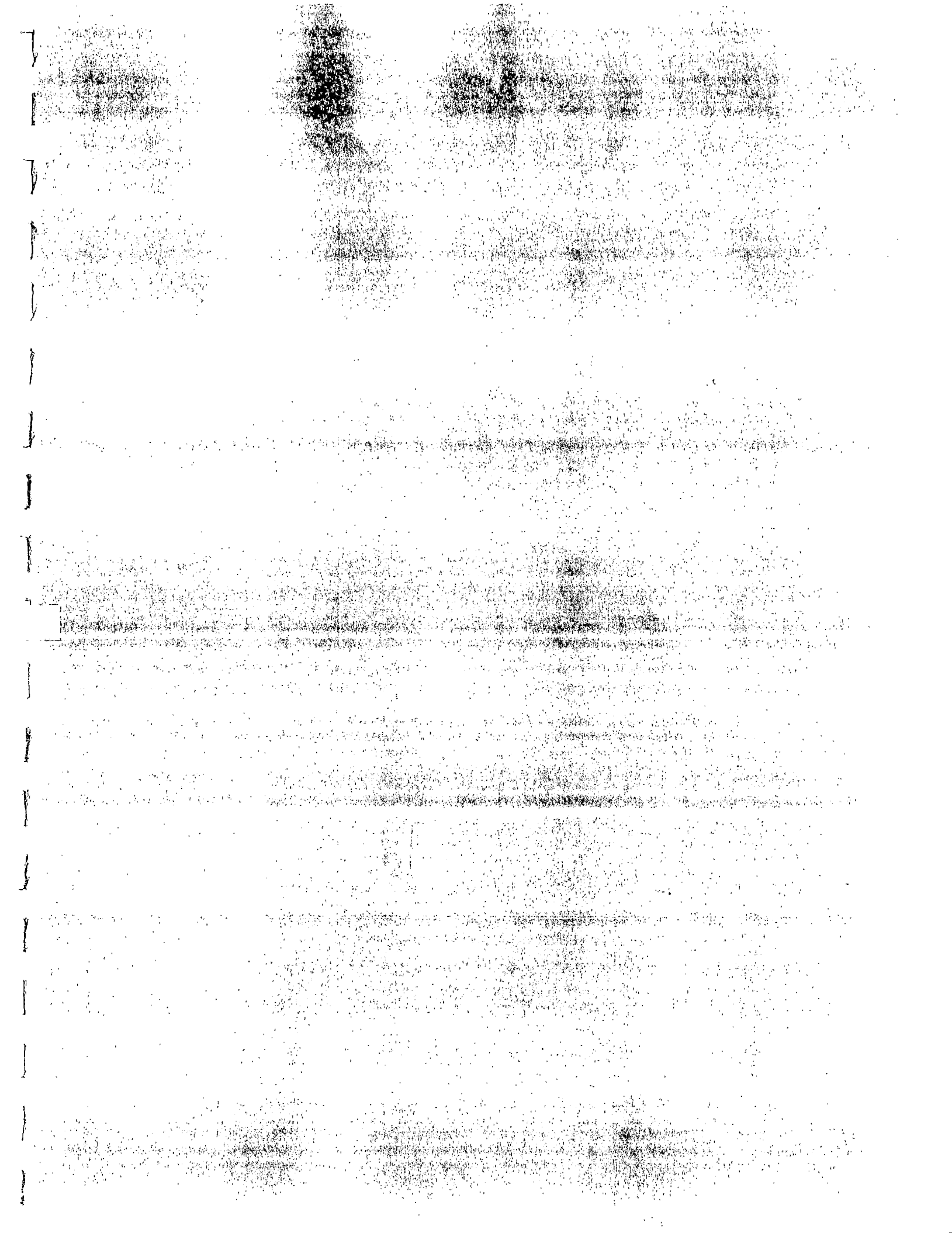


THE MADISON HOUSE CONDOMINIUM
DISCLOSURE STATEMENT

EXHIBIT A

The following is a listing of the sales prices of each Unit in The Madison House Condominium, together with certain information regarding the size of each Unit, each Unit's percentage interest in the Common Areas and Facilities, and the Developer's projected monthly condominium assessment for each Unit. Sales prices are firm, and are effective from March 1, 1980 until 6:00 p.m., April 15, 1980. After that time, prices are subject to change without notice.

The monthly assessment figure is based upon the budget projections contained in Exhibit E of this Disclosure Statement.



1.2 Chilled Water Plant

The building is cooled through the use of chilled water which is generated by a plant consisting of two (2) Carrier motor driven centrifugal water chillers, condensing water pumps, chilled water pumps, chilled water/hot water circulating pumps, automated chemical feed system for condensing water, and a cooling tower located on the building's roof.

One water chiller is rated 164 tr and the other is rated 174 tr. The chilled water plant has ample capability to accommodate the building's cooling demand. The chilled water plant piping has recently been reconfigured to permit either one of the chillers to operate for partial cooling of the building in the event of the failure of the other. The water chillers are maintained by means of an annual inspection maintenance contract with the Carrier Air Conditioning Company.

The chillers and pumps were manufactured in 1962. Within the last year, a Marley steel cooling tower has been installed to replace the original Marley wooden cooling tower. The new cooling tower is in excellent condition.

The chilled water plant has been well maintained and is considered to be in good condition.

1.3 Air Conditioning and Heating Systems

1. The building is air conditioned by a Carrier induction system consisting of primary air supply system, chilled/hot water distribution system and secondary induction units which are located throughout the public and residential areas. The heat exchanger for the hot water distribution system referred to above was replaced within the last year and the original heat exchanger has been rehabilitated for standby service.

The primary air supply system which includes preheat coils, filters, cooling coils and fan, supplies primary conditioned air to induction units which include induction nozzles, heating/cooling coils and filter. The induction units have self-contained controls.

Chilled/hot water is supplied to induction units by the chilled/hot water distribution system referred to above.

The system is considered to be in good condition and should provide many years of dependable service.

2. The ground floor area of the building is also provided with an auxiliary hot water baseboard heating system.
3. Bathrooms and kitchens are ventilated by a central exhaust system which balances the primary outdoor air supply.

2.0 PLUMBING SYSTEMS

2.1 Piping Systems

Domestic water supply and sanitary and storm waste and vent piping appear to be in good condition with no indication of present leakage.

All domestic water system riser isolation valves located in the cavity between the top residential floor and the roof have been replaced within the last year.

2.2 House Pump and Compression Tank

Two house pumps and a compression tank with automated controls serve the domestic water system.

The system also provides standpipes in the stairways and garage and a sprinkler system in the trash room.

The system is considered to be in good condition.

2.3 Fixtures

All fixtures appear to be in good condition.

2.4 Water Heater

Domestic water is heated by means of tube bundles in the boiler and secondary heat exchanger as described under Item 1.1.1 above.

3.0 FIRE PROTECTION

3.1 Standpipe

A standpipe system is installed in each of the stairways as discussed in Item 2.2 above. The standpipe provides a valve at the stairway landing at each floor. The system is considered to be in good condition.

3.2 Fire Alarm Systems

1. A manual coded fire alarm system is provided at stations throughout the building to sound a local alarm on the floor involved.
2. A new ionized detector actuated fire alarm system for general alarm with an annunciator panel located in the building entrance.

3.3 Detectors

Ionized type fire detector/alarm units are installed in the apartments to provide local alarm.

4.0 ELECTRICAL SYSTEMS

4.1 Electrical Services

Electrical service equipment, distribution feeders, panelboards and branch circuits are original installation. All components are in good condition and appear to be of adequate capacity.

Service equipment is Westinghouse Corp. consisting of six (6) main disconnect devices and two (2) sections of molded case circuit breaker distribution panels. Service voltage is 208Y/120, three-phase, four-wire supplied from a Cincinnati Gas & Electric Company underground vault located outside the building. Main fused load interrupter switchgear for the primary voltage to the transformer vault is located in the room with the main service switchboard.

4.2 Building Distribution

Distribution voltage throughout the building is 208/120 volts with all equipment rated to utilize this voltage. Each tenant floor is divided electrically into apartment groups. Each apartment group is served by its individual branch circuit panel. The branch circuit panel is supplied from the main service switchboard by an individual riser.

4.3 Controls

All controls are the original installation and have been repaired or replaced through a normal maintenance program.

4.4 Auxiliary Systems

1. Three (3) channel closed circuit TV security monitoring system.
2. New commercial TV antenna/amplifier/distribution system throughout the building.

5.0 SUMMARY

The mechanical and electrical systems referred to above are in good condition and, properly maintained, should provide many years of dependable service. The mechanical equipment rooms are extremely crowded and congested, however, and the condition makes normal inspection, maintenance and replacement of equipment extremely difficult.

Chelsea Moore Company

-5-

November 30, 1979

The access to the equipment rooms for replacing equipment is poor.

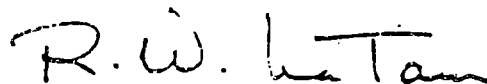
6.0 REMAINING USEFUL LIFE

It must be appreciated that the establishment of the remaining useful life of mechanical and electrical systems is difficult and only an estimate at best. Unpredictable failures and malfunctions can occur in new equipment as well as old. Older equipment, in certain instances, can provide a longer useful life than new equipment because of the more conservative design and better quality and substance of equipment built during the 1950's and 1960's. All factors considered, and assuming the continuation of the better-than-average operating and maintenance procedures which have been provided for the Madison House mechanical and electrical systems, it is possible that the remaining useful life of the equipment involved could be ten to fifteen years in the instance of the boiler plant and fifteen to twenty years in the instance of the other systems. We consider the useful life of the equipment and systems to be the period of time after which annual maintenance and repair exceed the cost of capital replacement or when the decrease in reliability causes frequent, inconvenient and costly periods of shutdown.

We should be pleased to answer any questions you may have regarding this report or to submit such additional information as you may require.

Very truly yours,

BOSCH & LaTOUR, P.A., INC.



R. W. LaTour

RWL/ejp

MADISON HOUSE
STRUCTURAL ELEMENTS AND MECHANICAL AND SUPPORTING SYSTEMS

	<u>Age/ Years</u>	<u>Condition</u>	<u>Remaining Useful Life</u>
1. <u>Structural Elements</u>			
a) Structural Frame & Foundation	16	Excellent	Unlimited
b) Wall Masonry	16	Excellent	Unlimited
c) Roof	2	Excellent	20 years
2. <u>Mechanical Systems</u>			
a) Heating & Air Conditioning	16	Excellent	15 - 20 years
(except cooling tower)	2	Excellent	15 - 20 years
b) Electrical	16	Excellent	15 - 20 years
c) Plumbing	16	Excellent	15 - 20 years
3. <u>Supporting Systems</u>			
a) Elevators	16	Excellent	15 - 20 years
b) Compactor - trash	7	Excellent	15 - 20 years
c) Sprinkler	16	Excellent	15 - 20 years
4. <u>Blacktop Paving</u>	16	Excellent	10 years
5. <u>Other Systems</u>			
a) Pool Equipment & Furniture	2	Excellent	10 years
b) Party & Exercise Room	1	Excellent	10 years
c) Lobby Area and Common Area Furnishings	2 16	Excellent Excellent	10 years 10 years

Estimate of repair and replacement costs projected for five years:

	Year of Operation:				
	<u>First</u>	<u>Second</u>	<u>Third</u>	<u>Fourth</u>	<u>Fifth</u>
1. <u>Structural Elements</u>					
a) Structural Frame & Foundation	-----	-----	-----	10,000	-----
b) Wall Masonry	-----	-----	-----	5,000	-----
c) Roof	-----	-----	-----	-----	-----
2. <u>Mechanical Systems</u>					
a) Heating & Air Conditioning	15,000	15,000	15,000	15,000	15,000
b) Electrical	3,500	3,500	3,500	3,500	3,500
c) Plumbing	3,500	3,500	3,500	3,500	3,500
3. <u>Supporting Systems</u>					
a) Elevators	5,000	5,000	5,000	5,000	5,000
b) Compactor - trash	500	500	500	500	500
c) Sprinkler	500	500	500	500	500
4. <u>Blacktop Paving</u>	-----	-----	5,000	5,000	5,000
5. <u>Other Systems</u>					
a) Pool Equipment & Furniture	500	500	500	500	500
b) Party & Exercise Room	500	500	500	500	500
c) Lobby Area and Common Area Furnishings	1,000	1,000	1,000	1,000	1,000

EXHIBIT C

The Developer is offering mortgage financing under the terms and conditions described herein to financially-qualified tenants of The Madison House for the purchase of a condominium ownership interest in The Madison House. The Developer will lend up to ⁸⁰~~70~~% of the purchase price of a Unit; the borrower's minimum down payment under this financing plan is ²⁰~~30~~% of the total purchase price. The loan will be evidenced by a promissory note which is secured by a first mortgage on the Unit, and shall be repaid with interest at the rate of ^{12 1/2}~~12~~% per annum on the unpaid balance until paid. Monthly payments of principal and interest shall be based upon an amortization schedule at 30 years, but the entire unpaid balance of the note shall be due and payable after 15 years. The obligation to pay the note shall not be assignable by the borrower, but may be assigned by the Developer. The note may be prepaid in full or in part at any time without penalty.

The borrower shall be required to complete a loan application and to supply certain other credit information. The borrower must also purchase title insurance for the benefit of the mortgagee (the Developer). The Developer reserves the right to reject a loan applicant that fails to demonstrate his or her creditworthiness.

Closing costs, to be paid by the borrower, shall be \$250.00, plus the cost of title insurance.

This is a limited offering of financing being made only to the tenants of The Madison House as of March 1, 1980. The Developer reserves the right to withdraw this offer, at the Developer's option, at any time prior to acceptance of such offer by a tenant.

THE MADISON HOUSE CONDOMINIUM

LIMITED WARRANTY

This warranty is made by AUTO-VEHICLE PARTS CO., a Kentucky corporation, (the "Developer") as the developer of The Madison House Condominium ("The Madison House"), to _____, as the original purchaser (the "Purchaser"), and to any succeeding person who purchases Unit _____ ("Unit") of The Madison House within the applicable warranty periods described below.

Warranty on Condominium Common Elements

For a period of two (2) years from the date the deed or other evidence of ownership is filed for record following the sale of the first condominium interest in The Madison House, Developer will cause to be repaired or, at its option, to be replaced roof and structural components, and mechanical, electrical, plumbing, and common service elements serving The Madison House property, as a whole, necessitated by a defect in material or workmanship. Developer shall pay the full cost of labor and materials for any such repair or replacement.

Warranty on the Individual Condominium Unit

For a period of one (1) year from the date the deed to Purchaser or other evidence of Purchaser's ownership of Unit _____ is filed for record, Developer will cause to be repaired or, at its option, to be replaced structural, mechanical, or other elements pertaining to the Unit (other than appliances or items which are separately warranted by their manufacturers) necessitated by a defect in material or workmanship. Developer shall pay the full cost of labor and materials for any such repair or replacement.

As to Appliances or Other Items in the Unit which are Separately Warranted by Their Manufacturers

Developer hereby assigns and passes through the Purchaser all express and implied warranties on appliances such as ranges, refrigerators, disposals, dishwashers, and other similar items in the Unit which have been made to Developer by the manufacturer of such appliances or items.

DEVELOPER MAKES NO WARRANTIES, EXPRESS OR IMPLIED, WHETHER OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE OR OTHERWISE, ON THESE APPLIANCES OR ITEMS AND DOES NOT ADOPT ANY MANUFACTURER'S WARRANTIES. DEVELOPER HAS NOT INSTALLED OR FURNISHED, AND DOES NOT INTEND TO, AND DOES NOT SELL OR CONVEY ANY SUCH APPLIANCES OR ITEMS AS PART OF THE UNIT PURCHASED BY PURCHASER. ANY SUCH APPLIANCES OR ITEMS LOCATED IN THE UNIT MAY BE RETAINED BY PURCHASER, WITHOUT WARRANTY OF SELLER, OR, AT PURCHASER'S REQUEST, SUCH APPLIANCES AND ITEMS WILL BE REMOVED FROM THE UNIT.

Warranties on Condominium Common Elements or Units Exceeding Developer's Warranty Period.

If any party has made a warranty to Developer with a duration in excess of the one-year or two-year warranty periods, Developer hereby assigns and passes through to Purchaser that portion of any such warranty which is still in effect after the one-year or two-year warranty periods have expired. Developer does not, however,

assume any responsibility for the payment of any costs incurred by Purchaser in enforcing any such warranty against the warrantor.

Copies of all manufacturers' warranties, if any, will be separately delivered to Purchaser.

What Is Not Covered

This warranty excludes and does not cover routine maintenance, damage due to ordinary wear and tear, damage caused while Purchaser is in possession, misuse or negligence not attributable to Developer, or unreasonable use, including Purchaser's failure to provide reasonable and necessary maintenance.

IN NO EVENT WILL DEVELOPER BE LIABLE TO PURCHASER OR TO ANYONE CLAIMING THROUGH PURCHASER FOR ANY INCIDENTAL OR CONSEQUENTIAL DAMAGES IN CONNECTION WITH ANY CLAIM RELATING TO THE UNIT OR TO THE COMMON SERVICE ELEMENTS SERVING THE MADISON HOUSE AS A WHOLE.

NO OTHER WARRANTIES BY DEVELOPER

THIS WARRANTY IS IN LIEU OF ALL OTHER EXPRESS WARRANTIES. THE DURATION OF ANY IMPLIED WARRANTY, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTY OR MERCHANTABILITY, HABITABILITY, OR FITNESS FOR A PARTICULAR PURPOSE OR USE, IS EXPRESSLY LIMITED TO THE DURATION OF THE APPLICABLE WARRANTY PERIOD SET FORTH ABOVE.

Some states do not allow the above exclusion or limitation of incidental or consequential damages or the above limitations on how long an implied warranty may last. Therefore, the above limitations may not apply to Purchaser.

What To Do If You Have a Warranty Problem

If any defect appears which Purchaser believes is covered by this warranty, contact Developer's agent responsible for management of The Madison House at the address set forth below. Defects of any emergency nature (where damage could worsen if prompt action is not taken) may be reported by calling the telephone number set forth below, during reasonable business hours:

Chelsea Moore Company
1325 E. Kemper Road
P. O. Box 46175
Cincinnati, Ohio 45246
671-1600

Developer will perform warranty service within 60 days from the date Purchaser notifies Developer of the problem, unless a longer time is required because of weather conditions, labor problems, materials shortages, or other causes beyond Developer's control. Emergency service will be provided as promptly as possible.

Purchaser's Other Legal Rights

This warranty gives Purchaser specific legal rights; Purchaser may also have other rights which vary from state to state.

It is the intent of this warranty to provide Purchaser with all rights to which Purchaser is entitled under Section 5311.25 of the Ohio Revised Code, and nothing contained in this warranty shall be deemed to reduce or alter those rights in any way.

AUTO-VEHICLE PARTS CO.,
a Kentucky corporation,

By: _____

Date: _____

ISSUED TO AND ACCEPTED BY:

MADISON HOUSE BUDGET

<u>EXPENSES</u>	<u>1980-81</u>	<u>1981-82</u>
Office Expenses	1,500	1,800
Management Fee	36,000	36,000
Managers Salary	9,620	10,150
Auditors Expense	4,000	4,200
Telephone & Telegraph	4,800	5,000
Miscellaneous	600	750
Janitors Payroll	18,720	20,750
Janitors Supplies	4,200	4,500
Electricity	99,855	114,835
Water	5,845	6,721
Gas	61,845	72,000
Exterminating Contract	1,200	1,500
Garbage & Rubbish Removal	3,600	4,000
Pool Payroll	4,190	4,665
Pool Expenses	1,800	2,200
Protection Fee	8,320	9,600
Grounds Supply Replacement	5,000	5,500
Grounds Contract	16,425	17,000
Snow Removal Contract	1,300	1,600
Snow Removal Supplies	1,000	1,200
Repairs Payroll	28,600	29,300
Repairs Material	6,000	7,000
Plumbing Repairs	3,000	3,500
Electricity Repairs	3,000	3,500
Elevators	9,600	10,560
Heat & Air Cond. Repairs	6,000	7,000
Uniforms	3,600	4,000
Taxes - Payroll	12,800	13,500
Taxes - Misc.(W. Comp.)	4,000	4,300
Employees Group Insurance	4,200	4,600
Salaries Doorman	18,780	20,050
Salaries Maid Common	7,800	8,600
Salaries Maid Units	10,400	11,200
Salaries Garage	27,620	29,500
Supplies Garage	500	600
Replacement Reserves	30,000	30,000
Insurance	18,000	20,000
<hr/>		
TOTAL EXPENSES	483,720.	531,181.
 <u>Less Income</u>		
Maid Service	10,400.	11,000.
Garage Rental	36,000.	36,000.
<hr/>		
TOTAL INCOME	46,400.	47,000.
 TOTAL		
	<u>\$437,320.</u>	<u>\$484,181.</u>

MADISON HOUSE BUDGET

<u>EXPENSES</u>	<u>1980-81</u>	<u>AVG. COST</u>		<u>AVG. COST</u>	
		<u>PER UNIT</u>	<u>PER MONTH</u>	<u>PER UNIT</u>	<u>PER MONTH</u>
			<u>1981-82</u>		<u>PER MONTH</u>
Office Expenses	1,500	.71	1,800	.85	
Management Fee	36,000	17.14	36,000	17.14	
Managers Salary	9,620	4.58	10,150	4.83	
Auditors Expense	4,000	1.90	4,200	2.00	
Telephone & Telegraph	4,800	2.28	5,000	2.38	
Miscellaneous	600	.28	750	.35	
Janitors Payroll	18,720	8.91	20,750	9.88	
Janitors Supplies	4,200	2.00	4,500	2.14	
Electricity	99,855	47.55	114,835	54.68	
Water	5,845	2.78	6,721	3.20	
Gas	61,845	29.45	72,000	34.28	
Exterminating Contract	1,200	.57	1,500	.71	
Garbage & Rubbish Removal	3,600	1.71	4,000	1.90	
Pool Payroll	4,190	1.99	4,665	2.22	
Pool Expenses	1,800	.85	2,200	1.04	
Protection Fee	8,320	3.96	9,600	4.57	
Grounds Supply Replacement	5,000	2.38	5,500	2.61	
Grounds Contract	16,425	7.82	17,000	8.09	
Snow Removal Contract	1,300	.61	1,600	.76	
Snow Removal Supplies	1,000	.47	1,200	.57	
Repairs Payroll	28,600	13.61	29,300	13.95	
Repairs Material	6,000	2.85	7,000	3.33	
Plumbing Repairs	3,000	1.42	3,500	1.66	
Electricity Repairs	3,000	1.42	3,500	1.66	
Elevators	9,600	4.57	10,560	5.02	
Heat & Air Cond. Repairs	6,000	2.85	7,000	3.33	
Uniforms	3,600	1.71	4,000	1.90	
Taxes - Payroll	12,800	6.09	13,500	6.42	
Taxes - Misc. (W. Comp.)	4,000	1.90	4,300	2.04	
Employees Group Insurance	4,200	2.00	4,600	2.19	
Salaries Doorman	18,780	8.94	20,050	9.54	
Salaries Maid Common	7,800	3.71	8,600	4.09	
Salaries Maid Units	10,400	4.95	11,200	5.33	
Salaries Garage	27,620	13.15	29,500	14.04	
Supplies Garage	500	.23	600	.28	
Replacement Reserves	30,000	14.28	30,000	14.28	
Insurance	18,000	8.57	20,000	9.52	
TOTAL EXPENSES	483,720.	230.34	531,181.	252.94	
<u>LESS INCOME</u>					
Maid Service	10,400.	4.95	11,000.	5.23	
Garage Rental	36,000.	17.14	36,000.	17.14	
TOTAL INCOME	46,400	22.09	47,000	22.38	
TOTAL	<u>\$437,320.</u>	<u>\$208.28</u>	<u>\$484,181.</u>	<u>\$230.56</u>	

ESTIMATED REAL ESTATE TAXES

*ACCRUED FOR 1979 AND 1980

Until such a time Hamilton County has computed the taxes on each unit, based on the valuation of the unit, approximately 1982, each unit owner will pay a pro-rated portion; such portion determined by their percentage of ownership interest of the current taxes assessed the building.

Current annual taxes for the Madison House are \$53,846.54.

**The estimated taxes for each style and type of unit are as follows:

<u>Square Footage</u>		<u>Annual Tax</u>			<u>Monthly Cost</u>
512	=	\$140.00	÷	12	= \$11.67 per month
624	=	\$172.31	÷	12	= \$14.36 per month
873	=	\$242.31	÷	12	= \$20.19 per month
1187	=	\$328.46	÷	12	= \$27.37 per month
1299	=	\$355.39	÷	12	= \$29.62 per month
1306	=	\$360.77	÷	12	= \$30.06 per month
1539	=	\$425.39	÷	12	= \$35.45 per month
1554	=	\$430.77	÷	12	= \$35.90 per month
1619	=	\$446.93	÷	12	= \$37.24 per month
1623	=	\$446.93	÷	12	= \$37.24 per month
1699	=	\$468.46	÷	12	= \$39.04 per month
1718	=	\$473.85	÷	12	= \$39.49 per month
2177	=	\$597.70	÷	12	= \$49.81 per month

Commercial Units

1956	=	\$538.47	÷	12	= \$44.87 per month
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* To be paid in 1980 and 1981.

** Taxes are based on the 1979 evaluation and do not reflect any increases or adjustments by the Auditor for Hamilton County.



THE MADISON HOUSE CONDOMINIUM

MANAGEMENT AGREEMENT

The following is a detail of services within which Chelsea Moore Company, Property Management Division will provide the management of The Madison House Condominium.

1. Develop a "Welcome Letter" for new homeowners, outlining the functions and services performed by the Homeowners Association.
2. Review the insurance coverage of the Association and make recommendations as to its adequacy. Assist in placement if desired.
3. Finance:
 - (a) review the financial status of the Association and develop a complete budget on a monthly basis projecting monthly income and expense for the fiscal year of the Association;
 - (b) establish the billing and collection system for the monthly assessment(s) of the Association;
 - (c) establish, in the Association's name, the bank accounts of the Association - checking, savings-reserve accounts;
 - (d) keep satisfactory records of income and disbursements with all records available for review by the Board of Managers or authorized homeowners;
 - (e) as authorized by the Board of Managers, direct the payment of all bills, salaries, and other obligations of the Association;
 - (f) prepare a monthly cash report to include a statement of receipts and disbursements and comparison-to-budget;
 - (g) prepare a monthly statement of outstanding delinquent assessments;
 - (h) recommend to the Board an amount which should be set aside as a reserve-for-replacement based upon a projected maintenance and replacement program;



- (i) file the proper tax reports and forms for the Association, if needed, which would include, but not necessarily be limited to:

Quarterly 941 Report (FICA & FIT Withheld)
 Quarterly Report of State Income Tax Withheld
 Quarterly Report of City Income Tax Withheld
 Quarterly Report Federal Unemployment Tax Deposit
 Annual Reports of Payroll Taxes Withheld
 a. Federal
 b. State
 c. City
 Preparation of W-2 Forms
 Annual Federal Unemployment Tax Report
 Annual State Unemployment Tax Report

- (j) contract with an independent auditor for the annual certified audit of the Association's books and records, and preparation of the annual tax returns. Cost to be borne by the Association;
- (k) assist the Board in its financial planning with a proposed budget and assessment schedule for the ensuing year, an annual itemized accounting of income and expenses, and a comparison of such expenses and income with that of the preceding fiscal year and that budgeted for the current year.

4. Maintenance:

- (a) inspect Association contractors and employees for services and materials to be used at the location;
- (b) provide specifications and obtain bids for materials, equipment services required by the Board and provide the Board with such information as it may require concerning such bids;
- (c) order on behalf of the Association all emergency repairs on common elements reasonably necessary to maintain services and protect the unit owners.

5. Architectural Control:

Review the Association's documents with the Board of Managers to summarize the rules and regulations as they pertain to Architectural control.

6. Social and Recreation:

- (a) review the communities amenity package and make recommendations for the most efficient possible use of these facilities;
- (b) assist in establishing rules for the use of the recreation equipment and facilities.



7. Comply with all applicable and relevant policies, directives, by-laws, rules, regulations, covenants, restrictions, and procedures of the Board which involve or relate to the performance of the services herein described.
8. Receive in writing, except in cases of emergency, and coordinate the disposition of requests for information and service concerning or relating to the ownership, operation and maintenance of the Association's property and facilities, and the performance of the Association's policy decisions.
9. To assure that contracts and agreements between the Board and suppliers or servicemen or employees are performed in accordance with their terms and to inform the Board in the event performance is considered by management to be inadequate or contrary to the agreed terms.
10. Attend the regular meetings of the Board of Managers and with reasonable notice any emergency meeting called by the Board.
11. Prepare and set up the Annual Meeting of members of the Association.
12. The Association Manager is expected to prepare and mail notices at the request of the Association President or Secretary. Neither the Agent nor the Association Manager will be expected to engage in other efforts to contact persons in preparation for the meetings.
13. The Agent will supervise preparation of Board minutes - duplicate - and distribute them by mail. Costs to be borne by the Association. Corporate minute book will be kept by the Association Manager under the direction and supervision of the Association's Secretary.
14. Any costs of preparation, direct supplies, copies, stationery, printing, and mailing of monthly statements, newsletters, etc., to the homeowners will be borne by the Association.
15. To generally facilitate effective operation of the buildings and facilities owned by the Association.
16. The Managing Agent has the duty to advise residents as to their responsibilities obligations and privileges; but when a resident defaults or disobeys established regulations - these problems are to be reported to the Board of Managers, together with the Agent's recommendation for action, in order that the Board of Managers may direct whatever action they deem necessary or appropriate.
17. In general, the over-all Coordination, Control, and Supervision of the Association to insure its operation as an efficient and viable business organization.
18. In actual performance of the functions of Managing Agent, the Association Manager is continuously placed in contact with the Officers, Board of Managers



and individual homeowners. In any circumstance where any conflicts or questions occur, the foregoing chain of command is to be respected.

- (a) All employees and contractors of the Association are to be responsible to and under the direction of the Managing Agent (i.e. Chelsea Moore Company, Property Management Division). At the Board's direction, they shall have the duty and authority to hire and fire all personnel and contractors - noting that only the Board of Managers can enter into contractual obligations.
 - (b) The Association Manager is responsible to and takes his orders and instructions from Chelsea Moore Company, Property Management Division, his employer.
 - (c) The Agent, Chelsea Moore Company, Property Management Division, is responsible to and receives orders and instructions only from the Board of Managers of the Association, through its President or other designated officer.
 - (d) The Board of Managers is expected to make policy and judgement decisions which are then to be carried out by the Managing Agent.
19. Except with respect to willful misconduct on the part of Chelsea Moore Company Property Management Division, shall indemnify Chelsea Moore Company, Property Management Division against any and all costs, expenses, attorney's fees, suits, liabilities and damage from or connected with management of Inc. by Chelsea Moore Company, Property Management Division. . further agrees to defend against any claims brought or actions filed against Chelsea Moore Company, Property Management Division with respect to its management of said property, whether said claims are rightfully or wrongfully brought.

20. Staffing:

- (a) The Managing Agent (Chelsea Moore Company, Property Management Division) will, at it's cost, hire and pay the salary of the Association Manager.
- (b) All other employees or contractors are to be deemed employees of the Association and their employment and actions shall incur no financial responsibility to the Agent, including the Building Superintendent.

Duties of Staff:

The Association Manager shall not have the obligations to be available to owner or to officers after normal business hours. Calls will be handled after hours by an answering service.



21. Fee Structure and Term:

A fee of _____ per month for the twelve (12) months of this agreement will be charged for the services outlines herein. This agreement will commence _____ and terminate _____

Except as otherwise provided in Section 12(b) hereof and subject to the provisions of the following paragraph, the Association may terminate this Agreement at any time after one year subsequent to the date on which the Unit Owners assume control of the Association, as provided in the Declaration and in Section 5311.08(c) of the Ohio Revised Code, but only if at least 75% of the voting power of the membership of the Association approves such termination, by giving written notice of the termination to the Manager not less than ninety days prior to the intended termination date. In addition to the rights of termination provided in Section 12(a) hereof, the Manager may terminate this Agreement at any time after one year subsequent to the date on which the Unit Owners assume control of the Association, as provided in the Declaration and in Section 5311.08(c) of the Ohio Revised Code, by giving the President of the Board of Managers of the Association written notice of such termination not less than ninety days prior to the intended termination date.

Following the expiration of the initial term of this Agreement (such expiration being one year subsequent to the date on which the Unit Owners assume control of the Association as provided in the Declaration and in Section 5311.08(c) of the Ohio Revised Code), it shall be automatically extended and renewed for the twelve month period following such date and for subsequent twelve month periods upon the same terms and conditions then existing including, without limitation thereto, the terms as to renewal and/or termination; provided, however, that if requested by the Manager, the Manager's compensation in any such renewal term shall be increased to such amount as is mutually agreed to at that time by the Association and the Manager, and further provided that such compensation shall, in no event, be less than the compensation required by this Agreement during the initial term.

No established on-site office hours are included in this fee structure. If the Board of Managers feel it desirable to establish set on-site office hours, Chelsea Moore Company, Property Management Division will provide this service for an additional fee based on specifications required.

Date: _____

Gerald A. Moliq, CPM - V. Pres.
CHELSEA MOORE COMPANY, PROPERTY
MANAGEMENT DIVISION

THE MADISON HOUSE CONDOMINIUM
OWNERS' ASSOCIATION, INC.

Provided Pursuant to §5311.26 (J) of the Ohio Revised Code.

1. Right to Review Condominium Instruments. The Purchaser has the right to review the condominium instruments and should review them prior to entering into a contract for the purchase of a unit.

2. Purchaser's Right to Void the Contract. In the event that a contract for the purchase of a unit is executed in violation of Sections 5311.25 or 5311.26 of the Ohio Revised Code, (setting forth certain requirements to be complied with and disclosures to be made by the Declarant), the contract shall be voidable by the Purchaser for a period of 15 days after the later to occur of the following dates:

A. The date of the execution by both the Purchaser and the Declarant of the purchase contract; and

B. The date upon which the Purchaser executes a document evidencing receipt of the information required by Section 5311.26 of the Ohio Revised Code.

Upon exercise of a Purchaser's right to void the contract, the Declarant or his agent shall refund fully and promptly to the Purchaser any deposit or

other prepaid fee or item and any amount paid on the purchase price and shall pay all closing costs paid by the Purchaser or for which the Purchaser is liable in connection with the void sale.

3. Conditions for the Return of Deposits. A Purchaser who wishes to void his purchase contract because of a violation of Section 5311.25 or 5311.26 of the Ohio Revised Code and obtain a return of his deposit, must notify the Declarant in writing prior to the expiration of the previously mentioned 15-day period. There are no other conditions under the purchase contract for the return of the Purchaser's deposit except where a contract contingency, if any, is not met, and the contract requires the return of the deposit.

4. Rights of Purchasers under Section 5311.27.

A. In addition to any other remedy available, a purchaser has the rights described in paragraph numbered 2 of this attachment with regard to voiding the purchase contract.

B. Any declarant or agent who sells a condominium unit in violation of Section 5311.25 or 5311.26 of the Ohio Revised Code shall be liable to the purchaser in an amount equal to the difference between the amount paid for the unit and the least of the following amounts:

1. The fair market value of the unit as of the time the suit is brought;

2. The price at which the unit is disposed of in a bona fide market transaction before suit; and

3. The price at which the unit is disposed of after suit in a bona fide market transaction, but before judgment. In no case shall the amount recoverable under this division be less than the sum of \$500 for each violation against each purchaser bringing an action under this division, together with court costs and reasonable attorneys' fees. If the purchaser complaining of the such violation has brought or maintained an action he knew to be groundless or in bad faith and the declarant or agent prevails the court shall award reasonable attorneys fees to the declarant or agent.

C. Subsection 5311.27 (C) of the Ohio Revised Code permits the attorney general to pursue certain remedies under certain circumstances which, if successful, could benefit the purchasers or prospective purchasers of units in the condominium.

THE MADISON HOUSE CONDOMINIUM

OFFER TO PURCHASE

This Offer to Purchase ("Offer") is made this _____ day of _____, 1980, by _____ (hereinafter "Purchaser" whether one or more) who hereby offers to purchase from Auto-Vehicle Parts Co., a Kentucky corporation ("Seller"), under the terms, conditions and provisions contained herein, the real property described in Paragraph 1 of this Offer.

1. Description of Property.

The real property which Purchaser herein offers to purchase is described as follows:

Situating in the City of Cincinnati, Hamilton County, Ohio and being all of Unit _____ of The Madison House Condominium (the "Condominium") as shown on the drawings attached to the Declaration of Condominium Ownership for The Madison House Condominium (the "Declaration"), together with the percentage of ownership in the Common Areas and Facilities declared by the Declaration to be an appurtenance to said Unit.

Subject to all easements and restrictions of record and the Declaration and all exhibits attached thereto. Also subject to the rights of any tenant in possession.

The property to be conveyed shall include all electrical, plumbing and bathroom fixtures in their present condition located within said Unit, but shall not include, and Purchaser acknowledges and agrees that Seller has not installed or furnished, and that Seller does not intend to and will not sell or convey with or as part of the Unit, any appliances such as refrigerators, stoves, disposals, dishwashers, or any other equipment not expressly included herein which may be located within the Unit. Any such appliances or equipment located in the Unit may be retained by Purchaser without additional consideration, or, at Purchaser's option, will be removed from the Unit by Seller. All of the above described property to be conveyed is hereinafter referred to as the "Unit."

2. Purchase Price.

The purchase price for the Unit shall be _____ (\$ _____) DOLLARS, payable as follows:

- (a) \$ _____ paid to Seller as an earnest money deposit, to be applied to the full purchase price on the date of closing, receipt of which is hereby acknowledged;
- (b) the balance of \$ _____ upon closing of this transaction and delivery of the deed as provided herein, payable in cash, certified, building and loan or cashier's check.

All amounts now or hereafter deposited by Purchaser with Seller under this Offer shall be held, after Seller's acceptance of this Offer, in an escrow or trust account segregated by Seller or Seller's agent from all of Seller's other funds, to apply, together with any interest accrued thereon as provided herein, on the purchase price and to be refunded with any such interest to Purchaser only as provided in Section 8 and 10 hereof, or if Seller fails within the time stipulated in Section 9 hereof to convey merchantable title as provided in Section 5 hereof. If the total of the deposits made now and hereafter by Purchaser with Seller or Seller's agent under this Offer is \$2,000.00 or more, Seller shall credit to Purchaser or, in the event of a default by Purchaser, shall add to the amount forfeited to Seller, interest on such amount at the rate of 4% per annum for any period that such amount is held by Seller or Seller's agent exceeding ninety (90) days.

If Purchaser defaults in completing this Offer, the earnest money, together with any other funds deposited by Purchaser with Seller or Seller's agent and any interest earned thereon, shall be retained by Seller, in addition to any other remedies which Seller may have either at law or in equity.

3. Condominium Documents.

Purchaser hereby acknowledges that he received, on _____, copies of the Declaration, the By-Laws of The Madison House Condominium Owners' Association, Inc. (the "By-Laws"), the Articles of Incorporation of The Madison House Condominium Owners' Association, Inc. (the "Articles"), the Rules and Regulations of said Association, and the disclosure statement required by Section 5311.26 of the Ohio Revised Code with all the exhibits attached thereto (the "Condominium Instruments"). By acceptance of the deed at the closing, Purchaser shall consent to and be bound by the provisions of the Condominium Instruments, including all amendments to such provisions made pursuant to the terms hereof. Purchaser hereby agrees that Seller shall have the right, and Seller hereby reserves the right, to amend any of the Condominium Documents in any way Seller deems appropriate or necessary prior to the closing. However, no such amendment shall increase the cost of or materially modify the Unit or otherwise significantly affect Purchaser's rights without first obtaining Purchaser's written consent to such amendment.

4. Closing.

The closing of this transaction (the "Closing"), delivery of the deed and payment of the purchase price shall take place on or before sixty (60) days after acceptance of this Offer. Time is strictly of the essence. Seller shall designate and notify Purchaser of the place, date and hour of Closing. Possession of the Unit shall be given to the Purchaser at the Closing, subject to any tenant's right of possession.

5. Conveyance of Title.

Seller shall convey title to Purchaser by general warranty deed in the form attached as Exhibit A hereto, free, clear and unencumbered except for those exceptions listed in Exhibit A, including easements and restrictions of record, the Declaration, By-Laws and the drawings of the Condominium, the provisions of

Chapter 5311 of the Ohio Revised Code, taxes and assessments which are a lien upon the property, but which at the time of Closing are not yet due and payable, and rights of any tenant in possession of the Unit at the time of Closing. Purchaser shall, at the time of Closing, execute and deliver to Seller a power of attorney in the form attached as Exhibit B hereto, which shall grant to Seller the right and power to sign on Purchaser's behalf any and all documents necessary to effect any amendment to the Declaration pursuant to the provisions and purposes described in said power of attorney.

6. Representations.

Purchaser covenants and represents that no representations, covenants or warranties, oral or written, have been made to him by anyone with respect to the Unit, the Condominium, the contents or provisions of the Declaration, By-Laws, drawings and/or specifications or as to the amount which will be assessed to and payable by Purchaser as his share of the common expenses of the Condominium, or the amount of real estate taxes and assessments which will be payable by Purchaser as a result of his ownership of the Unit EXCEPT as set forth in this Offer and in the Condominium Instruments.

7. Warranties.

At the Closing, Seller shall give Purchaser a written two-year warranty covering the full cost of labor and materials for any repair or replacement of any roof, structural components, and mechanical, electrical, plumbing and common service elements which serve the entire Condominium as a whole if such repair or replacement is occasioned or necessitated by a defect in material or workmanship. Seller shall also provide Purchaser with a one-year warranty covering the full cost of labor and materials for any repair or replacement of structural, mechanical and other elements pertaining to the Unit if such repair or replacement is occasioned or necessitated by a defect in material or workmanship. The two-year warranty shall commence or shall have commenced on the date the deed or other evidence of ownership following the sale of the first condominium interest in the Condominium is filed for record in the Hamilton County, Ohio Recorder's Office and the one-year warranty shall commence on the date that the deed to Purchaser is filed for record in the Hamilton County, Ohio Recorder's Office.

8. Taxes and Assessments.

Real estate taxes and assessments a lien upon the Unit and condominium charges and assessments shall be prorated as of the date of Closing. Purchaser agrees to pay all taxes, assessments and condominium charges becoming due and payable after the date of Closing. After the date of Closing and until such time as the Unit is separately and individually listed upon the Hamilton County Auditor's tax duplicate, Purchaser shall pay his proportionate share of the installments of real estate taxes and assessments due from time to time upon the entire Condominium, as such share is equitably determined by The Madison House Condominium Owners' Association, Inc. (the "Association"). The amount to be paid by Purchaser shall be collected by the Association which shall pay such amount to Seller prior to the last day for payment of such taxes and assessments. Seller shall, in turn, pay such taxes to the Treasurer of Hamilton County, Ohio.

9. Destruction of Unit.

If the Unit is substantially damaged or destroyed prior to the delivery of the deed, Seller shall receive all of the proceeds of any insurance payable in connection therewith and shall immediately thereafter return to Purchaser all money deposited by him under this Offer, together with any interest required under Section 2 hereof. This agreement shall terminate immediately after such refund to Purchaser, and neither party hereto shall thereafter have any further obligation to the other.

10. Right to Rescind.

PURCHASER SHALL HAVE THE RIGHT TO RESCIND THIS OFFER AT ANY TIME BEFORE IF THIS OFFER OR THE ACCEPTANCE HEREOF IN ANY WAY VIOLATES ANY OF THE PROVISIONS OF SECTIONS 5311.25 OR 5311.26 OF THE OHIO REVISED CODE. SEE EXHIBIT "C" ATTACHED HERETO AND MADE A PART HEREOF FOR SELLER'S RIGHT TO RESCIND.

11. Contribution to Association.

Purchaser shall deposit with the Association, at the Closing, Purchaser's pro rata share of the then current monthly condominium assessments applicable to the Unit. The current monthly condominium assessment for the Unit is \$ _____.

12. Title to Unit.

Title to the Unit shall be taken in the name of _____, whose tax-mailing address is _____ or will be _____.

13. Additional Conditions or Contingencies.

This Offer is also subject to the following terms, conditions and/or contingencies: (If none, so state)

14. Complete Agreement.

This Offer, if accepted, contains all the terms and conditions agreed upon by the parties hereto, there being no oral conditions, representations, warranties or agreements. No amendments hereto shall be valid and binding upon the parties unless in writing, signed by both parties. The terms, conditions and provisions hereof shall not merge with the deed delivered in accordance herewith and shall survive the Closing.

15. Counterparts.

This Offer may be executed in any number of counterparts, each of which shall be an original of this Offer, but all of such counterparts taken together shall constitute one and the same instrument.

16. Duration of Offer; Acceptance.

This Offer shall expire unless Seller accepts the same and so notifies Purchaser on or before _____ a.m./p.m., _____, 1980. Notice of Seller's acceptance shall be deemed given when an executed copy of the accepted Offer is delivered personally or deposited in the United States mail, ordinary mail, postage prepaid, addressed to Purchaser at the address below.

IN WITNESS WHEREOF, the Purchaser has hereunto set his hand on the date stated at the beginning of this Offer.

WITNESSES:

PURCHASER:

PURCHASER'S ADDRESS: _____

ACCEPTANCE

Seller hereby accepts the foregoing Offer to Purchase in accordance with the terms, conditions and provisions contained therein. In consideration of its services in the above transaction, Seller hereby agrees to pay to _____ a commission of _____% on the purchase price above stated, payable in full at the time of Closing, upon payment of the purchase price by Purchaser.

WITNESSES:

SELLER:

AUTO-VEHICLE PARTS CO.

By: _____

Dated: _____

GENERAL WARRANTY DEED

EXHIBIT A

KNOW ALL MEN BY THESE PRESENTS:

That AUTO-VEHICLE PARTS CO., a Kentucky corporation, (hereinafter called "Grantor") of Newport, Campbell County, Kentucky, for valuable consideration paid, grants with general warranty covenants to

(hereinafter called "Grantee" whether one or more), whose tax-mailing address is Unit _____, The Madison House Condominium, 2324 Madison Road, Cincinnati, Ohio 45208,

the following described real property:

Situated in the City of Cincinnati, Hamilton County, Ohio, and being Unit _____ of The Madison House Condominium, as shown on the Condominium Drawings recorded at Book _____, Pages _____ through _____ of the Plat Records of Hamilton County, Ohio, and as shown on the Declaration of Condominium Ownership recorded at Deed Book _____, Page _____ of the Hamilton County, Ohio Recorder's Records, together with the percentage of ownership in the Common Areas and Facilities declared by the Declaration to be an appurtenance to the above Unit, and together with the exclusive right to use all of the limited Common Areas identified on the Condominium Drawings as being for the sole and exclusive use of said Unit.

There are excepted from the general warranty covenants and the real property is conveyed subject to the following:

1. Easements, conditions and restrictions of record.
2. Restrictions, covenants and conditions of record in the Declaration, By-Laws and Drawings of The Madison House Condominium.
3. The provisions of Chapter 5311 of the Ohio Revised Code.
4. All taxes, assessments, reassessments and condominium charges becoming due and payable after the date hereof.

Prior Deed Reference: Deed Book 4077, Page 692, and Deed Book 4079, Page 113, Hamilton County, Ohio Recorder's Records.

Grantee, by acceptance of this deed, hereby jointly and severally, on behalf of themselves, their heirs, executors, administrators, successors, assigns, grantees, mortgagees, devisees and all others claiming under or through them any interest in the real property conveyed hereby, consents to any amendments of the Declaration necessary to carry out the purposes of Sections 10.1 and 10.5 thereof. Grantee further agrees, jointly and severally, on behalf of themselves, their heirs, executors, administrators, successors, assigns, grantees, mortgagees, devisees and all others claiming under or through them any interest in the real property conveyed hereby, to the execution by Auto-Vehicle Parts Co. on their behalf of any and all documents necessary to effect such amendments pursuant to that certain proxy and irrevocable power of attorney, coupled with an interest, executed and granted by Grantee to Auto-Vehicle Parts Co. on the date hereof.

IN WITNESS WHEREOF, this deed has been executed at Cincinnati, Ohio this _____ day of _____, 1980.

Signed and acknowledged
in the presence of:

AUTO-VEHICLE PARTS CO.,
a Kentucky corporation,

By: _____

STATE OF OHIO, COUNTY OF HAMILTON, SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 1980, by _____ of AUTO-VEHICLE PARTS CO., a Kentucky corporation, on behalf of the corporation.

NOTARY PUBLIC - STATE OF OHIO

This instrument prepared by:
Herbert B. Weiss, Esq.
Joe B. Conn, Esq.
Smith & Schnacke
2900 DuPont Tower

KNOW ALL MEN BY THESE PRESENTS:

That AUTO-VEHICLE PARTS CO., a Kentucky corporation, (hereinafter called "Grantor") of Newport, Campbell County, Kentucky, for valuable consideration paid, grants with general warranty covenants to

(hereinafter called "Grantee" whether one or more), whose tax-mailing address is Unit _____, The Madison House Condominium, 2324 Madison Road, Cincinnati, Ohio 45208,

the following described real property:

Situated in the City of Cincinnati, Hamilton County, Ohio, and being Unit _____ of The Madison House Condominium, as shown on the Condominium Drawings recorded at Book _____, Pages _____ through _____ of the Plat Records of Hamilton County, Ohio, and as shown on the Declaration of Condominium Ownership recorded at Deed Book _____, Page _____ of the Hamilton County, Ohio Recorder's Records, together with the percentage of ownership in the Common Areas and Facilities declared by the Declaration to be an appurtenance to the above Unit, and together with the exclusive right to use all of the Limited Common Areas identified on the Condominium Drawings as being for the sole and exclusive use of said Unit.

There are excepted from the general warranty covenants and the real property is conveyed subject to the following:

1. Easements, conditions and restrictions of record.
2. Restrictions, covenants and conditions of record in the Declaration, By-Laws and Drawings of The Madison House Condominium.
3. The provisions of Chapter 5311 of the Ohio Revised Code.
4. All taxes, assessments, reassessments and condominium charges becoming due and payable after the date hereof.

Prior Deed Reference: Deed Book 4077, Page 692, and Deed Book 4079, Page 113, Hamilton County, Ohio Recorder's Records.

Grantee, by acceptance of this deed, hereby jointly and severally, on behalf of themselves, their heirs, executors, administrators, successors, assigns, grantees, mortgagees, devisees and all others claiming under or through them any interest in the real property conveyed hereby, consents to any amendments of the Declaration necessary to carry out the purposes of Sections 10.1 and 10.5 thereof. Grantee further agrees, jointly and severally, on behalf of themselves, their heirs, executors, administrators, successors, assigns, grantees, mortgagees, devisees and all others claiming under or through them any interest in the real property conveyed hereby, to the execution by Auto-Vehicle Parts Co. on their behalf of any and all documents necessary to effect such amendments pursuant to that certain proxy and irrevocable power of attorney, coupled with an interest, executed and granted by Grantee to Auto-Vehicle Parts Co. on the date hereof.

IN WITNESS WHEREOF, this deed has been executed at Cincinnati, Ohio this _____ day of _____, 1980.

Signed and acknowledged in the presence of:

AUTO-VEHICLE PARTS CO., a Kentucky corporation,

By: _____

STATE OF OHIO, COUNTY OF HAMILTON, SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 1980, by _____, of AUTO-VEHICLE PARTS CO., a Kentucky corporation, on behalf of the corporation.

NOTARY PUBLIC - STATE OF OHIO

This instrument prepared by: Herbert B. Weiss, Esq. Joe B. Conn, Esq. Smith & Schnacke

PROXY AND POWER OF ATTORNEY
TO VOTE FOR AMENDMENTS TO
DECLARATION OF CONDOMINIUM

KNOW ALL MEN BY THESE PRESENTS:

That we, _____ and _____ of _____, Ohio, do hereby jointly and severally make, constitute and appoint, for a period of seven (7) years from _____, 1980, AUTO-VEHICLE PARTS CO., a Kentucky corporation, with its principal address being at 1032 Saratoga Street, Newport, Kentucky 41071, our true and lawful proxy and attorney-in-fact, to vote and act for us, in our names, places and stead, at meetings of THE MADISON HOUSE CONDOMINIUM OWNERS' ASSOCIATION or to sign for us actions by unanimous written consent of all Unit Owners without meeting in order to amend the Declaration of Condominium Ownership for THE MADISON HOUSE CONDOMINIUM (the "Declaration") for the following purposes: to make any amendments necessary to correct clerical or typographical errors in the Declaration; to make other nominal changes; to make any changes necessary or desirable to meet the requirements of any institutional lender, the Veteran's Administration, the F.H.A. or any other agency which insures loans on condominium units; to make any change necessitated by the alteration, modification, addition, improvement or reapportionment of percentage interest in the Common Areas and Facilities of any Unit still owned by Auto-Vehicle Parts Co.; to make changes in any Unit still owned by Auto-Vehicle Parts Co. to assist in its marketing of such Unit or to clarify Auto-Vehicle Parts Co.'s original intent with respect to any provision therein, provided that no such amendment shall change our percentage of interest in the Common Areas and Facilities or adversely affect our rights or our first mortgagee's rights, giving and granting unto our said proxy and attorney full power and authority to do and perform all and every act and thing whatsoever requisite, necessary and proper to accomplish the above purpose, as fully, to all intents and purposes, as we might or could do if personally present, with full power of substitution and revocation hereby ratifying and confirming all that our said proxy and attorney, or its substitut shall lawfully do or cause to be done by virtue hereof. This proxy and power of attorney is coupled with an interest in real property in our proxy and attorney, shall not be revoked by the death of either or both of us or by the inability of either or both of us to act and shall be binding upon our personal representatives, executors, administrators, grantees, mortgagees, assigns, heirs and devisees and all others claiming under or through us any interest in the real property described as follows:

Situated in the City of Cincinnati, Hamilton County, Ohio, and being Unit _____ of The Madison House Condominium, as shown on the Condominium Drawings recorded at Book _____, Pages _____ through _____ of the Plat Records of Hamilton County, Ohio and as shown on the Declaration of Condominium Ownership recorded at Deed Book _____, Page _____ of the Hamilton County, Ohio Recorder's Records, together with the percentage of ownership in the Common Areas and Facilities declared by the Declaration to be an appurtenance to the above Unit, and together with the exclusive right to use all of the Limited Common Areas identified on the Condominium Drawings as being for the sole and exclusive use of said Unit.

IN WITNESS WHEREOF, we have hereunto set our hands this _____ day of _____, 1980.

Signed and acknowledged
in the presence of:

STATE OF OHIO, COUNTY OF HAMILTON, SS:

The foregoing instrument was acknowledged before me this _____ day of _____, 1980, by _____ and _____.

NOTARY PUBLIC - STATE OF OHIO

This instrument prepared by:
Herbert B. Weiss, Esq.
Joe B. Conn, Esq.
Smith & Schnacke
2900 DuBois Tower
Cincinnati, Ohio 45202

Association. Such a manager must be given an opportunity to be heard before such removal at a regular or special meeting of the membership. Any manager appointed by the Developer may be removed by the Developer at any time.

The officers of the Association will be elected by and from the Board of Managers starting with the first Board meeting immediately following the first annual meeting of the Association's membership after the special meeting described in the seventh paragraph of this Section 6. The officers shall consist of a President, Vice President, Secretary, Treasurer and any other officers deemed necessary by the Board. Any Board member may hold two or more offices at the same time except that no person shall execute any document in more than one capacity on behalf of the Association if Ohio law, the Declaration, the By-Laws or any other document related to The Madison House requires the signatures of two or more officers.

No officer or member of the Board is liable to any Unit Owner for mistakes of judgment or for negligence other than individual willful misconduct or bad faith. The Association shall indemnify every Board member and officer against such liability other than willful misconduct or bad faith with insurance coverage which shall be paid for by the Association.

The Board of Managers shall be responsible for enforcing the covenants contained in the Declaration and By-Laws which are to be fulfilled by individual Owners. The Association, acting through its Board of Managers, shall also establish an annual budget and the assessments to be paid by each member. The Association shall be responsible for collecting those assessments and for taking appropriate action against any party who is delinquent in his payment of those assessments.

The Board of Managers may not pay for out of the maintenance fund, borrow nor authorize for any capital additions or improvements or structural alterations the expenditure of more than \$2,000.00 per each alteration, nor more than \$10,000.00 in the aggregate for any such expenditures in any one calendar year without the prior approval of at least 75% of the total voting power of the Association membership unless such expenditures are expressly included in the Association's annual budget.

The first mortgagees of the individual Units have been given certain protections to assure the value of the mortgaged Unit. Therefore, unless specifically controlled by more restrictive provisions, the Association shall not, without the consent of at least two-thirds (2/3) of all first mortgagees (based on one vote for each first mortgagee) or of all Unit Owners, do any of the following: (1) abandon or terminate the Condominium Property; (2) change individual Unit percentage

interests in the Common Areas and Facilities; (3) partition or subdivide any Unit; (4) abandon, partition, subdivide, encumber, sell or transfer the Common Areas and Facilities; or (5) use hazard insurance proceeds for any purpose other than repair, replacement or reconstruction of the Condominium Property, except as provided in the case of substantial loss (see Section 12 herein).

The Association currently maintains all risk coverage (excepting normal exclusions) insurance on all of the Condominium Property in an agreed amount equal to 100% of the replacement value exclusive of the cost of foundations, footings and excavation with a \$1,000.00 deductible on any loss. Any proceeds of the policies described in this paragraph payable as the result of a casualty loss shall be payable to the Association. If such proceeds are sufficient, the Association shall undertake the repair, restoration or reconstruction of the casualty loss. If the proceeds are insufficient to pay the cost of such repair, restoration or reconstruction, the Association shall undertake such work, the expense of which to be treated as a common expense, collectable by special assessment. The Unit Owners may however, by unanimous affirmative vote, elect not to repair or restore the damage in the event of damage to or destruction of more than fifty percent (50%) of the Building. This election is described in Section 12 herein. The Declaration requires liability coverage of at least \$500,000 for bodily injury, illness, disease or death suffered by any one person; \$5,000,000 for any one occurrence; and \$100,000 property damage per accident. The Association will carry at least these levels of liability coverages with respect to the Common Areas and Facilities insuring itself, the Board of Managers and all Unit Owners.

Each Owner will be responsible for his own liability insurance coverage within his Unit and Limited Common Areas and Facilities reserved for the exclusive use of his Unit, and for fire and extended coverage insurance on the contents of his Unit. An Owner should consult with his own insurance company to determine the proper type and level of insurance required to protect his individual interests.

Each Owner will be responsible for all maintenance, care, repair and replacement of all Units owned by him and of the Limited Common Areas and Facilities (excluding those items which are the Association's responsibility as stated in the next paragraph) reserved for the exclusive use of those Units. The Owner of a Unit which has a balcony included in its Limited Common Areas and Facilities will be responsible for the care, maintenance, repair and replacement of the finished floor surfaces of that balcony. Each Owner is also responsible for the repair of damage caused by him or by any of his invitees, lessees, licensees, guests or family members to any part of the Common Areas and Facilities.

Except as stated in the immediately preceding paragraph, the Association shall manage, maintain, repair, alter, replace and improve the Common Areas and Facilities, the exterior of all buildings, doors, window and door trim (except glass which is a part of a Unit), and those parts of the Limited Common Areas and Facilities and Units which contribute to the support of any building excluding interior wall, ceiling and floor surfaces, but including all balconies.

The Declaration requires that the Association shall fulfill the responsibilities described in the immediately preceding paragraph by contracting with a competent professional management company which is managing at least 500 residential Units other than Units in The Madison House, which has been in operation at least five years and which has in its employ at least one person certified by the National Association of Real Estate Boards as a Certified Property Manager or who has equivalent qualifications if that title or certification is discontinued. The requirement that the manager have in its employ a Certified Property Manager may be waived by the Board of Managers if it is not possible to employ such a manager on a basis reasonable for the Association. The other management requirements may not be waived by the Association.

The Association has contracted with Chelsea Moore Company to provide professional management and to provide for all of the services necessary to maintain the Common Areas and Facilities and all other property which is required to be maintained by the Association in a good state of repair. This includes such services as trash removal; lawn and private roadway maintenance; swimming pool maintenance; snow removal and other services related to the Common Areas and Facilities. The estimated charges to be rendered for these services from March 1, 1980 through December 31, 1982 are set forth in Exhibit E hereto. The contract terminates one year after execution, and provides that unless renewed or extended by the Board of Managers, the automatic one year renewal provisions will not cause the contract to continue for more than one year after the Developer turns over control of the Board of Managers as described in the seventh paragraph of Section 6 hereof. A copy of this contract is attached hereto as Exhibit F and made a part hereof.

7. Amendments to Condominium Documents.

For most types of amendments, the Declaration and By-Laws may be amended only by a vote of 75% or more of the total voting power in the Association. No amendment can have any effect upon the Developer or upon any first mortgagee of a Unit or upon any of their respective rights unless they have consented in writing thereto. Any amendment which alters any Owner's percentage of interest in the Common Areas and Facilities must be consented to by each affected Owner. Any amendment

which would limit the leasing of Units in any way different from the original provisions contained in the Declaration shall require the approval of 90% of the total voting power of the Association.

The Articles of Incorporation may be amended by a simple majority of the total voting power of the Association.

The Developer reserves the right in the Declaration to amend the Declaration at any time prior to the seventh anniversary of the recording date of the Declaration to correct clerical or typographical errors in the Declaration, Drawings or By-Laws; to make nominal changes in those documents; to clarify the Developer's original intent; to make any changes necessary or desirable to meet the requirements of any institutional lender, the Veteran's Administration, the F.H.A. or any other agency which insures loans on condominium Units; to make any change necessitated by any alteration, modification, addition, improvement or reapportionment of percentage interests in Common Areas and Facilities of any Units owned by the Developer made pursuant to Developer's right to make such changes as reserved in the Declaration; or to make any changes or modifications in any unsold Unit covered by the Declaration and to reapportion the percentage interests appurtenant to such Units to assist the Developer in its marketing of that Unit, provided that the value or size of that Unit shall not be materially decreased. No such amendment may change any Owner's percentage of interest in the Common Areas and Facilities or adversely affect such Owner's rights without his and his first mortgagee's written consent. Each Owner designates the Developer as his proxy and Attorney-in-Fact to make any of the above-described amendments without obtaining the Owner's consent at the time of such amendment. Each purchaser shall at the time of closing execute a formal power of attorney for such purpose.

8. Right of Rescission and Other Rights of Purchaser.

ANY PURCHASER OF A UNIT IN THE MADISON HOUSE HAS THE RIGHT TO REVIEW THE DECLARATION, THE DRAWINGS FOR THE MADISON HOUSE AND OF HIS INDIVIDUAL UNIT, THE BY-LAWS, THE ARTICLES OF INCORPORATION AND ANY CONTRACTS PERTAINING TO MANAGEMENT OR THE PROVISION OF OTHER SERVICES TO THE ASSOCIATION TOGETHER WITH ANY OTHER DOCUMENTS OR INSTRUMENTS ESTABLISHING THE OWNERSHIP OF OR EXERTING CONTROL OVER THE MADISON HOUSE PROPERTY OR ANY UNIT THEREIN BEFORE HE EXECUTES A CONTRACT FOR THE PURCHASE OF THAT UNIT FROM THE DEVELOPER. IN ADDITION TO ANY OTHER REMEDIES AVAILABLE TO A PURCHASER, EACH SUCH PURCHASER HAS THE RIGHT TO VOID HIS PURCHASE CONTRACT FOR A PERIOD OF FIFTEEN (15) DAYS AFTER THE DATE WHEN HE EXECUTES THE PURCHASE CONTRACT OR FIFTEEN (15) DAYS AFTER THE DATE UPON WHICH HE EXECUTES A DOCUMENT EVIDENCING HIS RECEIPT OF ALL OF THE INFORMATION REQUIRED BY SECTION 5311.26 OF THE OHIO REVISED

CODE, WHICHEVER IS LATER, IF THAT CONTRACT HAS BEEN EXECUTED IN VIOLATION OF SECTION 5311.25 OR SECTION 5311.26 OF THE OHIO REVISED CODE. IMMEDIATELY UPON THE PROPER EXERCISE OF THIS RIGHT OF RESCISSION, THE DEVELOPER SHALL REFUND TO THE PURCHASER ANY AMOUNTS WHICH THE PURCHASER HAS PAID ON THE PURCHASE PRICE AND ANY DEPOSIT, OTHER PREPAID FEE OR OTHER ITEM GIVEN TO THE DEVELOPER IN CONNECTION WITH THE PURCHASE, TOGETHER WITH ANY INTEREST ACCRUED THEREON AS MORE FULLY DESCRIBED IN SECTION 11 HEREOF. IN ADDITION, THE DEVELOPER SHALL PAY ALL CLOSING COSTS ACTUALLY PAID BY THE PURCHASER OR FOR WHICH THE PURCHASER IS LIABLE.

IF THE DEVELOPER OR ITS AGENT SELLS ANY CONDOMINIUM OWNERSHIP INTEREST IN THE MADISON HOUSE IN VIOLATION OF SECTIONS 5311.25 OR 5311.26 OF THE OHIO REVISED CODE, THE DEVELOPER OR ITS AGENT SHALL BE LIABLE TO THE PURCHASER IN SUCH TRANSACTION IN AN AMOUNT EQUAL TO THE DIFFERENCE BETWEEN THE AMOUNT PAID BY THE PURCHASER FOR HIS INTEREST AND THE LEAST OF THE FOLLOWING AMOUNTS:

- (1) THE FAIR MARKET VALUE OF THE INTEREST AS OF THE TIME THE SUIT IS BROUGHT BY THE PURCHASER.
- (2) THE PRICE AT WHICH THE INTEREST IS DISPOSED OF IN A BONA FIDE MARKET TRANSACTION BEFORE SUCH SUIT.
- (3) THE PRICE AT WHICH THE UNIT IS DISPOSED OF AFTER SUIT IN A BONA FIDE MARKET TRANSACTION, BUT BEFORE JUDGMENT IN THAT SUIT.

IN NO CASE SHALL THE AMOUNT RECOVERABLE BY THE PURCHASER BE LESS THAN \$500 FOR EACH VIOLATION, TOGETHER WITH COURT COSTS AND REASONABLE ATTORNEYS' FEES. ANY PURCHASER COMPLAINING OF A VIOLATION OF SECTION 5311.25 OR 5311.26 OF THE OHIO REVISED CODE WHO HAS BROUGHT OR MAINTAINED A SUIT IN BAD FAITH OR A SUIT WHICH HE KNEW TO BE GROUNDLESS SHALL BE LIABLE TO THE DEVELOPER OR ITS AGENT FOR REASONABLE ATTORNEYS' FEES IF THE DEVELOPER OR ITS AGENT PREVAILS IN SUCH SUIT.

IF THE OHIO ATTORNEY GENERAL BELIEVES THAT SUBSTANTIAL NUMBERS OF PERSONS ARE AFFECTED AND THAT SUBSTANTIAL HARM IS EITHER OCCURRING OR IS ABOUT TO OCCUR TO SUCH PERSONS, OR IF HE BELIEVES THAT THE CASE IS OTHERWISE OF SUBSTANTIAL PUBLIC INTEREST, HE MAY BRING AN ACTION AGAINST THE DEVELOPER TO OBTAIN A DECLARATORY JUDGMENT STATING THAT AN ACT OR PRACTICE OF THE DEVELOPER VIOLATES SECTION 5311.25 OR SECTION 5311.26 OF THE OHIO REVISED CODE OR VIOLATES PROVISIONS CONTAINED IN THE CONDOMINIUM INSTRUMENTS. SUCH ACTION MAY ALSO BE BROUGHT TO ENJOIN THE DEVELOPER IF IT IS VIOLATING OR IS THREATENING TO VIOLATE SUCH STATUTORY SECTIONS OR SUCH CONDOMINIUM INSTRUMENTS.

THE ATTORNEY GENERAL MAY ALSO BRING A CLASS ACTION IN THE ABOVE-DESCRIBED SITUATIONS FOR DAMAGES ON BEHALF OF OR SECTION 5311.26 OF THE OHIO REVISED CODE OR BY THE DEVELOPER'S VIOLATIONS OF ANY OF THE CONDOMINIUM INSTRUMENTS.

In accordance with Section 5311.26(J) of the Ohio Revised Code, a statement of purchasers' rights as described in this Section 8 has been printed in twenty-point, bold face type and has been attached hereto as Exhibit G and made a part hereof.

See Exhibit H attached hereto and made a part hereof, for a description of the Developer's right to rescind.

9. Reserve Fund.

The Declaration and By-Laws of the Madison House require the establishment and maintenance of a reserve fund for contingencies and replacements. Money from the fund can be used to finance the cost of repair or replacement of improvements included within the Common Areas and Facilities of The Madison House and any other necessary extraordinary expenditures to the extent that such costs and expenditures are not covered by the annual budget of the Association.

10. Liens and Other Items Affecting Title to Condominium Property.

Each Unit is subject to various easements described in the Declaration for the right of access to maintain and operate the Condominium Property. There are various easements on the Condominium Property for telephone lines and cables, sewer lines, electric and gas lines and other utility services. The Condominium Property is also subject to an easement for a private roadway known as Garden Place. Easements also cover any possible encroachments of a Unit upon the Common Areas and Facilities or an encroachment of the Common Areas and Facilities upon a Unit which might occur as a result of the construction, settlement or shifting of the Building or by reason of the partial or total destruction and rebuilding of such Building. The Developer has reserved the right to enter upon the Condominium Property to install, maintain, repair, replace and use various utility lines, pipes and facilities to provide water, sanitary sewer, storm sewer, electrical, gas, telephone, television and other utility or quasi-utility services to The Madison House. However, the use of any of such rights shall not unreasonably interfere with the use and enjoyment of The Madison House. The Developer must restore any property damaged as a result of its use of such easement rights to the condition which existed immediately prior to such use.

Each tenant of The Madison House has been offered an option to purchase a Unit in The Madison House which must be exercised, if at all, not later than May 30, 1980. Each

tenant who does not so exercise this option can be required to vacate his Unit on the later of 120 days written notice or the termination date of his lease. None of the existing leases expire later than September 30, 1982.

11. Escrow for Deposit or Down Payment.

Any deposit or down payment made by any purchaser in connection with his purchase of a Unit in The Madison House will be held by the Developer in trust or in escrow until such money is delivered at the closing to the Developer or returned to or otherwise credited to the purchaser or forfeited to the Developer in the event of a default by the purchaser. If such deposits or down payments by any single purchaser total \$2,000 or more, and if that total amount is held for more than ninety (90) days by the Developer, the Developer will pay interest at the rate of four percent (4%) per annum on such amount for the period exceeding ninety (90) days during which that amount is held by the Developer. This interest shall either be credited to the purchase price at the closing, refunded to the purchaser with any other refund or added to any amount forfeited to the Developer in the event of a default by the purchaser. Such amounts held in trust or escrow by the Developer will not be subject to attachment by any creditor either of the Developer or of the purchaser.

12. Restraints on Sale, Leasing or Other Alienation and on Use of Any Part of the Condominium Property.

Any Unit Owner in The Madison House other than the Developer who wishes to sell or lease his Unit Ownership must first give to the Board of Managers not less than thirty (30) days' written notice of the terms of any contemplated sale or lease, together with all social and financial information on the proposed purchaser or lessee which as may be requested by the Association. For a period of thirty (30) days after receipt of such notice, the Board of Managers, acting on behalf of all consenting Unit Owners in the Association, shall have the exclusive right either to produce another purchaser or lessee or to purchase or lease such Unit Ownership itself on behalf of all consenting Unit Owners upon the same terms of purchase or lease outlined in the notice given by the Unit Owner. If the Board deems the terms of such purchase or lease stated in the notice to be inconsistent with the bona fide fair market value of such Unit Ownership, the Board and the Unit Owner in question shall have the right each to appoint, not more than 15 days after the Board's receipt of such notice, a qualified real estate appraiser to act as an arbitrator on the value of the Unit. These two arbitrators shall appoint a third arbitrator, within not more than 10 days after their appointment, and the three arbitrators by a majority vote shall then determine within not more than 15 days the fair market value of the Unit.

Ownership or interest therein. The Board shall then have the option for a period of 10 days after receipt of such decision by the arbitrators to purchase the Unit Ownership or interest therein for the value stated by the arbitrators.

If the Board does not exercise the options stated above, the Owner may then contract to sell or lease the Unit Ownership on the terms specified in the notice which he gave to the Board. If the Board does exercise one of the above-stated options, the Owner proposing the sale or lease shall then be obligated to close that sale or lease either with the Association or with the purchaser or lessee produced by the Board.

Similar procedures for arbitration exist on behalf of the Board acting for all consenting Unit Owners in any situation where an Owner other than the Developer wishes to make a gift of his Unit Ownership or any interest therein to any party who would not be his heir at law under the Ohio statute of descent and distribution if he died within ninety (90) days prior to the contemplated date of the gift. Such provisions also apply in the event an Owner devises his Unit Ownership or any interest therein by will to any such party.

None of the options described above may be exercised by the Board unless two-thirds (2/3) of the total voting power in the Association has approved such exercise. Any such option may be waived upon the written consent of three (3) members of the Board of Managers.

Notwithstanding anything to the contrary, the Developer shall have the right, so long as it owns any Unit, to lease or sell any such Unit for and upon such terms, conditions, consideration and agreements as Developer shall, in its sole discretion, determine and deem appropriate.

No partition of the Common Areas and Facilities is possible until The Madison House Condominium itself is terminated. Except for the situation described in the next following paragraph, such a termination requires the unanimous affirmative vote of all Unit Owners. A Unit Owner may partition his Ownership between co-Owners with the prior written consent of his first mortgagee. No Owner may sever his Ownership interest from the percentage of Ownership in the Common Areas and Facilities which is appurtenant to his Unit.

By unanimous affirmative vote of the total voting power in the Association, the Unit Owners may elect not to restore or repair substantial damage or destruction to 50% or more of the Building. Immediately after such an election, all of the Condominium Property shall be offered for sale to the Developer by written notice to it, so long as the Developer owns at least one Unit in the Condominium Property. The

Developer shall have thirty (30) days after it receives such a notice to make an offer for the purchase of the Condominium Property. The offer shall be made in writing to the President of the Association. If the Unit Owners and the Developer cannot agree on a purchase price for the Condominium Property, they shall, within ten (10) days after the Developer's offer is received by the President of the Association, each appoint a qualified real estate appraiser to act as an arbitrator. These two arbitrators shall select a third arbitrator, and these three arbitrators shall notify the Association and the Developer in writing within thirty (30) days after said third arbitrator is selected of their determination of the fair market value of the Condominium Property. Within ten (10) days after receiving such determination of value, the Developer shall notify the President of the Association if it elects to buy the Condominium Property at that fair market value. If the Developer does not elect to buy the Condominium Property, the Condominium Property shall be subject to an action for sale as upon partition at the suit of any Unit Owner. If the Developer elects to buy the Condominium Property, it shall be conveyed to the Developer by a general warranty deed or deeds from all of the Unit Owners, subject to the provisions of the Declaration, By-Laws and Chapter 5311 of the Ohio Revised Code; to easements and restrictions of record; and to real estate taxes and assessments not yet due and payable.

No Residential Unit Owner other than the Developer or a first mortgagee in possession of a Residential Unit may lease less than the entire Residential Unit, and no Owner other than the Developer or a first mortgagee in possession of a Unit may rent his Residential Unit for any period of less than one year. All leases must be in writing and must state that the lease is subject to all provisions of the Declaration, the By-Laws and the Rules and Regulations adopted by the Board of Managers. A copy of each such lease must be given to the President of the Association not more than 7 days after it is executed.

Except with regard to Commercial Units and except as otherwise provided in the Declaration, no business, trade, industry, occupation or profession of any kind whether for profit or not for profit may be conducted, maintained or permitted on any part of the Condominium Property unless permitted by the Board of Managers. To the extent permitted by law, an Owner may use a portion of his Unit for an office or studio (other than a music studio) if the activities conducted therein do not interfere with the quiet enjoyment or comfort of any other Owner or occupant and if such activities do not increase the normal flow of vehicular traffic or individuals in and out of the Condominium Property or in and out of said Unit.

Commercial Units may be used for any retail business, commercial or professional purpose permitted by the applicable zoning codes or regulations affecting the Condominium Property.

The Owners of the Commercial Units, and their family members, lessees, employees, invitees, business patrons and guests shall have the right to use and enjoy the Common Areas and Facilities, subject to the Rules and Regulations promulgated by the Board of Managers, including any special rules and regulations affecting only such Commercial Unit Owners and those who claim under them.

No "for sale" or "for rent" sign may be placed on any part of the Condominium Property other than such signs placed by the Developer on any unsold or unoccupied Units and other than such signs placed by the Association for the purpose of facilitating the disposal of a Unit by any Unit Owner, mortgagee or the Association.

The Developer may use any unsold or unoccupied Units, the garage, the management office, the two apartments which are a part of the Common Areas and Facilities, the recreational facilities, and the other Common Areas and Facilities as models and/or offices in connection with the sale or rental of Units.

The Developer has reserved the right without the consent of the Board of Managers or the Owners to make alterations, additions or improvements to any Developer-owned Unit; to change the room layout, size or number of Developer-owned Units by combining or subdividing such Units, or by altering boundary walls between such Units; and to reapportion among the Developer-owned Units affected by any such change their respective appurtenant percentage interests in the Common Areas and Facilities. However, the Developer shall not alter any Unit or the percentage interest thereto owned by someone other than the Developer without that Owner's consent.

No uncovered parking spaces may be used for parking of any trailer coaches, house trailers, mobile homes, automobile trailers, campcars, recreational vehicles, campers, trucks, motorcycles, mopeds, scooters, boats, boat trailers or any other similar vehicles, except as permitted by the Board of Managers. Operative automobiles may be parked in either covered or uncovered parking spaces. No inoperative motor vehicle may be parked anywhere on the Condominium Property for more than 48 hours.

The Board of Managers shall designate 9 uncovered parking spaces for the use of each of the Commercial Unit Owners and their respective employees, patrons, invitees and licensees.

No pets or animals of any kind are permitted to be kept in any Unit or in the Common Areas and Facilities.

Nothing may be hung or displayed on the outside of windows or walls of the Building other than directional signs concerning the use of the Common Areas and Facilities and other than the signs permitted as described above in this Section 12. No Owner may paint or otherwise decorate or change the exterior appearance of any doors, windows or other items not within his Unit without the prior written consent of the Association. No clothes, laundry or other articles shall be hung out or exposed on any part of the Common Areas and Facilities. All trash, garbage or other rubbish must be disposed of by each Unit Owner strictly in accordance with the Rules and Regulations.

The Association reserves the right to retain a pass key to any Unit, and no lock or other device may be placed on the door of any Unit that would prevent entry by the use of such a key.

No noxious or offensive activity, nor anything which may be an annoyance or nuisance to other Owners or occupants, shall be carried on in any Unit or the Common Areas and Facilities.

No one shall use the Common Areas and Facilities except in accordance with the Declaration, the By-Laws, and the Rules and Regulations established by the Board of Managers.

Nothing shall be done or kept in the Condominium Property which would increase the insurance rate of the Condominium Property, or the cancellation thereof. No waste shall be committed in the Common Areas and Facilities. Nothing shall be done on the Condominium Property which would structurally impair or change the buildings on the property. No one shall connect any machines, appliances, accessories or equipment to the heating or plumbing system, or overload the electrical system so as to cause disturbance to others without the prior written consent of the Board. No washing machines or clothes dryers may be installed by an Owner upon the Condominium Property.

The garage parking spaces will be available to Unit Owners on a monthly rental basis, allocated on a first-come, first-serve basis. The cost of such garage spaces shall be determined by the Board, based on the total expense of operating the garage. All garage parking shall be valet (also known as attendant) parking; vehicles may be parked in the garage only by such attendants and not by the Owner of the vehicle, unless otherwise approved by the Board.

No Owner, including the Developer, or any employee, agent or representative thereof shall discriminate in the sale, lease, or rental of any Unit nor in the use of the Common Areas and Facilities upon the basis of sex, race, age, color, creed or national origin.

No portion of the Common Areas or Facilities may be sold or mortgaged without the unanimous written consent of all Unit Owners in The Madison House. However, a Unit Owner may sell or mortgage his undivided percentage of interest in the Common Areas and Facilities in connection with a sale or a mortgage of his Unit pursuant to the requirements of the Declaration and the By-Laws.

No more than two (2) persons will be permitted to use and occupy any efficiency or one-bedroom Unit at any time and no more than three (3) persons will be permitted to use and occupy any two-bedroom residential Unit at any one time. No more than four (4) persons will be permitted to use and occupy any three-bedroom or larger residential Unit at any one time unless the Board of Managers has granted express written permission for an exception to such requirements.

13. Enforcement of Covenants.

If any Unit Owner is delinquent in the payment of the monthly assessments for ten (10) days after such assessments are due and payable, the President of the Association may execute a certificate of lien which will then be recorded in the Hamilton County, Ohio Recorder's office as a lien against that Unit for the amount of such unpaid assessment and for any late charges imposed by the Association. Late charges may be imposed by the Board up to the amount of Ten Dollars (\$10) plus One Dollar (\$1) per day for every day after the assessment is ten (10) days delinquent. Additionally, upon default of an Owner in the payment of assessments, the Board may accelerate the remaining installments of assessments for the calendar year. The lien can be foreclosed in the same manner as Ohio law provides for the foreclosure of mortgages. In addition to these lien rights, each Owner will be personally liable for all assessments levied by the Association against his Unit while he is an Owner.

However, any person who acquires title to a Unit as a result of foreclosure of the first mortgage or by acceptance of a deed in lieu of foreclosure shall not be liable for any common expenses or assessments by the Association which became due prior to the acquisition of the title by such person. Such unpaid expenses or assessments shall be deemed to be common expenses of all Units, including the Unit of such acquirer.

If an Owner believes that an amount has been improperly charged as an assessment against his Unit, he may either bring an action under Section 5311.18(C) of the Ohio Revised Code in the Common Pleas Court of Hamilton County, Ohio seeking a discharge of that lien, or he may submit the matter to a panel of three arbitrators, one of whom shall be selected by him, one by the Board of Managers and the third by the other two arbitrators.

No Owner who is in default in the performance of any of his obligations as an Owner, including, without limitation thereto, his obligation to pay all assessments levied against his Unit, three (3) days prior to the date fixed for written consent in lieu of a meeting or for any annual or special meeting of the Association may vote at that meeting, or by mail or by written proxy.

The Board of Managers may withdraw an Owner's right to use community and recreational facilities or Limited Common Areas and Facilities and the right of any of his tenants, guests or members of his family to use any of such facilities if such Owner violates any of the covenants and conditions contained in the Declaration, By-Laws or Rules and Regulations of the Association.

An action seeking damages, a declaratory judgment or injunctive relief against such a defaulting Owner or against the Developer, its agents or any person who has the right to occupy a Unit who has caused or may cause damage by his failure to comply or his threat not to comply with any lawful provision of the condominium documents may also be maintained by any interested party. In the case of flagrant or repeated violations by an Owner, the Board may require him to provide sufficient surety or sureties for his future compliance.

In addition to the above rights, the Board of Managers may also enter into a Unit in which a violation exists to remove at the expense of the defaulting Owner any structure, thing or condition that exists thereon contrary to the intent and meaning of the provisions of the Declaration and By-Laws. The Board may also serve a ten (10) day notice in writing terminating the rights of a defaulting Owner to continue as an Owner and occupant of his Unit if he has failed to cure a violation of any of the provisions of the Declaration, By-Laws or Rules and Regulations within thirty (30) days after receiving notice of such violation from the Board. After serving such termination notice on the Owner, and after obtaining the written consent of any mortgagee on such Unit (which consent shall not be unreasonably withheld), the Board may file an action in the Common Pleas Court of Hamilton County, Ohio seeking a decree of mandatory injunction to terminate the Owner's Ownership and his right to occupy, use or control his Unit. If the court

grants such an injunction, it will order a judicial sale of such Unit, and the defaulting Owner may be restrained by the court from reacquiring his interest at such judicial sale.

14. Litigation Affecting the Condominium Development.

There is no litigation pending at this time which affects The Madison House.

15. Limits on Developer's Liability.

Except as otherwise expressly provided in the Declaration or under the provisions of Chapter 5311 of the Ohio Revised Code, and except for claims arising from gross negligence, neither the Developer nor any of its representatives, successors or assigns shall be liable for any claim arising from any actions performed pursuant to the authorities granted or delegated to it or to them pursuant to the Declaration or By-Laws in its or their capacity as Owner, Developer, manager or seller of The Madison House. The Developer shall have no liability for any improvements made or provided by it in The Madison House other than as expressly stated in the warranties attached as Exhibit D hereto.

16. Reference to Other Condominium Documents.

THIS STATEMENT HAS BEEN PREPARED PURSUANT TO SECTION 5311.26 OF THE OHIO REVISED CODE; IT IS A SUMMARY OF THE MATERIAL CIRCUMSTANCES AFFECTING THE MADISON HOUSE CONDOMINIUM DEVELOPMENT. THIS IS NOT INTENDED TO BE A COMPLETE STATEMENT OF ALL PROVISIONS CONTAINED IN THE CONDOMINIUM INSTRUMENTS WHICH ESTABLISH OWNERSHIP OF OR EXERT CONTROL OVER THE MADISON HOUSE CONDOMINIUM OR AN INDIVIDUAL UNIT THEREIN. FOR A COMPLETE DESCRIPTION OF ALL COVENANTS, CONDITIONS, RESTRICTIONS AND PROVISIONS APPLICABLE TO THE MADISON HOUSE, REFERENCE MUST BE MADE TO THE FULL TEXT OF THOSE DOCUMENTS.