

EXHIBIT B

BY-LAWS OF THE COTTAGES AT SAVANNAH CONDOMINIUM UNIT OWNERS' ASSOCIATION

The following By-Laws are hereby adopted by the Developer of the Savannah Condominium for The Cottages at Savannah Condominium Unit Owners' Association, effective on the day the Declaration for The Cottages at Savannah Condominium is filed for record. These By-Laws shall be deemed to be attached to said Declaration and incorporated therein by reference.

ARTICLE I

The Association

Section 1. Name and Nature of Association. The Association shall be deemed to have been formed on the day on which these By-Laws were filed for record with the Lorain County Recorder. The Association is an unincorporated association and shall be called The Cottages at Savannah Condominium Unit Owners' Association.

Section 2. Membership. Each Unit Owner shall become a member of the Association, automatically, on the date title to the Unit transfers to the Unit Owner. Such membership shall terminate upon the sale or the disposition by such Unit Owner of his Unit at which time the new Unit Owner shall automatically become a member of the Association.

Section 3. Voting Rights. Each member owning the entire Ownership Interest in a Unit shall be entitled to exercise voting power in the Association equal to the undivided percentage interest appertaining to the Ownership Interest in the Common Areas. The number of votes which the Member is entitled to cast shall be equal to the undivided percentage interest appertaining to the Ownership Interest in the Common Areas appertaining to the Unit Owner's Unit. If two or more persons, whether fiduciaries, tenants in common or otherwise, own undivided interests in the Ownership Interest in a Unit, each shall be entitled to exercise such proportion of the voting power for such Unit as shall be equivalent to such person's proportionate interest in the Ownership Interest of such Unit; provided that the fiduciary has submitted evidence satisfactory to the Association of the fiduciary status.

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

Section 5. Meetings of Members.

(a) First Meeting. The first meeting and subsequent meetings of the members of the Association and the initial election of members of the Board shall be held as provided in the Declaration.

(b) Annual Meeting. Subsequent to the meetings required to be held at specific times provided in the Declaration, annual meetings of the members of the Association for the election of members of the Board, the consideration of reports to be laid before such meeting, and the transaction of such other business as may properly be brought before such meeting shall be held at the office of the Association, or at such other place as may be designated by the Board and specified in the notice of such meeting, at 8:00 o'clock p.m., or at such other time as may be designated by the Board and specified in the notice of the meeting. The annual meeting of the Association's members shall be held on the first Monday of May of each year.

(c) Special Meeting. Special meetings of the members shall be called upon the written request of the President of the Association or, in case of the President's absence, death or disability, the Vice President of the Association authorized to exercise the authority of the President, or of the Board by action at a meeting, or of members entitled to exercise at least twenty-five percent (25%) of the voting power. Calls for such meetings shall specify the time, place and purposes thereof. No business other than that specified in the call shall be considered at any special meeting.

(d) Notices of Meetings. Not less than seven (7) nor more than sixty (60) days before the day fixed for a meeting of the members of the Association, written notice stating the time, place and purpose of such meeting shall be given by or at the direction of the Secretary of the Association or any other person or persons required or permitted by these By-Laws to give such notice. The notice shall be given by personal delivery or by mail to each member of the Association. If mailed, the notice shall be addressed to the members of the Association at their respective addresses as they appear on the records of the Association. Notice of the time, place and purposes of any meeting of members of the Association may be waived in writing, either before or after the holding of such meeting, by any member of the Association which writing shall be filed with or entered upon the records of the meeting. The attendance of any member of the Association at any such meeting shall be deemed to be a waiver by him of notice of such meeting.

(e) Quorum; Adjournment; Procedures. At any meeting of the members of the Association, the members of the Association who are entitled to exercise more than fifty percent (50%) of the voting power present in person or by proxy shall constitute a quorum for such meeting; provided, however, that no action required by law, by the Declaration, or by these By-Laws to be authorized or taken by a designated percentage of the voting power of the Association may be authorized or taken by a lesser percentage; and provided further, that the members of the Association entitled to exercise a majority of the voting power represented at a meeting of members, whether or not a quorum is present, may adjourn such meeting from time to time. If any meeting is adjourned, notice of such adjournment need not be given if the time and place to which such meeting is adjourned are fixed and announced at such meeting. Roberts Rules of Order shall apply to the conduct of each meeting.

Section 6. Action Without a Meeting. All actions, except removal of a Board member, which may be taken at a meeting of the Association, may be taken without a meeting with the approval of, and in a writing or writings signed by members of the Association having the percentage of voting power required to take such action if the same were taken at a meeting. Such writing shall be filed with the Secretary of the Association.

ARTICLE II

Board of Managers

Section 1. Number and Qualification. Subject to the provisions of the Declaration with respect to the election of the initial Board and other matters, the Board shall consist of three (3) persons. All such persons shall be Unit Owners, or spouses of Unit Owners, or in the case of a corporate owner, it shall be the chief executive officer of such corporation, or in the case of a partnership owner, a general partner of such partnership, or in the case of a fiduciary owner, a trust officer or other officer of such fiduciary or the fiduciary himself. Any Board member who ceases to be associated in one of the enumerated capacities with the Unit Owner designating such member, shall be deemed to have resigned as of the date such association ceases. Notwithstanding the foregoing to the contrary, prior to the date on which the Unit Owners (other than the Developer) are entitled to, by law, elect all of the members of the Board, a member of the Board, designated by the Developer need not be a Unit Owner.

Section 2. Election of Board; Vacancies. Subject to the Declaration's provisions, Board members shall be elected at the annual meeting of members of the Association or at a special meeting called for such purpose. At a meeting of members of the Association at which Board members are to be elected, only persons nominated as candidates shall be eligible for election as Board members. Each Unit Owner voting shall have a number of votes equal to the number of percentage points in the percentage interest in the Common Areas (appertaining to the Unit Owner's Unit) times the number of candidates nominated. Each Unit Owner may cast the Unit Owner's votes for any one or more candidates in such proportion as the Unit Owner determines. The candidates receiving votes representing the three (3) highest totals of percentage points shall be elected. In the event of the occurrence of any vacancy or vacancies in the Board, however caused, the remaining Board members, though less than a majority of the whole authorized number of Board members, may, by vote of a majority of their number, fill any such vacancy for the unexpired term; provided however, that a vacancy in the position filled by designation of Developer shall be filled by a subsequent designation of Developer.

Section 3. Term of Office; Resignation; Compensation. Each Board member shall hold office until the next annual meeting of the members of the Association and until his successor is elected, or until his earlier resignation, removal from office or death. Any Board member may resign at any time by oral statement to that effect made at a meeting of the Board or in a writing to that effect delivered to the Secretary of the Association, such resignation to take effect immediately or at such other time as the Board member may specify. Members of the Board shall serve without compensation.

Section 4. Organization Meeting. Immediately after each annual meeting of members of the Association, the newly elected Board members shall hold an organization meeting for the purpose of electing officers and transacting any other business. Notice of such meeting need not be given.

Section 5. Regular Meetings. Regular meetings of the Board may be held at such times and places as shall be determined by a majority of the Board, but at least four (4) such meetings shall be held during each fiscal year.

Section 6. Special Meeting. Special meetings of the Board may be held at any time upon call by the President or any two (2) Board members. Written notice of the time and place of each such meeting shall be given to each Board member either by personal delivery or by mail, telegram or telephone at least two (2) days before the meeting, which notice need not specify the purposes of the meeting; provided, however, that attendance of any Board member at any such meeting shall be deemed to be a waiver by him of notice of such meeting, and such notice may be waived in writing either before or after the holding of such meeting, by any Board member, which writing shall be filed with or entered upon the records of the meeting. Unless otherwise indicated in the notice thereof, any business may be transacted at any organization, regular or special meeting.

Section 7. Quorum; Adjournment. A quorum of the Board shall consist of a majority of the Board members then in office except that a majority of the Board members present at a meeting duly held, whether or not a quorum is present, may adjourn such meeting from time to time. If any meeting is adjourned, notice of such adjournment need not be given if the time and place to which such meeting is adjourned are fixed and announced at such meeting. At each meeting of the Board at which a quorum is present, all questions and business shall be determined by a majority vote of those present, except as may be otherwise expressly provided in the Declaration or in these By-Laws.

Section 8. Powers and Duties. Except as otherwise provided by law, the Declaration or these By-Laws, all power and authority of the Association shall be exercised by the Board. The Board shall be responsible for maintenance, repair and replacement of the Common Areas and other responsibilities described in the Declaration or these By-Laws. In carrying out the purposes of the Declaration and subject to the limitations prescribed by Law, the Declaration or these By-Laws, for and on behalf of the Association, may:

- (a) Purchase or otherwise acquire, lease as lessee, hold, use, lease as lessor, sell, exchange, transfer, and dispose of property of any description or any interest therein;
- (b) Make contracts;
- (c) Borrow money and issue, sell and pledge notes, bonds and other evidence of indebtedness of the Association;
- (d) Levy assessments against Unit Owners;

(e) Collect the charges for common expenses and assessments from the Unit Owners;

(f) Employ and fix reasonable compensation for a managing agent to perform such duties and services as the Board may authorize;

(g) Employ and fix reasonable compensation for personnel necessary for the maintenance and operation of the Common Areas;

(h) Employ and fix reasonable compensation for lawyers and accountants to perform such legal and accounting services as the Board may authorize;

(i) Pay taxes; and

(j) Do all things permitted by law and exercise all power and authority with the purposes stated in these By-Laws or the Declaration or incidental thereto.

Section 9. Action Without a Meeting. All actions, which may be taken at a meeting of the Board, may be taken without a meeting with the approval of, and in a writing or writings signed by, the Board members, having the percentage of voting power required to take such action if the same were taken at a meeting. Such writing shall be filed with the Secretary of the Association.

Section 10. Removal of Members of Board. At any regular or special meeting of members of the Association duly called, at which a quorum shall be present, any one or more of the Board members may be removed with or without cause by the vote of the members of the Association entitled to exercise at least seventy-five percent (75%) of the voting power of the Association, and a successor or successors to such board member or members so removed shall then and there be elected to fill the vacancy or vacancies thus created. Any board member whose removal has been proposed by the members of the Association shall be given an opportunity to be heard at such meeting.

Section 11. Fidelity Bonds. The Board may require that all officers and employees of the Association handling or responsible for Association funds shall furnish adequate Fidelity Bonds. The premiums on such Bonds shall be paid by the Association and shall be a Common Expense.

ARTICLE III

Officers

Section 1. Election and Designation of Officers. The Board shall elect a President, Vice-President and Secretary-Treasurer. The President and Vice-President shall be members of the Board and residents in Lorain County; the Secretary-Treasurer shall be a member of the Association and may be a member of the Board. The Board may also appoint an Assistant Treasurer and an Assistant Secretary and such other officers as in their judgment may be necessary.

Section 2. Term of Office; Vacancies. The officers of the Association shall hold office until the next organization meeting of the Board and until their successors are elected, except in case of resignation, removal from office or death. The Board may remove any officer at any time with or without cause by a majority vote of the Board members then in office. Any vacancy in any office may be filled by the Board.

Section 3. President. The President shall be the chief executive officer of the Association. He shall preside at all meetings of members of the Association and shall preside at all meetings of the Board. Subject to directions of the Board, the President shall have general executive supervision over the business and affairs of the Association. He may execute all authorized deeds, contracts and other obligations of the Association and shall have such other authority and shall have all the powers and duties prescribed by Chapter 5311 of the Ohio Revised Code and shall perform such other duties as may be determined by the Board or otherwise be provided for in the Declaration or in these By-Laws.

Section 4. Vice-President. The Vice President shall perform the duties of the President whenever the President is unable to act and shall have such other authority and perform such other duties as may be determined by the Board. The authority of the Vice President, when acting for the President, to sign in the name of the Association all contracts, notes and other instruments shall be coordinated with like authority of the President.

Section 5. Secretary-Treasurer. The offices and duties of Secretary and Treasurer shall be held and performed by one person.

(a) In his capacity as Secretary, he shall keep the minutes of meetings of the members of the Association and of the Board and shall make proper record of the same which shall be attested by him. He shall keep such books as may be required by the Board, shall give notices of meetings of members of the Association and of the Board required by law, the Declaration or these By-Laws, and shall have such authority and shall perform such other duties as may be determined by the Board or otherwise be provided for in the Declaration or in these By-Laws.

(b) In his capacity as Treasurer he shall receive and have custody of all money, bills, notes and similar property belonging to the Association, and shall do with the same as may be directed by the Board. He shall keep accurate financial accounts and hold the same open for the inspection and examination of the Board and shall have such authority and shall perform such other duties as may be determined by the Board.

Section 6. Other Officers. The Assistant Secretaries and Assistant Treasurers, if any, and any other officers whom the Board may appoint shall, respectively, have such authority and perform such duties as may be determined by the Board.

Section 7. Delegation of Authority and Duties. The Board is authorized to delegate the authority and duties of any officer to any other officer and generally to control the action of the officer and to require the performance of duties in addition to those mentioned herein.

ARTICLE IV

General Powers of the Association

Section 1. Common Expenses. The Association, for the benefit of all the Unit Owners, shall pay all Common Expenses as defined in the Declaration and these By-Laws.

Section 2. Association's Right to Enter Units. In addition to the rights granted by easement, described in the Declaration and/or Drawings and subject to the provisions of the Declaration, the Association or its agents may enter any Unit or portion of the Common Areas when necessary in connection with any maintenance, repair or construction for which the Association is responsible. Such entry shall be made with as little inconvenience to the Unit Owner as practicable, and any damage caused thereby shall be repaired by the Association and after seven (7) days notice. In the event of any emergency originating in or threatening any Unit at a time when required alterations or repairs are scheduled, the managing agent or his representative or any other person designated by the Board may enter the Unit immediately, whether the Unit Owner is present or not.

Section 3. Rules and Regulations. Subject to the Declaration, the Association, by vote of the members entitled to exercise a majority of the voting power of the Association, or the Board, may adopt such reasonable Rules and Regulations and from time to time amend the same as it or they may deem advisable, for the maintenance and conservation of the Condominium Property, and for the health, comfort, safety and general welfare of the Unit Owners and Occupants. Written notice of such Rules shall be given to all Unit Owners and Occupants and the Property shall at all times be maintained subject to such Rules. In the event such Rules shall conflict with any provisions of the Declaration or of these By-Laws, the provisions of the Declaration and these By-Laws shall govern.

Section 4. Delegation of Duties. Nothing herein contained shall be construed so as to preclude the Association, through its Board and Officers, from delegating in accordance with the Declaration, to persons, firms or corporations, including any manager or managing agent, such duties and responsibilities of the Association as the Board shall from time to time specify, and to provide for reasonable compensation for the performance of such duties and responsibilities, subject to limitations and requirements imposed by the Declaration.

ARTICLE V

Finances of Association

Section 1. Determination of Operating Expenses. Until such time as the Association's first meeting and the election of the first Board, Developer shall determine at the end of each month the amount necessary to pay the actual expenses incurred in the operation and maintenance of the Common Areas. In addition, Developer shall also estimate the monthly amount necessary to create and maintain a reasonable reserve for contingencies and maintenance, repair and replacement of the Common Areas. Said combined monthly amounts shall be assessed against each Unit according to its percentage of interest in the Common Areas. Payment of this monthly assessment shall be due within ten (10) days after notice in writing is given to the Unit

Owners by Developer. Within a reasonable time after the election of the first Board, Developer shall furnish to the Board an accounting of the funds collected and disbursed and shall deliver to the Board's possession the balance of the Association's funds in its custody.

Section 2. Preparation of Estimated Budget. After the Association's first meeting and the election of the first Board, each year on or before December 1, the Association shall estimate the total amount necessary to pay all the Common Expenses for the next calendar year together with an amount necessary for an adequate reserve for contingencies and the maintenance, repair and replacement of the Common Areas, and shall on or before December 15th, notify each Unit Owner in writing as to the amount of such estimate, with reasonable itemization thereof. Said "estimated cash requirement" shall be assessed to the Unit Owners according to each Unit Owner's percentage of ownership in the common Areas. On or before January 1 of the ensuing year, and the first day of each and every month of said year, each Unit Owner shall be obligated to pay to the Association or as it may direct one-twelfth (1/12th) of the assessment made pursuant to this Section. On or before the date of each annual meeting, the Association shall supply to all Unit Owners an itemized accounting of the Common Expenses for the preceding calendar year actually incurred and paid together with a tabulation of the amounts collected pursuant to the estimates provided, and showing the net amount over or short of the actual expenditures, plus reserves. Any amount accumulated in excess of the amount required for actual expenses and reserves shall be credited according to each Unit Owner's percentage of ownership in the Common Areas to the next monthly installment due from Unit Owners under the current year's estimate, until exhausted and any net shortage shall be added according to each Unit Owner's percentage of the ownership in the Common Areas to the installment due in the succeeding six (6) months after rendering the account.

Section 3. Budget After First Board Elected. When the first Board elected hereunder takes office, the Association shall determine the "estimated cash requirement", as hereinabove defined, for the period commencing thirty (30) days after said election and ending on December 31 of the calendar year in which said election occurs. Assessments shall be levied against and paid by, the Unit Owners during said period as provided in Section 1 of this Article V. The Assessments shall be collected by the Association in accordance with the provisions of the Declaration.

Section 4. Failure to Prepare Annual Budget. The failure or delay of the Association to prepare or deliver to a Unit Owner the annual or adjusted estimate shall not constitute a waiver or release in any manner of such Unit Owner's obligation to pay his proportionate share of the Common Expenses and reserves as herein provided, whenever the same shall be determined, and in the absence of any annual estimate or adjusted estimate, the Unit Owner shall continue to pay an assessment at the existing monthly rate established for the previous period until the monthly payment which is due more than ten (10) days after such new annual or adjusted estimate shall have been mailed or delivered.

Section 5. Books and Records of Association. The Association shall keep full and correct books of account and the same shall be open for inspection by any Unit Owner or his representative duly authorized in writing, at such reasonable time or times during normal business hours as may be requested by such Unit Owner. Upon ten (10) days notice to the Board and payment of a reasonable fee, any Unit Owner shall be furnished a statement of his account

setting forth the amount of any unpaid assessments or other charges due and owing from such Unit Owner.

Section 6. Status of Funds Collected by Association. All funds collected hereunder shall be held and expended solely for the purposes designated herein, and (except for such special assessments as may be levied hereunder against less than all of the Unit Owners, and for such adjustments as may be required to reflect delinquent or prepaid assessments) shall be deemed to be held for the use, benefits and account of all the Unit Owners in proportion to each Unit Owner's percentage ownership in the Common Areas.

Section 7. Annual Audit. The books of the Association shall be audited once a year by the Board and such audit shall be completed prior to each annual meeting. If requested by two members of the Board, such audit shall be made by a Certified Public Accountant. In addition, and at any time requested by a majority of the Unit Owners or by Developer, the Board shall cause an additional audit to be made.

Section 8. Common Profits. The Association may, if a majority of the members elect, disburse to the Unit Owners, in proportion to their percentage interest in the Common Areas, funds in the custody of the Association which the Association determines are not necessary for the operation or maintenance of the Property. Distributions to Unit Owners shall be reduced by the amount of any unpaid assessments due and payable on the date of the disbursement by the Unit Owner to the Association.

ARTICLE VI

General Provisions

Section 1. Indemnification of Board Members and Officers. Each Board member and officer of the Association, and each former Board member and officer of the Association, shall be indemnified by the Association against the costs and expenses of any pending or threatened action, suit or proceeding, criminal or civil, to which he is or may be made a party by reason of his being or having been such Board member or officer of the Association (whether or not he is a Board member or officer at the time of incurring such costs and expenses), except with respect to matters as to which he shall be adjudged in such action, suit or proceeding to be liable for misconduct or negligence in the performance of his duty as such Board member or officer. In case of the settlement of any action, suit or proceeding to which any Board member or officer of the Association, or any former Board member or officer of the Association, is made a part or which may be threatened to be brought against him by reason of his being or having been a Board member or officer of the Association, he shall be indemnified by the Association against the costs and expenses (including, without limitation, the cost of settlement) reasonably incurred by him in connection with such action, suit or proceeding (whether or not he is a Board member or officer at the time of incurring such costs and expenses), if:

(a) The Association shall be advised by independent counsel that such Board member or officer did not misconduct himself or was not negligent in the performance of his duty as such Board member or officer with respect to the matters covered by such action, suit or proceeding, and the cost to the Association of indemnifying such Board member or officer (and

all other Board members and officers, if any, entitled to indemnification hereunder in such case) if such action, suit or proceeding were carried to a final adjudication in their favor could reasonably be expected to exceed the amount of costs and expenses to be reimbursed to such Board members and officers as a result of such settlement; or

(b) Disinterested Association members entitled to exercise a majority of the voting power shall, by vote at an annual or special meeting of the Association, approve such settlement and the expenses. The phrase "disinterested members" shall mean all members of the Association other than (i) any Board member or officer of the Association who at the time is or may be entitled to indemnification pursuant the foregoing provisions, (ii) any corporation or organization of which any such Board member or officer owns of record or beneficially ten percent (10%) or more of any class of voting securities, (iii) any firm of which such Board member or officer is a partner, and (iv) any spouse, child, parent, brother or sister of any such Board member or officer.

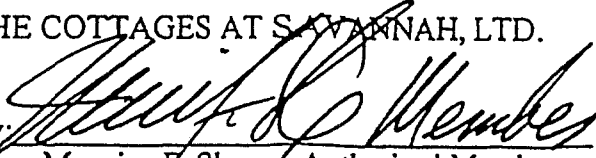
The foregoing rights of indemnification shall inure to the benefit of the heirs and legal representatives of each such Board member or officer, and shall not be exclusive of other rights which any Board member or officer may be entitled as a matter of law or under the declaration, any vote of Association members of any agreement. Notwithstanding the foregoing to the contrary, this Section shall not apply to any action, suit or proceeding brought by the Association against any Board member or officer.

Section 2. Amendments. Provisions of these By-Laws may be amended by the Unit Owners at a meeting held for such purposes by the affirmative vote of those entitled to exercise not less than seventy-five percent (75%) of the voting power. No such amendment shall conflict with the provisions of the Declaration or of Chapter 5311 of the Ohio Revised Code and no such amendment shall be effective until an amendment to the Declaration concerning such amendment is filed for record with the Lorain County Recorder.

Section 3. Definitions. The terms used in these By-Laws (except as herein otherwise expressly provided or unless the context otherwise requires) for all purposes of these By-Laws and of any amendment hereto shall have the respective meaning specified in the Declaration.

IN WITNESS WHEREOF, the Developer of The Cottages at Savannah Condominium has hereunto set its hand this 16th day of October, 2000.

THE COTTAGES AT SAVANNAH, LTD.

By: 
Maurice F. Shave, Authorized Member