

**SUPPLEMENT NUMBER ONE TO DECLARATION OF
COVENANTS AND RESTRICTIONS
FOR MILLBROOK FARM SUBDIVISION**

This Supplement Number One to Declaration of Covenants and Restrictions for Millbrook Farm Subdivision is made as of this ____ day of _____, 1996, by **MILLBROOK FARM LIMITED PARTNERSHIP**, an Ohio limited partnership, hereinafter sometimes referred to as "Declarant".

W I T N E S S E T H

WHEREAS, Declarant executed a Declaration of Covenants and Restrictions for Millbrook Farm Subdivision on September 20, 1993, (hereinafter referred to as the "Declaration"), which Declaration has been recorded in Official Record Volume 400, Page 431 of the Records of the Recorder of Clermont County, Ohio; and

WHEREAS, the Declarant is the owner of the real property described in the attached Exhibit "A" (the "Annexation Property"); and

WHEREAS, the Declarant desires to annex to the Declaration the Annexation Property in accordance with the provisions of Paragraph 13 of the Declaration;

NOW, THEREFORE, the Declarant hereby declares that the Annexation Property described in the attached Exhibit "A" is hereby annexed to and made subject to the provisions of the Declaration.

1. Annexation of Property. Subject to the provisions set forth below, the above described real property shall be held, sold and conveyed subject to the covenants, conditions and restrictions and reservation of easements contained in the Declaration, which shall run with such real property and shall be binding on all parties having any right, title or interest in such real property or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

2. Construction of Community Pool Facility. Notwithstanding anything contained in the Declaration, as supplemented, to the contrary, Declarant may, but shall not be obligated to, construct a Pool and Bath House (collectively referred to herein as the "Community Pool Facility") on a Lot in a future phase of Millbrook Farm Subdivision for the use and enjoyment of the owners of Lots in the Annexation Property and future sections of Millbrook Farm Subdivision and for the purchasers of Annual Family Memberships (defined herein).

3. Agreement to Pay Assessments. In the event that Declarant constructs such Community Pool Facility, every Lot Owner in the Annexation Property, in addition to being a member in Millbrook Farm Homeowner's Association (the "Association"), agrees to pay the Annual Community Pool Facility Assessment and the Special Community Pool Facility

Assessment, if any. Notwithstanding the foregoing, the Association shall not assess or collect fees from the Declarant or any homebuilder during such period as the Declarant or homebuilder owns any Lot within the Annexation Property.

The assessments referred to above shall be fixed, established and collected from time to time as hereinafter provided. All assessments, together with interest thereon as hereafter provided and costs of collection thereof (including court costs and reasonable attorney's fees) as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the property and Lot against which such assessment is made. Each such assessment, together with such interest thereon and cost of collection thereof as herein provided, shall also be the personal obligation of the person, group of persons, or entity who was the Owner of such property and Lot at the time when the assessment fell due. The personal obligation for delinquent assessment shall not pass to an Owner's successor in title unless expressly assumed by such successor in title. Notwithstanding the above, the Lot on which the Community Pool Facility is located shall not be subject to any assessments.

4. Annual Community Pool Facility Assessments: Purposes. The Annual Community Pool Facility Assessments levied by the Association are for the purpose of maintaining, improving, operating and repairing the Community Pool Facility. In order to carry out these purposes, an Annual Community Pool Facility Assessment shall be levied by the Association to be used upon construction of the Community Pool Facility, for the use and operation of the Community Pool Facility, and to provide an adequate reserve fund for future use, improvement and repair of the Community Pool Facility, including, but not limited to, the payment of taxes and insurance, the payment for repairs, replacements and additions, and for the cost of labor, equipment and materials, management and supervision of the Community Pool Facility and for all other purposes connected with the Community Pool Facility. The assessment may be billed in advance on a monthly, quarterly, semi-annual or annual basis. The assessment shall be fixed at a uniform rate.

5. Special Community Pool Facility Assessments: Purposes. In addition to the Annual Community Pool Facility Assessments authorized by this Supplement, the Association may levy in any assessment year a Special Community Pool Facility Assessment, applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement located upon the Community Pool Facility, which cost has not otherwise been provided for in full as part of the Annual Community Pool Facility Assessment. Any Special Community Pool Facility Assessment enacted pursuant to this paragraph shall have the approval of fifty-one (51%) percent of the total number of Lot owners subject to this provision. Any Special Community Pool Facility Assessments levied by the Association pursuant to the provisions of this section shall be fixed at a uniform rate based upon the number of applicable Lots. All monies received by the Association as a Special Community Pool Facility Assessment shall be held in trust by the Association for the benefit of the Members to be used solely for the purpose of such special assessment and any income derived therefrom shall be held as a separate fund and shall be accounted for separately.

from the other assets coming under the control of the Association. The assessment may be billed in advance on a monthly, quarterly, semi-annual or annual basis.

6. Commencement of Assessments. The Annual Community Pool Facility Assessment shall commence upon construction of the Community Pool Facility or at such other time as determined by the Board. The first assessment for any such membership may be made for the balance of the calendar year and shall become due and payable and a lien on the date aforesaid. The Board may from time to time determine the manner and schedule of payments.

It shall be the duty of the Board to periodically fix the amount of an assessment against each Lot for such assessment period and the Board shall make reasonable efforts to fix the amount of an assessment against each Lot for each assessment period at least thirty (30) days in advance of such date or period and shall, at the time, prepare a roster of the Lots and assessments applicable thereto which shall be kept in the office of the Association and shall be opened to inspection by any Owner upon reasonable notice to the Board. Written notice of an assessment shall thereupon be sent to the Owner of any Lot subject thereto. Any Annual Community Pool Facility Assessment subsequent to the first annual assessment shall become a lien on January 1 of each year; and any Special Community Pool Facility Assessments shall become a lien at the time designated by the Board. No notice of lien other than this Declaration need be recorded to establish the validity of any such lien, and this Declaration shall stand as notice thereof.

7. Assessment of Declarant. Any provision of this Declaration or of the Articles of Incorporation or By-Laws of the Association notwithstanding, the Declarant, for a period of ten (10) years from the date of this Supplement, shall be required to pay an assessment for any recorded, unsettled Lot in which it has the interest only in an amount equal to ten percent (10%) of the Annual Community Pool Facility Assessment and Special Community Pool Facility Assessment which the Association levies hereunder. The provisions of this Paragraph 6 shall not apply to the assessment of any Lot held by the Declarant for rental purposes and which is or has been occupied as a Living Unit; in which event the Declarant shall be required to pay the full amount of the assessments levied thereon.

8. Assessment Certificates. The Association shall, upon demand, at any reasonable time, furnish to the Owner liable for assessment a certificate in writing signed by an officer or other authorized agent of the Association, setting forth the status of an assessment, i.e., whether the same is paid or unpaid. Such certificate shall be conclusive evidence of the payment of any assessment therein stated to have been paid. A reasonable charge may be levied in advance by the Association for each certificate so delivered.

9. Non-Payment of Assessment. Any assessment levied pursuant to these covenants which is not paid on the date when due shall be delinquent and shall, together with such interest thereon and cost of collection thereof, as hereinafter provided, thereupon become a continuing lien upon the property which shall bind such Lot in the hands of the

then Owner, his heirs, devisees, personal representatives and assigns. The personal obligation of the then Owner to pay any assessment, however, shall remain his personal obligation for the statutory period and shall not pass to his successors in title unless expressly assumed by them with the consent of the Association.

If any assessment is not paid within fifteen (15) days after the due date, such assessment shall bear interest at the rate of ten percent (10%) per annum, and the Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property, in either of which events interest, costs and reasonable attorney's fees shall be added to the amount of such assessment. No Owner shall waive or otherwise escape liability for the assessments herein provided for by non-use of the Community Pool Facility or abandonment of his Lot or Living Unit.

In addition to the ten percent (10%) per annum interest provided above, the Board of Trustees in its discretion, may establish a reasonable late charge to be paid in the event of any assessment that is not paid within fifteen (15) days after due date, provided that such late charge shall not exceed a sum equal to ten (10%) percent of the amount of the assessment which is delinquent by fifteen (15) days.

10. Annual Family Membership. The Association shall have the right to sell "Annual Family Memberships" to individuals or families who reside in residences situated in Section 1 of Millbrook Farm Subdivision. The purchaser of an Annual Family Membership, subject to payment of the membership fees and any rules and regulations adopted by the Board regulating the use of the Community Pool Facility, shall be entitled to use the Community Pool Facility. The Board of Trustees, on an annual basis, shall establish the price of the Annual Family Memberships as well as the initiation fee, if any, associated therewith.

IN WITNESS WHEREOF, the said Millbrook Farm Limited Partnership, an Ohio limited partnership, has hereunto set its signature on the day and year first above written.

Signed and acknowledged
in the presence of:

MILLBROOK FARM LIMITED
PARTNERSHIP, an Ohio limited
partnership

By: Millbrook Farm Management, Inc.,
general partner

Name: _____

By: _____
William E. Hines, Vice President

Name: _____

STATE OF OHIO :
 : SS
COUNTY OF HAMILTON :

The foregoing instrument was acknowledged before me this ____ day of _____, 1996 by William E. Hines, Vice President of Millbrook Farm Management, Inc., an Ohio corporation, on behalf of the corporation as general partner of Millbrook Farm Limited Partnership, an Ohio limited partnership, on behalf of the partnership.

Notary Public

This instrument prepared by Stephen R. Hunt, Esq., Aronoff, Rosen & Hunt, 1600 Star Bank Center, 425 Walnut Street, Cincinnati, Ohio 45202 (513) 241-0400.