

BYLAWS

OF

LAKERIDGE MANOR ASSOCIATION

BY-LAWS AND RESIDENCY REGULATIONS OF
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ARTICLE 1. PURPOSE AND DEFINITIONS

- 1-100 **Purpose.** The Administration of Lakeridge Manor, a Homeowners Association (The "Association") shall be governed by these By-Laws which are annexed to the Declaration of Covenants and Restrictions (The Declaration) of said Association and are made a part thereof, and all present and future holders of any interest in any real property in the Association shall hold said interest subject to these By-Laws, the Declaration, and any Association Residency Regulations promulgated thereunder or hereunder.
- 1-200 **Definitions.** Certain of the terms used in these By-Laws have been defined in the Declaration and, when used herein, shall have the same meaning as set forth in the Declaration, unless the context clearly indicates a different meaning therefor.
- 1-300 **Applicability of By-Laws.** The provisions of these By-Laws are applicable to all of the property which now constitutes or hereafter may be added to the Association, future owners, visitors, tenants, and occupants of any real property and any other persons who may use the facilities of the Association in any manner, are subject to these By-Laws, The Declaration and the Association Residency Regulations. The acceptance of a deed of conveyance of any real property shall constitute an agreement to accept, to ratify, and to comply with these By-Laws, said Association Residency Regulations, and the provisions of said Declaration, as each or all of them may be amended from time to time.

ARTICLE 2. ASSOCIATION MEMBERS: MEETINGS

- 2-100 **Members and Voting Rights.** Each real property owner shall be a member of the Association. The membership of the Association shall consist of all of the lot owners. Members of the Association shall be entitled to one vote for each lot owned by such Member.

Transfer of Membership. The Association shall not issue stock. Membership in the Association may be transferred only as an incident to the transfer of title to real property as and in the manner provided for by the Declaration, and, upon compliance with all

* of the terms thereof, shall become effective in accordance with the foregoing, upon recordation of a deed of conveyance to the said unit.

- 2-300 **Annual Meetings.** Commencing in 1989, the annual meeting of the Association shall take place on the second Saturday in April of each year at 7:00 p.m. at the Gilmanston Town Hall, or at such other reasonable place or time or date as may be designated by written notice of the President or a majority of the Board of Directors.
- 2-400 **Special Meetings.** Special meetings of the owners may be called at any time for the purpose of considering matters which, by the terms of the Declaration, these By-Laws, require the approval of the owners, or for any other reasonable purpose. Said meeting shall be called by the President or by a majority of the Board of Directors or with a petition signed by 25% of the lot owners upon at least ten (10) days' written notice prior to the date of said meeting.
- 2-500 **Contents of Notice.** All notices of all members' meetings shall state the time and place thereof and the objects or purposes for which the meeting is called. Any such notice shall be deemed waived by any owner who expressly waives the same in writing or who is present in person or by proxy at any such meeting.
- 2-600 **Quorum.** At any meeting of the Association, the presence in person at the beginning of such meeting of owners holding at least one-fourth (1/4) of the owners' total voting power, shall constitute a quorum, but less than a quorum may transact business if owners holding fifty percent (50%) of the voting power not present subsequently assent to the decisions made at said meeting by signing a copy of the Minutes thereof to be filed with the records of the Association. When a quorum is present, unless otherwise provided in the Declaration, these By-Laws, a majority of the owners' total voting power present in person or by proxy shall decide any business brought before the meeting.
- 2-700 **Voting.** At any meeting of the Association, the owners shall be entitled to cast one vote for each lot owned. Any owner may attend and vote at such meeting in person or by proxy. Any real property owned by the Declarant shall be entitled to a vote and shall be included in the total of ownership percentages when computing the interest of all other owners for voting purposes. The provisions of RSA 356-B:39 shall govern all votes (including proxy votes and the votes of lots owned by more than one person) at meetings of the Association.

ARTICLE 3. BOARD OF DIRECTORS

- 3-100 **Number.** The Board of Directors shall consist of not less than three (3) persons nor more than five (5), the number to serve for each ensuing year of the Association to be established at the Annual Meeting of the members by majority vote of the members entitled to vote at the meeting.
- 3-200 **Vacancies.** Vacancies in the Board of Directors may be filled until the date of the next Annual Meeting by the Nominating Committee which shall consist of three members (one Board member and two other lot owners).
- 3-300 **Terms of Office.** The Directors shall be elected for staggered terms.
- 3-400 **Meetings.** Regular meetings of the Board or other association committees may be held at such time and place as shall be determined from time to time by a majority of the members of the Board of Directors by giving seven (7) days' personal notice to all of the members of the Board of the time and place of said meeting and the purpose of the meeting. Any Director may waive notice of a meeting. A quorum shall be considered to be more than one-half of the members of the Board.
- 3-500 **Presiding Officer.** The presiding officer of the Board of Directors' meeting shall be the President of the Association. In the absence of a presiding officer, the Directors present shall designate one of their number to preside.

ARTICLE 4. POWERS AND DUTIES OF THE BOARD OF DIRECTORS

- 4-100 **Powers and Duties of Board of Directors.** There shall not ever be two family members serving simultaneously as Board Members. The Board of Directors shall have powers and duties specifically conferred upon it by the Declaration, the Articles of Agreement, and these By-Laws and all other powers and duties necessary for the administration of the affairs of the Association, except as otherwise provided by law, the Declaration, the Articles of Agreement, or these By-Laws, including, without limiting the generality of the foregoing, the power and duty to obtain the following items for the benefit of the Association, all of which items shall be Common Expense:
- 4-101 To Make and collect assessments against members to defray the costs of the Association.
- 4-102 To use the proceeds of assessments in the exercise of its powers and duties.

- 4-103 To provide for the acquisition, construction, management, maintenance and care of the Association property, whether real or personal.
- 4-104 To provide for the reconstruction of improvements after casualty and for the further improvement of the common property.
- 4-105 To enforce by legal means the provisions of the Association Instruments; the Articles of Agreement, the By-Laws and the Residency Regulations for the use of the property in the Association.
- 4-106 Pay taxes and assessments which are liens against any part of the Association, and to assess the same against the lot owners subject to such liens.
- 4-107 Carry insurance for the protection of Association property against casualties and liabilities, including, but not limited to, public liability insurance policy or policies as required by law or as the Board may determine.
- 4-108 To pay the cost of all power, water, sewer and other utility services rendered to the Association and not billed to owners of individual lots.
- 4-109 To employ personnel for reasonable compensation to perform the services required for proper administration of the purposes of the Association such as, but not limited to, any legal and accounting services necessary or proper for the operation of the Association or the enforcement of the provisions of the Declaration, the Articles of Agreement, these By-Laws and the Association Residency Regulations.
- 4-110 To provide for trash collection, snow removal from the Common Areas, water, electrical, telephone, gas and any other necessary utility service for the Common Area (and to the extent not separately metered or charged, for the lots), and to provide for such painting, maintenance, repair and landscaping of the Common Area and such furnishings, tools, equipment, appliances and other personal property for the Common Area as the Board shall determine is necessary or proper.
- 4-111 To provide for a fidelity bond naming the President, if any, and any other persons as may be designated by the Board, as principals, and the owners as obligees, for the first year in an amount equal to at least fifty percent (50%) of the estimated cash requirement for common expenses for that year as determined pursuant to the terms of these By-Laws and for each year thereafter in an amount equal to at least fifty percent (50%) of

the total sum collected for Common Expenses during the preceding year.

- 4-113 To provide for any other materials, supplies, labor, services, maintenance, repairs, structural alterations, insurance, taxes or assessments which the Board is required to secure or pay for pursuant to the terms of the Declaration, The Articles of Agreement, or these By-Laws, of which in its opinion shall be necessary or proper for the operation of the Common Area or for the enforcement of the Declaration or of these By-Laws, provided that if any such materials, supplies, labor, services, maintenance, repairs, structural alterations, insurance, taxes, or assessments are provided for particular lots and are necessitated by the negligence of the owner or occupants of such lots, the cost thereof shall be specially assessed to the owners of such lots.
- 4-200 **Financial Limitation.** The Board's power shall be limited in that it shall have no authority to acquire and pay for out of Common Expenses capital additions and improvements or structural alterations (other than for the purposes of replacing portions of the common Area, subject to the provisions of the Declaration) having a cost in excess of Five Thousand (\$5,000.00) Dollars unless such additions, improvements, or alterations have been approved by a majority of the owners' total voting power.
- 4-300 **Right to Contract.** The Board shall have the exclusive right to contract for all such items referred to in this Article.

ARTICLE 5, OFFICERS OF THE ASSOCIATION

- 5-100 **Executive Officers.** The Executive Officers of the Association shall be a President, who shall be a member of all ad hoc committees, a Secretary and a Treasurer, all of whom shall be Directors and elected annually by the Board of Directors and who may be removed by a vote of the Directors at any meeting. The Board of Directors shall, from time to time, appoint such other individuals and committees and designate their powers and duties as the Board determines necessary to manage the affairs of the Association.
- 5-200 **The President.** The President shall be the chief executive officer of the Association; he shall preside at all meetings of the lot owners and of the Board of Directors. He shall have all of the powers and duties which are usually vested in the office of president of an association, including but not limited to the power of appointing committees from among the members from

time to time as he may, in his discretion, determine appropriate to assist in the conduct of the affairs of the Association, and the power to sign all written contracts of the Association.

- 5-300 **The Secretary.** The Secretary shall keep the Minutes of the proceedings of the Board of Directors and of the lot owners. He shall attend to the giving and serving of all notices required by law. He shall have custody of the seal of the Association, if any, and shall affix the same to instruments requiring a seal when duly signed. **He shall keep the records of the Association, except those of the Treasurer** and shall perform all other duties incident to the office of secretary of an association and as may be required by the Directors or the President.
- 5-400 **The Treasurer.** The Treasurer shall have the custody of the Association funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Association, and shall deposit all monies and other valuable effects in the name and to the credit of the Association. He shall disburse the funds of the Association as may be ordered by the Board in accordance with these By-Laws, making proper vouchers for such disbursements, and shall render to the President and the Board of Directors at the regular meeting of the Board of Directors, or whenever they may require it, an account of all of his transactions as Treasurer and of the financial condition of the corporation. All disbursements will require both the signature of the Treasurer and the President. He shall collect the assessments and shall promptly report the status of collections and of all delinquencies to the Board of Directors. He shall also give status reports to potential transferees, on which reports the transferees may rely. He shall also be responsible for the nomination of the Finance Committee.
- 5-500 **Continuance of Owner's Liability.** The liability of the owners shall continue until the transfers have been approved and all such transferees shall be deemed liable for past due assessments (other than institutional mortgagees purchasing at institutional mortgage foreclosure sales or purchasing at sales in lieu of such foreclosure sales).
- 5-600 **Compensation.** There shall be no compensation made to any of the Officers or Committee Members of this Association.
- 5-700 **Committees.** There shall be not less than four (4) Association Committees consisting of the following: A

Finance Committee, Beach Committee, Nominating Committee and Building Committee.

ARTICLE 6. FINANCE AND ASSESSMENTS

- 6-100 **Depository.** The funds of the Association shall be deposited in a bank or banks in Belknap County, New Hampshire, designated by the Board of Directors, in an account or accounts for the Association. The Board of Directors shall appoint a Finance Committee of which, one of the members shall be the Treasurer. The Treasurer shall Chair the Finance Committee Meetings.
- 6-200 **Adoption of the Contents of Budget.** The Board of Directors shall adopt a budget for each calendar year which contains estimates of the cost of performing the functions of the Association, and the income of the Association, including, but not limited to the following items:
- (a) Common Expense Budget for:
 - (1) maintenance and operation of Common Area, landscaping, street and walkways;
 - (2) Maintenance and repairs of structures;
 - (3) Fund for common furnishings replacement;
 - (4) Capital funds established by vote of unit owners;
 - (5) Utilities;
 - (6) Liability insurance;
 - (7) Casualty Insurance;
 - (8) Administration, including legal and accounting;
 - (9) Membership dues.
 - (b) Proposed assessments against each member.
- 6-300 **Payment of Assessments and Common Expenses.** All assessments and common expenses shall be equally assessed to each lot owner on the basis of one vote per lot. Unless otherwise determined by the Board of Directors, each unit owner shall pay his equal share of common expenses and assessments in equal, monthly payments. All such payments shall be due and payable in advance on the first day of each month for said month.

- 6-400 Delinquent Assessments. In the event an assessment is not paid within thirty (30) days of the date it is due and payable, the Association, through its Board of Directors, may proceed to enforce and collect the said assessment, with interest at the maximum lawful rate, against the lot owner owing the same in the manner set forth in RSA 356-B:46. Each delinquent lot owner shall be responsible for attorney's fees, interest and costs incurred by the Association incident to the collection of such delinquent assessments or enforcement of any lien held by the Association for unpaid assessments.

ARTICLE 7. NOTICES TO OR FROM MORTGAGEES

- 7-100 Notice to Board. A lot owner who mortgages his property shall notify the Board of the name and address of his mortgagee. The Board shall maintain suitable records pertaining to such mortgages. The Board, whenever so requested in writing by a mortgagee of a lot owner, shall promptly report any then unpaid assessments for common expenses due from, or any other default by, the owner of the mortgaged property. The Board shall be entitled to require a fee not less than Ten Dollars (\$10.00) for each report provided a mortgagee.
- 7-300 The Board shall give written notice to an owner of any default by the owner in the performance of any obligations under the Declaration or By-Laws and, if such default is not cured within thirty (30) days, shall send a copy of such notice to each holder of a mortgage covering such lot whose name and address has theretofore been furnished to the Board. No suit or other proceeding may be brought to foreclose the lien for any assessment levied pursuant to the Declaration or these By-Laws except after ten (10) days' written notice to the holder of the first mortgage on the unit which is the subject matter of such suit or proceeding.
- 7-400 The Board of Directors shall notify the mortgagee of a lot whenever damage to the property covered by the mortgage exceeds Five Thousand (\$5,000) Dollars and the Board is made aware of such damage; and all mortgagees whenever damage to the Common Area exceeds Ten Thousand (\$10,000) Dollars.

ARTICLE 8. VIOLATIONS

- 8-100 Violations. In the event of a violation (other than

the non-payment of an assessment) by a lot owner of any of the provisions of the Declaration, the Articles of Agreement, these By-Laws, or the Residency Regulations, the Association, by direction of its Board of Directors, may notify the lot owner by written notice of such breach, and if such violation shall continue for a period of thirty (30) days from the date of this notice, the Association, through its Board of Directors, shall have the right to treat such violation as an intentional and inexcusable and material breach of the Declaration, the Articles of Agreement, the By-Laws and the the Residency Regulations, and the Association may then, at its option, have the following election: (1a) an action at law to recover for its damage on behalf of the Association or on behalf of the other lot owners; (b) an action in equity to enforce performance on the part of the unit owner; or (c) an action in equity for such equitable relief as may be necessary under the circumstances, including injunctive relief. Failure on the part of the Association to maintain such an action at law or in equity within ninety (90) days from date of a written request, signed by a unit owner, sent to the Board of Directors, shall authorize any lot owner to bring an action in equity or suit at law on account of the violation. Any violations which are deemed by the Board of Directors to be a hazard to public health may be corrected immediately as an emergency matter.

ARTICLE 9. NOTICE

- 9-100 **Notices.** Whenever notices are required to be sent hereunder, the same shall be sent:
- 9-101 **To Lot Owners.** To the lot owners by mail at the addresses such lot owners may have designated to the Board of Directors.
- 9-102 **To Association.** To the Association by mail at Post Office Box 251, Gilmanston, New Hampshire 03237.
- 9-200 **Deemed Sent When Postmarked.** All notices shall be deemed and considered sent when postmarked.
- 9-300 **Change of Place Notice.** Any part may reserve the right to change the place of notice to him or it by written notice in accordance with the terms and provisions of this Article.

ARTICLE 10. AMENDMENTS TO THE BY-LAWS

- 10-100 Amendments to the By-Laws. These By-Laws may be amended with a two-thirds (2/3) majority vote of the lot owners. No modification or amendment shall become effective until recorded in the Belknap County Registry of Deeds. An amendment may be proposed by either the Board of Directors or by the membership of the Association.

ARTICLE 11. RESIDENCY REGULATIONS

- 11-100 Residency Regulations. The Board of Directors may, from time to time, adopt and amend previously adopted administrative Residency Regulations governing the details of the operation and use of the Common Area and the lots in the Association; provided, however, that no such Residency Regulations shall conflict with the Declaration or these By-Laws and in the event of any conflict between the said Residency Regulations and the foregoing, the latter shall prevail. The Board of Directors shall, from time to time, post in a conspicuous place on the Common Area a copy of the Residency Regulations adopted from time to time by them. These Residency Regulations will be presented to the Association Members by the Board of Directors at the Annual Meeting and amended with a majority vote before such shall become effective.

ARTICLE 12. RESALE BY PURCHASER

- 12-100 In the event of any resale of property or any interest therein by any person other than the Declarant, the prospective lot owner shall have the right to obtain from the owners' association, prior to the contract date of the disposition, the following:
- (a) Appropriate statements pursuant to RSA 356-B:46, VIII and, if applicable RSA 356-b:47;
 - (b) A statement of any capital expenditures and major maintenance expenditures anticipated by the unit owners' association within the current or succeeding 2 fiscal years;
 - (c) A statement of the status and amount of any reserve for the major maintenance or replacement fund and any portion of such fund earmarked for any specified project by the Board of Directors.
 - (d) A copy of the income statement and balance sheet of the unit owners' association for the last fiscal year for which such statement is available;

- (e) A statement of the status of any pending suits or judgements in which the unit owners' association is a party defendant;
- (f) A statement setting forth what insurance coverage is provided for all lot owners by the homeowners' association and what additional insurance coverage would normally be secured by each individual lot owner; and
- (g) A statement that any improvements or alterations made to the property by the prior lot owner are not known to be in violation of the Association instruments.

12-200 The principal officer of the homeowners' Association, or such other officer or officers as the homeowners' association instruments may specify, shall furnish the statements prescribed by this paragraph upon the written request of any prospective lot owner within ten (10) business days of the receipt of such request.

ARTICLE 13 SEVERABILITY: GENDER: INTERPRETATION

13-100 **Severability.** The invalidity of any part of these By-Laws shall not impair or affect in any manner the validity, enforceability, or effect of the balance hereof or the Declaration.

13-200 **Gender.** The use of the masculine gender herein shall be deemed to include the feminine gender and the use of the singular shall be deemed to include the plural, whenever the context so required.

13-300 **Interpretation.** The provisions of these By-Laws shall be liberally construed to effectuate its purpose of creating a uniform plan for the development and operation of a homeowners association.

The foregoing were adopted by Lakeridge Manor, a homeowners association, not for profit, organized under the laws of the State of New Hampshire on this _____ day of _____, 1989.

SECRETARY

APPROVED BY:

PRESIDENT