

BY-LAWS  
OF  
**HIGHLAND PARK ESTATES OWNERS ASSOCIATION, INC.**

**ARTICLE I**  
**INTRODUCTION**

Section 1.1 These are the By-Laws of HIGHLAND PARK ESTATES OWNERS' ASSOCIATION, INC. Terms are as used in the Declaration of Covenants, Conditions and Restrictions of Highland Park Estates, recorded as 2007019601 Cov Res 10/24/2007 12:46:21p 23 pgs, in the office of the Recorder of Monroe County, Indiana.

**ARTICLE 2**  
**BOARD OF DIRECTORS**

Section 2.1 Number and Qualification.

- The Association shall be governed by a Board of Directors ("Board"), which shall consist of two persons designated in the Articles of Incorporation. After the members are entitled to elect Directors, the Board shall consist of three (3) persons the majority of whom shall be members. If any Lot is owned by a partnership or corporation, any officer, partner or employee of that member shall be eligible to serve as a Director and shall be deemed to be a member for the purposes of the preceding sentence. Directors shall be elected by the members.
- The terms of the Directors shall be three (3) years.
- The Board shall elect the officers. The Directors and officers shall take office upon election.
- At any time after members are entitled to elect a Director, the Association shall call and give not less than ten (10) nor more than sixty (60) days' notice of a meeting of the members for this purpose. Such meeting may be called and the notice given by any member if the Association fails to do so.

Section 2.2 Powers and Duties. The Board may act in all instances on behalf of the Association, except as provided in the covenants, these By-Laws or the Indiana Nonprofit Corporation Act of 1991 ("the Act"). The Board shall have, subject to the limitations contained in the Act, the powers and duties necessary for the administration of the affairs of the Association which shall include, but not be limited to, the following:

- Adopt and amend By-Laws and Rules;
- Adopt and amend budgets for revenues, expenditures and reserves;
- Collect assessments for Common Expenses from members;
- Hire and discharge managing agents, employees and independent contractors;
- Institute, defend or intervene in litigation or administrative proceedings or seek injunctive relief for violations of the Association's By-Laws or Rules in the Association's name on behalf of the Association or two or more members on matters affecting the members;
- Make contracts and incur liabilities;

- Regulate the use, maintenance, repair, replacement and modification of Common Area;
- Cause additional improvements to be made as a part of the Common Area;
- Acquire, hold, encumber and convey in the Association's name any right, title or interest to real estate or personal property;
- Grant easements for any period of time including permanent easements through or over the Common Area;
- Impose a reasonable charge for late payment of assessments and, after Notice of Hearing, levy a reasonable fine for a violation of the Covenants, By-Laws, Rules and Regulations of the Association;
- Impose a reasonable charge for the preparation and recording of amendment to the Declaration or a statement of unpaid assessments;
- Provide for the indemnification of the Association's officers and Board and maintain Directors' and officers' liability insurance;
- Exercise any other powers conferred by the Covenants or By-Laws;
- Exercise any other power that may be exercised in the state by a legal entity of the same type as the Association;
- Exercise any other power necessary and proper for the governance and operation of the Association; and
- By resolution, establish committees of directors, permanent and standing, to perform any of the above functions under specifically delegated administrative standards, as designated in the resolution establishing the committee.

Section 2.3 Standard of Care. In the performance of their duties, the officers and members of the Board are required to exercise the care required of fiduciaries of the members.

Section 2.4 Manager. The Board may employ a manager for the Community at a compensation established by the Board, to perform such duties and services as the Board shall authorize. The Board may delegate to the manager only the powers granted to the Board by these By-Laws under subdivisions 2.2 (c), 2.2 (f), 2.2 (k), 2.2 (1) and 2.2(m). Licenses, concessions and contracts may be executed by the manager pursuant to specific resolutions of the Board, and to fulfill the requirements of the budget.

Section 2.5 Removal of Directors. The members, by a two-thirds (2/3) vote of all persons present and entitled to vote at any meeting of the members at which a quorum is present, may remove any Directors of the Board with or without cause, other than a Director appointed by the Declarant.

Section 2.6 Vacancies. Vacancies in the Board caused by any reason other than the removal of a Director by a vote of the members, may be filled at a special meeting of the Board held for that purpose at any time after the occurrence of any such vacancy, even though the Directors present at such meeting may constitute less than a quorum, in the following manner:

- As to vacancies of Directors whom members other than the Declarant elected, by a majority of the remaining such Directors constituting the Board;
- As to vacancies of Directors whom the Declarant has the right to appoint, by the Declarant.

Each person so elected or appointed shall be a Director for the remainder of the term of the Director so replaced.

Section 2.7 Regular Meetings. Regular meetings of the Board shall follow each annual meeting of the members. No notice shall be necessary to the newly elected Directors in order to legally constitute such meeting, providing a majority of

the Directors shall be present. The Board may set a schedule of additional regular meetings by resolution and no further notice is necessary to constitute such regular meetings.

Section 2.8 Special Meetings. Special meetings of the board may be called by the President or by a majority of the Directors on at least three (3) business days' notice to each Director. The notice shall be hand-delivered or mailed and shall state the time, place and purpose of the meeting.

Section 2.9 Location of Meetings. All meetings of the Board shall be held at the office of the Corporation, unless all Directors consent in writing to another location.

Section 2.10 Waiver of Notice. Any director may waive notice of any meeting in writing. Attendance by a Director at any meeting of the Board shall constitute a waiver of notice.

Section 2.11 Quorum of Directors. At all meetings of the Board, a majority of the Directors shall constitute a quorum for the transaction of business, and the votes of a majority of the Directors present at a meeting at which a quorum is present shall constitute the decision of the meeting. If, at any meeting, there shall be less than a quorum present, a majority of those present may adjourn the meeting from time to time. At any adjourned meeting at which a quorum is present any business which might have been transacted at the meeting originally called may be transacted without further notice.

Section 2.12 Compensation. Directors and officers serve without compensation from the Association for acting as such, except that the Association shall reimburse a Director or officer for necessary expenses actually incurred in connection with his or her duties. Directors acting as officers or employees may also be compensated for such duties.

Section 2.13 Consent to Corporate Action. If all the Directors or all directors of a committee established for such purposes, as the case may be, severally or collectively consent in writing to any action taken or to be taken by the Association, and the number of the Directors or committee constitutes a quorum for such action, such action shall be a valid corporate action as though it had been authorized at a meeting of the Board or the committee, as the case may be. The Secretary shall file such consents with the minutes of the meetings of the Board.

Section 2.14 Telephonic Attendance. A Director may attend a meeting of the Board by an electronic or telephonic communication method whereby the Director may be heard by the other members, and hear the deliberations of the other members, on any matter properly brought before the Board, and his or her vote shall be counted, and his or her presence shall be noted as if he or she were present in person on that particular matter.

### **ARTICLE 3** **MEMBERS**

Section 3.1 Annual Meeting. Annual meetings of members shall be held on the First Friday in October. At such meeting, the Directors shall be elected by ballot of the members, in accordance with the provisions of Article 2 of the By-Laws. The members may transact other business at such meetings as may properly come before them.

Section 3.2 Budget Meeting. Meetings of members to present the budgets shall be called in accordance with Section 3.3. The budget may be presented at Annual or Special Meetings called for other purposes as well.

Section 3.3 Special Meetings. Special meetings of the Association may be called by the president, by a majority of the members of the Board, or by members comprising ten percent (10%) of the votes in the Association.

Section 3.4 Place of Meetings. Meetings of the members shall be held at the place designated in the notice in Monroe County, Indiana.

Section 3.5 Notice of Meetings. Except for budget meetings which will be noticed not less than 14 nor more than 30 days after the mailing of the summary, not less than 10 nor more than 60 days in advance of a meeting, the secretary or other officer specified in the By-Laws shall cause notice to be hand-delivered or sent prepaid by United States mail to the mailing address of each Lot or to the mailing address designated in writing by the member. No action shall be adopted at a meeting except as stated in the notice.

Section 3.6 Waiver of Notice. Any member may, at any time, waive notice of any meeting of the members in writing, and such waiver shall be deemed equivalent to the receipt of such notice.

Section 3.7 Adjournment of Meeting. At any meeting of members, a majority of the members who are present at such meeting, either in person or by proxy, may adjourn the meeting to another time.

Section 3.8 Voting.

- If only one of several owners of a Lot is present at a meeting of the Association, the owner present is entitled to cast all the votes allocated to the Lot. If more than one of the owners are present, the votes allocated to the Lot may be cast only in accordance with the agreement of a majority in interest of the owners. There is majority agreement if any one of the owners casts the votes allocated to the Lot without protest being made promptly to the person presiding over the meeting by another owner of the Lot.
- Votes allocated to a Lot may be cast under a proxy duly executed by a member. If a Lot is owned by more than one person, each owner of the Lot may vote or register protest to the casting of votes by the other owners of the Lot through a duly executed proxy. A member may revoke a proxy given under this Section only by actual notice of revocation to the person presiding over a meeting of the Association. A proxy is void if it is not dated or purports to be revocable without notice. A proxy terminates one year after its date, unless it specifies a shorter term.
- The vote of a corporation or business trust may be cast by any officer of such corporation or business trust in the absence of express notice of the designation of a specific person by the board of directors or by laws of the owning corporation or business trust. The vote of a partnership may be cast by any general partner of the owning partnership in the absence of express notice of the designation of a specific person by the owning partnership. The moderator of the meeting may require reasonable evidence that a person voting on behalf of a corporation, partnership or business trust owner is qualified so to vote.
- Votes allocated to a Lot owned by the Association may not be cast.

Section 3.9 Quorum. Except as otherwise provided in these By-Laws, the members present in person or by proxy, at any meeting of members, shall constitute a quorum at such meeting.

Section 3.10 Majority Vote. The vote of a majority of the members present in person or by proxy at a meeting at which a forum shall be present shall be binding upon all members for all purposes except where a higher percentage vote is required in the Declaration, these By-Laws or by law.

## **ARTICLE 4** **OFFICERS**

Section 4.1 Designation. The principal officers of the Association shall be the president, the secretary and the treasurer, all of whom shall be elected by the Board. The Board may appoint such other officers as in its judgment may be necessary. The president and vice president, but no other officers, need be Directors. Any two offices may be held by the same person, except the offices of president and secretary.

Section 4.2 Election of Officers. The officers of the Association shall be elected annually by the Board at the organization meeting of each new board and shall hold office at the pleasure of the Board.

Section 4.3 Removal of Officers. Upon the affirmative vote of a majority of the Directors, any officer may be removed, either with or without cause, and his or her successor may be elected at any regular meeting of the Board or any special meeting of the Board called for that purpose.

Section 4.4 President. The president shall be the chief executive officer of the Association. He shall preside at all meetings of the members and of the Board. He shall have all of the general powers and duties which are incident to the office of president of a nonstick corporation organized under the laws of the State of Indiana, including but not limited to the power to appoint committees from among the members from time to time as he may in his discretion decide is appropriate to assist in the conduct of the affairs of the Association. He may fulfill the role of treasurer in the absence of the treasurer.

Section 4.5 Vice President. The vice president shall take the place of the president and perform his or her duties whenever the president is absent or unable to act. If neither the president nor the vice president is able to act, the Executive board shall appoint some other Director to act in the place of the president, on an interim basis. The vice president shall also perform such other duties as may be imposed upon him by the Board or by the president.

Section 4.6 Secretary. The secretary shall keep the minutes of all meetings of the members and the Board. He shall have charge of such books and papers as the board may direct corporation organized under the laws of the State of Indiana. The secretary may cause to be prepared and may attest to execution by the president of amendments to the Declaration and the By-Laws on behalf of the Association, following authorization or approval of the particular amendment as applicable.

Section 4.7 Treasurer. The treasurer shall have the responsibility for Association funds and securities and shall be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements, and for the preparation of all required financial date. He shall be responsible for the deposit of all monies and other valuable effects in such depositories as may from time to time be designated by the Board, and he shall, in general, perform all duties incident to the office of treasurer of a nonstick corporation organized under the laws of the State of Indiana. He may endorse on behalf of the Association for collection only, checks, notes and other obligations, and shall deposit the same and all monies in the name of and to the credit of the Association in such banks as the Board may designate. He may have custody of and shall have the power to endorse for transfer on behalf of the Association, stock securities or other investment instruments owned or controlled by the Association or as fiduciary for others.

Section 4.8 Documents. Except as provided in Sections 4.4, 4.6, 4.7 and 4.9 of these By-Laws, all agreements, contracts, deeds, leases, checks and other instruments of the Association shall be executed by any officer of the Association or by such other person or persons as may be designated by the Board.

Section 4.9 Statements of Unpaid Assessments. The treasurer or a manager employed by the Association or, in their absence, any officer having access to the books and records of the Association, may prepare, certify, and execute statements of unpaid assessments.

The Association may charge a reasonable fee for preparing statements of unpaid assessments. The amount of this fee and the time of payment shall be established by resolution of the Board. The Association may refuse to furnish statements of unpaid assessments until the fee is paid. Any unpaid fees may be assessed as a Common Expense against the Lot for which the certificate or statement is furnished.

## **ARTICLE 5** **ENFORCEMENT**

Section 5.1 Abatement and Enjoinment of Violations by Members. The violation of any of the Rules and Regulations adopted by the Board, or the breach of any provision of the document shall give the Board the right, after Notice and Hearing, except in case of an emergency, in addition to any other rights set forth in these By-Laws:

- To enter the dwelling in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting member, any structure, thing or condition (except for additions or alterations of a permanent nature that may exist therein) that is existing and creating a danger to the Common Area contrary to the intent and meaning of the provisions of the documents, and the Executive board shall not thereby be deemed liable for any manner of trespass; or
- To enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach.

Section 5.2 Fine for Violation. By resolution, following Notice of Hearing, the Board may levy a fine of up to Twenty-five Dollars (\$25.00) per day for each day that a violation of the Documents or Rules persists after such Notice and Hearing, but such amount shall not exceed that amount necessary to insure compliance with the rule or order of the board.

## **ARTICLE 6** **INDEMNIFICATION**

The Directors and officers of the Association shall have the liabilities, and be entitled to indemnification, as provided under the Indiana Nonprofit Corporation Act of 1991, as amended or superseded, the provisions of which are hereby incorporated by reference and made a part hereof.

## **ARTICLE 7** **RECORDS**

Section 7.1 Records and Audits. The Association shall maintain financial records. The financial records shall be maintained in accordance with generally accepted accounting principles.

Section 7.2 Examination. All records maintained by the Association or by the manager shall be available for examination and copying by any member, by a holder of a Security Interest in a Lot, or by any of their duly authorized agents or attorneys, at the expense of the person examining the records, during normal business hours and after reasonable notice.

Section 7.3 Records. The Association shall keep the following records:

- An account for each Lot which shall designate the name and address of each member, the name and address of each mortgagee who has given notice to the Association that it holds a mortgage on the Lot, the amount of each Common Expense assessment, the dates on which each assessment comes due, the amounts paid on the account, and the balance due.
- An account for each member showing any other fees payable by the member.
- A record of any capital expenditures approved by the Board.
- A record of the amount, and an accurate account of, the current balance of any reserves for capital expenditures, replacement and emergency repairs together with the amount of those portions of reserves designated by the Association for a specific project.
- The most recently regularly prepared balance sheet and income and expense statement, if any, of the Association.
- The current operating budget.
- A record of any unsatisfied judgments against the Association and the existence of any pending suits in which the Association is a defendant.
- A record of insurance coverage provided for the benefit of members and the Association.
- A record of the actual cost, irrespective of discounts and allowances, of the maintenance of the Common Area.
- Such balance sheets and other records required by Indiana corporate law.
- Tax returns for state and federal income taxation.
- Minutes of proceedings of incorporations, members, Directors, committees of directors and waivers of notice.

## **ARTICLE 8** **MISCELLANEOUS**

Section 8.1 Notices. All notices to the Association or the Board shall be delivered to the office of the manager, or if there is not manager, to the office of the Association, or to such other address as the Board may hereafter designate from time to time, by notice in writing to all members and to all holders of Security Interests in the Lots who have notified the Association that they hold a Security Interest in a Lot. Except as otherwise provided, all notices to any member shall be sent to his address as it appears in the records of the Association. All notices to holders of Security Interests in the Lots shall be sent, except where a different manner of notice is specified elsewhere in the Documents, by registered or certified mail to their respective addresses, as designated by them from time to time, in writing, to the Association. All notices shall be deemed to have been given when

mailed except notices of changes of address which shall be deemed to have been given when received.

Section 8.2 Fiscal Year. The Board shall establish the fiscal year of the Association.

Section 8.3 Waiver. No restriction, condition, obligation, or provision contained in these By-Laws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

Section 8.4 Office The principal office of the Association shall be on the Property or at such other place as the Board may from time to time designate.

Section 8.5 Declaration. These By-Laws shall be read and construed in conjunction with the Declaration of Covenants, Conditions and Restrictions of Highland Park Estates. Insofar as permitted by law, any inconsistency between these By-Laws and the Declaration, the terms of the Declaration shall control.

## **ARTICLE 9** **AMENDMENTS TO BY-LAWS**

The By-Laws may be amended by a vote of seventy percent (70%) of the members at a special meeting called to consider the amendment. Prior to completion of development of Highland Park Estates, no amendment is effective unless approved by the Declarant, its successors or assigns.

ATTEST:

Certified to be the By-Laws adopted by consent of the Directors of HIGHLAND PARK ESTATES OWNERS' ASSOCIATION, INC., dated this \_\_\_\_\_ day of \_\_\_\_\_, 2007.

HIGHLAND PARK ESTATES OWNERS' ASSOCIATION, INC.

By: \_\_\_\_\_  
Bob Crider