

*Hampton Hills Homeowners
Association, Inc.*

Bylaws

Approved by Members at General Membership Meeting held December 11, 2007

Bylaws of Hampton Hills Homeowners Association, Inc.
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Bylaws of Hampton Hills Homeowners Association, Inc.

ARTICLE 1 INTRODUCTORY PROVISIONS

1.01 Name and Status

The name of this organization shall be the Hampton Hills Homeowners Association, Inc., (hereinafter HHHHA) a non-profit corporation.

1.02 Place of Business

The principal place of business of the Association is in Benner Township, Centre County PA. The mailing address for Hampton Hills Homeowners Association Incorporated is 170 Millgate Road, Bellefonte, PA. 16823.

1.03 Definitions

- a) "Association" shall mean and refer to Hampton Hills Homeowners Association, its successors and assigns.
- b) "Lot" shall mean and refer to any plot of land known as Lots 1 through 79 inclusive of Hampton Hills Subdivision recorded in Centre County Plot Book 67, pages 37 through 44.
- c) "Members" shall mean and refer to all those Owners who are members of the Association. All Owners as herein defined, upon acquiring title and paying the membership fee, shall automatically become a member of the Association.
- d) "Open Space" shall mean and refer to the areas shown on recorded records plans as open space in Centre County Plot Book 67, pages 37 through 44.
- e) "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot but shall not mean or refer to any mortgage, unless and until such mortgagee or holder has acquired title pursuant to foreclosure or any proceeding in lieu of foreclosure.
- f) "In good standing" shall mean and refer to an owner whose payment of all dues and assessments including the membership fee have been paid in full. This member will then be considered in good standing.

1.04 Membership

Membership in the Hampton Hills Homeowners Association, Inc. is limited to and mandatory for owners of a lot in the Hampton Hills Development. Membership in the Association terminates at the sale of the property.

ARTICLE 2 THE ASSOCIATION

2.01 General Membership Meetings

Meetings of the Association shall be held at least once a year. The annual meeting shall be held on the first Tuesday in October each year unless such date shall occur on a holiday, in which event the meeting

shall be held on the succeeding Monday. The meetings are open to all members of Hampton Hills Homeowners Association, Inc.

At such annual meetings the Board shall be elected in accordance with the procedures stated in Article Three below, the budget and Treasurer's report will be provided and any new business will be discussed and voted on.

2.02 Special Membership Meetings

Special Meetings of the members may be called by the President, by a majority of the Board, or upon written request of the members who hold twenty-five percent (25%) of all votes entitled to be cast. Such special meeting shall be held within forty-five (45) days after receipt by the President of such resolution or petition.

Any requests for a special meeting must state the precise purpose of the meeting.

The notice to members of any special meeting shall state the time and place of such meeting and the items on the agenda, including the general nature of any proposed amendment to the Bylaws.

No business shall be transacted at a special meeting except as stated in the notice.

2.03 Meeting Location

The meetings of the Association shall be held at such suitable place in the Bellefonte area that is reasonably close and convenient to the Development.

2.04 Meeting Notice

The Board shall give written notice for each annual or special meeting of the Association at least 10 days but no more than sixty (60) days in advance of the meeting. Such notice shall be sent United States first class mail to the lot address or at any other mailing address that such member shall have designated in writing to the board.

This notice shall state the time and place of such meeting and the items on the agenda, including, without limitation, any proposed budget or assessment changes, the general nature of any proposed amendment to the Bylaws, and any proposal to remove a board member.

2.05 Quorum

The presence of members who hold, in person or by proxy, fifty percent (50%) of the qualified votes shall constitute a quorum. Once a quorum is reached, members may continue to transact business and vote, notwithstanding the departure of members whose presence (in person or by proxy) was used to establish the quorum, until and unless a member challenges the existence of a quorum.

In the event an advertised meeting does not have a quorum, a second meeting held within 60 days, after notice of at least 10 days, shall permit action with twenty-five percent (25%) of the membership constituting a quorum.

2.06 Proxies

At all meetings of Members, each Member who is entitled to vote may vote in person or by proxy. To be a valid proxy, each proxy shall (a) be signed and dated by a Member, (b) identify the lot, by address, to which the vote is appurtenant, (c) name the person(s) authorized to vote the proxy, and (d) be delivered at the start of the meeting to the Secretary or the officer presiding over the meeting. Every proxy shall be revocable and unless the proxy specifies a shorter period of time, it shall terminate one year after its execution date.

2.07 Voting Rights

A Member is not entitled to vote if the Member is delinquent in payments owed to the Association or has had voting privileges suspended by the Board.

Regardless of whether a lot is owned by one person or by more than one person, each lot is assigned only one (1) vote in all association elections or decisions at general membership or special membership meetings.

In the event that multiple lot owners cannot agree on how the vote for their lot shall be cast, then that vote shall be denied regardless of whether the vote, an objection to the vote, or a contrary vote is exercised in person or by proxy. The contested vote shall not be counted either for or against any motion on the floor.

2.08 Action by Members

The vote of a majority of qualified votes present in person or by proxy at any meeting at which a quorum is present shall be binding upon the Association and all Members thereof.

2.09 Action Without Meeting

Any action which may be taken by a vote of the Members at a meeting may also be taken without a meeting by written consent of Members holding a majority of the qualified votes, provided that the Board first; (a) determines that the matter is appropriate for Member action, (b) approves the form of the ballot or consent to be used, and (c) establishes the method by which the same are to be distributed and returned.

ARTICLE 3

BOARD, ASSOCIATION OFFICERS AND COMMITTEES

3.01 Officers and Qualifications

A Board shall govern the affairs of Hampton Hills Homeowners Association, Inc. The Board shall consist of five officers: President, Vice-President, Secretary, Treasurer and Trustee. Each of whom must primarily reside in the Hampton Hills Development and be a property owner within the said development. No board member shall hold more than one office and must be a member in good standing.

Only one owner from any one household shall serve at the same time on the board. That is, two owners from the same household cannot simultaneously hold any two of positions on the board.

Board membership shall terminate if a Board member ceases to be a lot owner in the Association or ceases to reside in his/her household.

3.02 Nomination of Officers

A notice will be sent to each Member on or before September 1 of each year advising of the offices that are to be voted on and a request for nomination for those offices. Any member in good standing may make nominations and the nomination of such member must also be a member in good standing. Any member may also nomination himself or herself for office. The nominations are to be returned to the Board no later than September 30. A Ballot will be presented at a meeting in October to the Members for the election of officers.

3.03 Election of Officers

If more than one member has been nominated for any position, the election to the board shall consist of the person receiving the largest number of votes. If during the election there are an equal number of votes for two members for the same office, the flip of a coin shall decide the winner.

3.04 Term of Officers

The term of each officer shall be two (2) years. The terms shall be staggered, so that on even numbered years the President and Secretary are elected and the odd numbered years the Vice-President, Treasurer and Trustee are elected.

A board member may serve an unlimited number of terms and may succeed himself/herself.

The members of the board shall hold office until the election of their respective successors or of their death, adjudication of incompetence, removal or resignation.

3.05 Removal of an Officer

Any officer who continuously fails to perform the duties of his/her office or is otherwise deemed unacceptable for office may be removed from office by a majority vote of the members.

Any Board member who is delinquent in paying assessments or dues for more than 30 days may be removed from office by a majority vote of Board.

3.06 Vacancies in Office

Presidential vacancy to be filled by the Vice President until such time that a new president is elected at the next meeting, special or regular.

Vacancies in any office other than the president shall be filled by appointment made by the president with the approval of the remaining board members until elections can be held at the next scheduled meeting, regular or special.

3.07 Board Meetings

Regular meetings of the Board may be held at such times and places as shall be determined from time to time by a majority of the members of the Board.

At least one (1) Board meeting shall be held in each quarter of each fiscal year.

Board members may adjourn into executive session to discuss sensitive topics such as member discipline, personnel or litigation matters. Minutes need only to reflect the general nature of the matters discussed in executive session.

3.08 Notice of Board Meetings

No notification to owners of regular Board meetings is required.

3.09 Duties of the President

- a. To preside at all meetings of the Board and of the Members
- b. To appoint committees
- c. To act as representative of the association
- d. To co-sign checks and orders
- e. To appoint an auditor for yearly financial audit with board approval
- f. To see that all resolutions and special orders are put into effect

- 3.10 Duties of the Vice President
- a. To assume the duties of the president if the president is absent, disabled or is otherwise unable to perform the duties of his/her office
 - b. To oversee and coordinate the duties, functions and responsibilities of all committees

- 3.11 Duties of the Secretary
- a. To record the minutes of the meetings and to maintain them in a legal binder belonging to the association and to be open for inspection and reference of all association members
 - b. Collect and maintain correct and current member records
 - c. To notify the members of scheduled meetings
 - d. To send and receive official correspondence

- 3.12 Duties of the Treasurer
- a. To have charge of collection and custody of all funds belonging to the association
 - b. To require receipts for disbursements and to keep vouchers showing to whom paid and for what purpose
 - c. To have banking checks and order co-signed by the president or other officer if the president is unable to do so
 - d. To submit accounts and treasury records for an annual audit or more often if deemed necessary
 - e. To submit a financial report at each regular meeting or more often if deemed necessary by the Board
 - f. To chair the budget committee

- 3.13 Duties of the Trustee
- a. To act in an advisory capacity to the board
 - b. To provide continuity and to assist in the orderly transition of authority from one (1) administration to another.

3.14 Execution of Instruments and Approval for Funds
All agreements, contracts, deeds, leases, checks, and other instruments of the Association for expenditures or obligations of three thousand dollars (\$3,000) or less shall be executed by any two officers. All such instruments for expenditures or obligations of more than three thousand dollars (\$3,000) shall be executed by any four (4) officers of the Association. Anything over five thousand dollars (\$5,000) must get approval from the Owners of the Association.

3.15 Committees
Only members in good standing shall be eligible to serve on any committee. All committees shall submit a written report at the annual meeting and when desired by officers. Committees will convene for a period of one (1) year after which time a new committee will be appointed. Temporary committees shall cease to function upon completion of their duties and submission of a final report. Committees shall not incur debts unless given the authority to do so by the board of officers. Committees need not observe formal rules of parliamentary procedure.

ARTICLE 4
RECORDS AND NOTICES

4.01 Records

A Member of the Association may inspect the Association's books and records for any proper purpose upon thirty (30) days notice to the Board. The books and records of the Association shall include, without limitation.

- a. The annual budget, books of account and the annual review and/or audit of the same
- b. The minutes from Member meetings
- c. The minutes of Board meetings (excluding minutes of executive sessions)
- d. The current list of the names and addresses of the Members

Copies of the Covenants, Bylaws and Assessment Schedule shall be made available by the board at a reasonable cost.

4.02 Notices

Notices to the Association shall be sent to 170 Millgate Road, Bellefonte, PA. 16823 or such other address the Board shall designate in writing.

Notice to each Member shall be delivered to the most recent address appearing on the records of the Association.

ARTICLE 5
COMMON EXPENSES, ASSESSMENTS AND BUDGET

5.01 Assessments

As more fully explained in the Covenants, each member is obligated to pay the Association annual assessments (i.e. dues), which are secured by a continuing lien upon the property in which the assessment is made. The assessments levied by the Association shall be used exclusively for Association's maintenance and upkeep of common areas, administrative fees, office supplies, etc. No owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the common areas or abandonment of his or her lot.

All assessments must be fixed at a uniform rate for all lots and will be collected on a yearly basis. The rate will be determined by the Board and set forth on an Assessment schedule to be distributed along with the annual budget. Assessments shall be due and payable annually each year on July 1st.

5.02 Collection of Assessments

Any assessment or bill not paid within five (5) days after its due date shall accrue a late charge in the amount of five percent (5%) of the overdue assessment or bill, in addition to interest at the rate of fifteen percent (15%) per annum or such rate as may otherwise be determined by the Board. The Association may bring action at law against the Owner personally obligated to pay the same, or foreclose the lien against the Property. No Owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the common areas or abandonment of his or her lot.

The Board or collection agency at the request of the Board shall take prompt action to collect any assessments or bills for dues or membership fee due from any Owner which remain unpaid for more than ninety (90) days from the date on which payment is due. Only three bills will be mailed to each owner, the original due on July 1st, one past due bill will be mailed roughly 30 days later, and one final past due bill will be mailed roughly 60 days after the original bill was due. The Board will not continually mail past due bills to a delinquent Owner.

5.03 Fiscal Year

The fiscal year of the Association shall be July 1 to June 30.

5.04 Budget

The Board shall finalize and adopt an annual budget for the Association containing an estimate of the total amount considered necessary to pay the costs during the ensuing fiscal year.

Such costs may include:

- a. Insurance premiums
- b. Services
- c. Supplies
- d. Snow removal
- e. Maintenance of common areas
- f. and other expenses

The budget shall include such reasonable amounts for working capital as the Board considers necessary to provide for operating contingencies (such as unanticipated operating expenses).

This budget shall be presented to all Members at the annual General Membership Meeting held in October. Any specific budget item that exceeds five thousand dollars (\$5,000) shall be voted on by the Members of the Association. Otherwise, the budget shall not be voted on.

ARTICLE 6
GENERAL

6.01 No Waiver of Rights

The failure of the Association or the Board to enforce any right, provision, covenant or condition which may be granted by the documents for the Act shall not constitute a waiver or right of the Association or the Board to enforce such right, provision, covenant or condition in the future.

6.02 Amendments to Bylaws

These Bylaws may be amended at any meetings of the Board by a vote of a majority of the entire Board, subject to the approval of the Members by a majority of the qualified votes. The Board may correct typographical or grammatical errors or omissions without approval of the Members. The notice of the meetings at which any Bylaws amendment to be voted upon shall include a fair and accurate description of each proposed amendment or its exact wording.

6.03 General Liability Insurance

The Board shall obtain and maintain comprehensive general liability insurance. The amount of such insurance shall not be less than one million dollars (\$1,000,000) per occurrence. The scope and amount of coverage of all liability insurance policies shall be reviewed at least annually by the Board and may be increased at its discretion.

6.04 Directors and Officers (D & O) Insurance

The Board shall obtain and maintain a comprehensive general liability insurance policy insuring the Board members, the Officers, and the manager or managing agent (at the discretion of the Board), and members of the Board appointed committees for claims arising out of or in connections with the management, operation or maintenance of an property. Such policy shall insure these parties against any mistake of judgment, negligence or otherwise, except for their own willful misconduct or bad faith. The amount of such insurance shall not be less than one million dollars (\$1,000,000) per occurrence.

6.05 Renter and Landlord Obligations

Any homeowner who rents out their property for more than 1 day must notify HHHA before the renter occupies the property. A copy of the lease or letter with names, number of occupants, phone number and rental dates must be provided to HHHA at 170 Millgate Road, Bellefonte, PA 16823. The amount paid for rent need not be included in the lease and therefore can be blacked out. Members are entirely responsible for their occupants. It is the member's sole responsibility to advise all occupants of all Covenants, Bylaws, and any Rules and Regulations. Members are financially responsible to HHHA for any damage to the common areas caused by the actions of their occupants. Members will be notified by HHHA if any Covenants, Bylaws or Rules are being broken and it will be the member's sole responsibility to handle the matter with its occupants.

6.06 Violation of Covenants, Bylaws and Rules and Regulations

Any homeowner who is found to be in violation of HHHA Covenants, Bylaws or Rules and Regulations will be fined five dollars (\$5) per day until the violation is corrected. The member will receive a written notice as to the violation and will be given 14 days from the date of the written notice to correct such violation. No fines will be imposed until the 14 days pass. The same actions for collection of assessments (Article 5.02) will also be used in collection of said fine(s).