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BY-LAWS OF

PRINCETON HOMEOWNERS' ASSOCIATION, INC

ARTICLE I Name and Location

Section 1. Name The name of the association is Princeton Homeowners' Association, Inc , a Georgia nonprofit membership corporation, hereinafter referred to as the "Association".

Section 2 Location The principal office of the Association shall be located in Hall County, Georgia. Meeting of members and officers may be held at such places within the State of Georgia, Hall County as may be designated from time to time by the Officers.

ARTICLE II Purpose

Section 1. Purpose

The primary purposes of the Association shall be (a) to enforce the provisions of the articles of incorporation, bylaws, and covenants; (b) to preserve all common areas in their natural state (c) to provide for the continued maintenance and preservation of the subdivision entrance and other street-side common areas.

ARTICLE III Membership and Voting Rights

Section 1. Membership Each homeowner will automatically be a member of the Association, which shall continue during the period of ownership by such homeowner.

Section 2. Voting Rights The Association shall have one class of voting membership which consists of all homeowners. Such owners shall be entitled to exercise voting rights as provided in the Princeton Subdivision Protective Covenants ("Declaration") and as prescribed herein. When more than one person holds such interest in any home, all such persons shall be members and the vote for such home shall be exercised as they may among themselves determine, but in no event shall more than one vote be cast with respect to any home

Section 3. Suspension of Voting Rights. Voting rights may be suspended if member has failed to pay when due any assessment and/or penalties for violation of the covenants imposed upon him or her until such assessment or penalty has been paid.

ARTICLE IV MEETINGS OF MEMBERS

Section 1. Annual Meeting An annual meeting of the members of the Association shall be held in the month of November on a date, time, and place as determined by the officers. The meeting will be for the purpose of hearing reports from Association officers and electing officers for the ensuing year.

Section 2 Special Meetings of the members may be called at any time by the President or by written request of 35% of membership

Section 3 Notice of Meetings Written notice of each meeting shall be given by, or by the direction of, the Secretary or authorized person to call the meeting at least 14 days in advance of any annual scheduled meeting and at least 7 days prior to any other meeting, stating the time, place and agenda of such meeting. Such notices shall be hand delivered or sent by US mail to all members of record at such address as member has designated, or if no address has been designated at the address of their respective house

Section 4 Quorum. For any action to be taken at any regular or special meeting, there must be a quorum of at least 55% of the voting members and /or proxies of the association members present at the meeting. If less than a majority are present, discussion of such matters on the agenda may be had, but any action on such matters must be delayed until a later meeting or taken by a mail ballot distributed by the Officers of the association. Such mail ballots shall not be valid unless a majority of eligible voters return at least 55% of the ballots.

Section 5 Proxies. Subject to provisions of Article 3, Section 2, hereof, at all meetings of the members, each member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary by the commencement of the meeting. Each proxy shall be revocable, shall automatically cease upon conveyance of a home, and shall be effective only for the meeting specified therein and any adjournment thereof

Section 6 Order of Business. The order of business at all annual meetings of members shall be as follows:

- (A) Proof of notice of meeting
- (B) Reading of the minutes of preceding meeting
- (C) Reports of officers
- (D) Election of officers.
- (E) Unfinished business
- (H) New business

Section 8. Conduct of the Meetings. The President shall preside over all meetings of the members and the Secretary shall keep the minutes of the meeting and record in a minute Book all resolutions duly adopted as well as a record of all transactions occurring at such meetings. The latest edition of Robert Rules of Order shall govern the conduct of all meetings of the members

ARTICLE V OFFICERS

Section 1 Number and Qualifications. The officers of the Association shall be President, Vice President, Secretary, Treasurer. One person may hold the office of Secretary and Treasurer simultaneously. The Vice President may also act as assistant secretary and perform the functions thereof in the absence of the Secretary. They shall be Homeowners in good standing of the association.

Section 2. Election of Officers. The officers shall be elected at the annual business meeting. They are elected by a quorum, majority vote of the membership. They shall hold office for one year. They may be re-elected.

Section 3 Meetings of the Officers. The meetings of the officers shall be held whenever necessary at a time and place of their choosing. A notice of the meeting, time and place, shall be provided to all homeowners either by hand delivery or mail at least 5 days prior to the meeting. Homeowners may attend all meetings as observers.

Section 3 Vacancy. A vacancy may be filled by a special meeting of the Association by a quorum, majority vote, and or proxies, of the members. They shall remain in office until the next annual Association meeting.

Section 4. Resignation and Removal of Officers. Upon the affirmative vote, and or proxies of a quorum majority of the Association, either with or without cause, and his/her successor may be elected at a special meeting of the Association called for such purpose. Any officer of the Association may resign at any time by delivering his/her resignation to the officers. His/her successor may be elected at a special meeting of the Association.

Section 5. Multiple Offices. The offices of Secretary and Treasure may be held by the same person.

Section 6. President. The President shall preside over all the meetings. He/she will execute contracts, orders and other documents (as allowed by the members of the association) in the name of the association as its agent. He/she may not borrow money or make any major monetary decisions without the majority vote of the members of the association. He/she may be approached about any concerns of the homeowners.

Section 7. Vice President. The Vice President shall take the place of the President and perform his/her duties whenever the President shall be absent or unable to act. He/she will be responsible for the maintenance of the subdivision entrance and street-side areas of the common grounds through procurement of a lawn service. This service may, alternatively, be provided by member-volunteers.

Section 8. Secretary. The Secretary is responsible for keeping and maintaining a record of all meetings of the officers and the association and is the custodian for most of the official records of the association. The Secretary, along with the other officers, will be in charge of giving all of the required notices of association meetings. In the event he/she is unable to attend a meeting he/she must find someone who will act as recorder. As the custodian of the minutes and the other official records of the association, the secretary is

responsible for ensuring access to those records by the members. Any one wishing to review the records should make an appointment. The acting Secretary at the time of election passes all official records to the incoming Secretary

Section 9. 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 data: He/she shall be responsible for the deposit of all monies and other valuable effects in the name of the Association in such depositories as set up by the officers, and he/she shall, in general, perform all the duties incident to the office of treasurer of a corporation

Section 10 No officer shall receive compensation from the Association for acting as such, but shall be entitled to reimbursement from the Association as a common expense for reasonable out-of-pocket disbursements made by him/her in performance of his/her duties. No officer shall be obligated to make any such disbursements

ARTICLE VI GENERAL PROVISIONS OF OFFICERS

Section 1 CONTRACTS No contracts shall be let by the Association officers unless prior approval by a quorum, majority vote, and or proxies, is obtained at a special called meeting. Any contractual expenditure exceeding \$1000.00 must not be made until at least three bids by disinterested parties have been received. No relative of any serving officer shall be eligible to bid on any Association contract.

Section 2 Indemnification. The Association officers shall be indemnified personally against any legal action brought against them by a homeowner while serving the Association in accordance with the Covenants, and these bylaws.

ARTICLE VII BUDGET, FINANCES AND INSURANCE

Section 1. Budget/financial report. The budget sets forth the proposed expenditures of funds for maintenance of the properties under the Association's control and for the management and operation of the Association itself. The budget should be prepared annually by the officers and presented to the Association at the annual meeting. A copy of last year's budget and the projected budget should be sent out to all the Association members prior to the annual meeting. A majority vote of the quorum is required to adopt the budget. Upon the adoption of the budget the required annual assessment of each property is set simultaneously.

Section 2. Financial filings. The Association is required to file an annual income tax return with the Internal Revenue Service.

Section 3. Time for payment and delinquency. The Association members shall be notified each year in March of their assessed payment. The payment should be sent

to the Association's PO Box within 60 days after receipt of assessment. If assessed funds have not been received by the 60 day time limit, the Association member will be delinquent.

Section 4. Enforcement of delinquent members. The Association member will receive a written notice of being delinquent. If funds are not received within 30 days, this will constitute a lien against the affected property.

ARTICLE VIII ENFORCEMENT OF COVENANTS.

Section 1. The Covenants will be enforced as outlined in the Declaration. If the homeowner who is in alleged violation of the Covenants chooses not to comply after being verbally notified by another homeowner, or officer of the Association, that he is in violation of the Covenants, he/she will be sent a certified letter by an Association officer specifying the violation, and the deadline for compliance. If compliance is not initiated by the published deadline, a second certified letter will be sent informing the homeowner of the penalties being imposed for noncompliance with the Covenants, in accordance with the Schedule of Penalties. If left unpaid, these penalties will constitute a lien against the subject property.

Section 2. Schedule of Penalties. The penalty for Covenant violations will be as follows: Twenty five, (\$25.00), dollars for the day the second certified notification of penalty letter is delivered to the homeowner who is in violation, and twenty five, (\$25.00), dollars per day thereafter until such time the violator demonstrates to two of the Association officers that compliance with the Covenants has been initiated, with assurances of acceptable completion. At their discretion, the officers may establish a reasonable time frame for completion of compliance.

ARTICLE IX RIGHTS AND RESPONSIBILITIES OF INDIVIDUAL OWNERS.

Section 1. General. Upon purchasing each homeowner shall be provided with the covenants and the bylaws prior to the purchase of their home.

ARTICLE X MISCELLANEOUS

Section 1. In the event of any conflict between the Declaration and these Bylaws, the Declaration shall be the superior document.

Section 2. The Association shall have a seal in circular form having within it's circumference the words "Princeton Homeowners Association, Inc."

Section 3. The fiscal year of the Association shall begin on the first day of January, and end on the last day of December every year, except that the first fiscal year shall begin on the date on which the Association was incorporated under the laws of the state of Georgia.

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Section 4. All checks issued by the Association must be signed by two of the serving officers.
