

## (iii) partition or subdivide any Lot;

(iv) by act or omission seek to abandon, partition, subdivide, encumber, sell or transfer (excluding the granting of easements for public purposes consistent with the intended use of the Common Area) any of the Common Area;

(v) use hazard insurance proceeds for loss to the Project (whether Lots or Common Area) for other than repair or reconstruction of such improvements.

Common Area. The Association shall Section 2.5 provide for the care, operation, management, maintenance, repair and replacement of the Common Area. Without limiting the generality of the foregoing, said obligations shall include the keeping of such Common Area in good, clean, attractive and desireable; and making necessary or desirable alterations, additions, betterments or improvements to or on the Common Area.

Section 2.7 Other Association Functions. The Association may undertake any activity, function or service for the benefit of or to further the interests of all, some or any Owners on a self-supporting, special assessment or common assessment basis. Such activities, functions or services may include the providing of police or similar security services, the providing of garbage and trash security services, the providing of garbage and trash collection services, the providing of firewood, and the providing of maid and cleaning service for individual Lots.

Section 2.8 Labor and Services. The Association (i) will be required to obtain and pay for the services of a Managing Agent to manage its affairs, or any part thereof, to the extent it deems advisable, as well as such other personnel as the Association shall determine to be necessary or desirable for the proper operation of the Project, whether such personnel are furnished or employed directly by the Association or by any Person with whom or which it contracts; (ii) may obtain and pay for legal and accounting services necessary or desirable in connection with the operation of the Project or the enforcement of the Declaration; and (iii) may arrange with others to furnish lighting, heating, water, trash collection, sever service and other common services.

Section 2.9 <u>Property of Association</u>. The Association may pay for, acquire and hold or lease real property and tangible and intangible personal property and may dispose of the name by sale or otherwise. Subject to the rules and regulations of the Association and Organ and rules and regulations of the Association, each Owner and each X

Owner's family and Guests may use such property. Upon termination of ownership of the Project and dissolution of the Association, if ever, the beneficial interest in any such property shall be deemed to be owned by the then Owners as tenants in common in the same proportion as their respective interest in the Common Area. A transferee ownership of the transferor's beneficial interest in such property without any reference thereto. Each Owner may use such property in transferor's Denericial interest in such property without any reference thereto. Each Owner may use such property in accordance with the purposes for which it is intended, without hindering or encroaching upon the lawful rights of the other Owners. The transfer of title to a Lot under foreclosure shall entitle the purchaser to the beneficial interest in such property associated with the foreclosed Lot.

Section 2.10 to Grant Utility Association Right Easements. The Association shall have the right to grant utility easements under, through or over the Common Area which are reasonably necessary to the on-going development and operation of the Froject. The rights granted to the Association in this subparagraph shall only be used in the promotion of the collective best interest of the Owners.

Mortgagee Notification. Section 2.11 Association shall notify each first Mortgages of any proposed material amendment of the Association's Articles or Bylaws of at least ten (10) days prior to the effective date of such amendment or change. Further, upon the written request of any first Mortgages, such first Mortgages shall be entitled any first Mortgages, such first Mortgages shall be entitled to receive (i) an annual financial statement of the Association within 90 days following the end of any fiscal year of the Association, and (ii) written notice of all annual and special meetings of the Association and such first Mortgages that have the right to designate a representative to designate a shall have the right to designate a representative to attend all such meetings

Section 2.12 <u>Enforcement by Association</u>. The Board may suspend any Owner's voting rights in the Association or the right of an Owner to use any Common Elements during any period or periods during which such Owner fails to comply with the Association's rules and regulations, or with any other obligations of such Owner and these Bylaws.
The Association may also take judicial action against any
owner to enforce compliance with such rules, regulations or
other obligations herein or in the Declarations contained or to obtain damages for noncompliance thereof, all to the extent permitted by law.

Section 2.13 <u>Certificate</u>. The Board of Directors may, from time to time, record a certificate of the identity and the mailing addresses of the persons then comprising the

Board of Directors, together with the identity and address of the Managing Agent. Such certificate shall be conclusive evidence thereof in favor of any Person relying thereon in good faith regardless of the time elapsed since the date hereof.

Section 2.14 <u>Implied Rights</u>. The Association shall have and may exercise any right or privilege given to shall have and may exercise any right or privilege given to it expressly by these Bylaws or the Articles or Declarations, or reasonably to be implied from the provisions of said documents, or given or implied bylaw, or which may be necessary or desirable to fulfill its duties, obligations, rights or privileges.

## ARTICLE III

## MEMBERSHIP, ERSHIP, VOTING, MAJORIT OWNERS, QUORUM, PROXIES

Section 3.1 Membership. Ownership of a Lot is required in order to qualify for membership in this Association. Any Person on becoming an Owner of a Lot shall automatically become a member of this Association and be subject to these Bylaws. Such membership shall terminate without any formal Association action whenever such Person ceases to own a Lot, but such termination shall not relieve or release any such former Owner from any liability or obligation to the Association or impair any rights or remedies which the Association may have against such former Owner arising out of or in any way connected with ownership remedies which the Association may have against such former Owner arising out of or in any way connected with ownership of a Lot and membership in the Association. No certificates of stock shall be issued by the Association. No certificates of stock shall be issued by the Association but the Board of Directors may, if it so elects, issue membership cards to the Owners. Such membership card shall be surrendered to the Secretary whenever ownership of the Lot designated thereon shall terminate.

Section 3.2 Voting. All members shall be entitled to vote on all matters, with one vote per Lot. If title to any Lot shall be held by two or more Persons, then each such Person shall be a member of this Association, provided however, that the voting rights of such Owners shall not be divided but shall be exercised as if the Owner consisted of only one Person in accordance with the proxy or other designation made by the Persons constituting such Owner. The Declarant may exercise the voting rights with respect to Lots owned by it. In no instance shall any Lot