

## BYLAWS OF

# Lakepointe Gardens at Chandana Property Owners Association

## ARTICLE I

### NAME AND LOCATION

The name of the corporation is LAKEPOINTE GARDENS PROPERTY OWNERS ASSOCIATION, INC., hereinafter referred to as the "Association". The Association owns no buildings, thus the legal address of the corporation shall be the post office box address listed on the LPGPOA website. The names and roles of the Board of Directors and managers shall be posted on the LPGPOA website subsequent to the organizational meeting of the new Board following each annual meeting of the members. If a physical address is needed, the personal address of the President of the Board of Directors or designated Board member or manager will be furnished as needed. Meetings of members and directors may be held at such places within the State of Indiana, County of Porter, as may be designated by the Board of Directors.

## ARTICLE II

### DEFINITIONS

**Section 1.** "Association" shall mean and refer to Lakepointe Gardens Property Owners Association, Inc., its successors and assigns.

**Section 2.** "Properties" shall mean and refer to that certain real property described in the Declarations of Covenants, Conditions, Easements and Restrictions of Lakepointe Gardens at Chandana, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

**Section 3.** "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the owners.

**Section 4.** "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties with the exception of the Common Area.

**Section 5.** "Owner" shall mean and refer to the record owners, whether one or more persons or entities, of the fee simple title to any Lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

**Section 6.** "Declarant" shall mean and refer to Lakepointe Gardens LLC, Larry N. Gough, General Partner, its successors and assigns if such successors and assigns should acquire more than one undeveloped Lot from the Declarant for the purpose of development.

**Section 7.** "Declaration" shall mean and refer to the Declaration of Covenants, Conditions, Easements and Restrictions of Lakepointe Gardens at Chandana applicable to the Properties recorded in the Office of the Recorder of Deeds for Porter County, Indiana.

**Section 8.** "Member" shall mean and refer to those persons entitled to membership in the Association as provided for in the Declarations.

### ARTICLE III

#### MEETING OF MEMBERS

**Section 1. Annual Meetings.** An annual meeting of the members shall be held prior to November 1st of each year, with the time and place to be determined.

**Section 2. Special Meetings.** Special meetings of the members may be called at any time by the president or by the Board of Directors, or upon written request of the members who are entitled to vote one-fourth (1/4) of all of the votes of the membership.

**Section 3. Notice of Meetings.** Written notice of each meeting of the members shall be given by, or at the direction of, the Secretary or other person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least fifteen (15) days but not more than sixty (60) days before such meeting to the address of each member last appearing on the books of the Association, or supplied by such member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

**Section 4. Quorum.** Notwithstanding any other provision in the Articles of Incorporation, the Declarations, or these By-laws, a quorum shall be deemed to be present at any annual meeting of the members of the Association if notice of the annual meeting has been properly given. A quorum shall be deemed to be present at any special meeting of the members of the Association if, at such meeting, there are not less than ten percent (10%) of the combined owners of all lots, Townhome units and condominium units present. For purposes of this section, the owner of a lot, Townhome unit or condominium unit shall be deemed to be present at a meeting if any owner of that lot, Townhome unit or condominium unit is present in person or by proxy, pursuant to Indiana laws.

**Section 5. Proxies.** At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his Lot, Townhome unit or condominium unit.

## ARTICLE IV

### BOARD OF DIRECTORS: SELECTION: TERM OF OFFICE

**Section 1. Number.** The affairs of the Association shall be managed by a five-member Board of Directors who are members of the Association.

**Section 2. Term of Office.** Each member of the Board will serve a two-year term, beginning on the date elected and running until the date a replacement is elected at an annual meeting of the members, with the following exception: two (2) of the Board members elected on October 8, 2005 will serve until replacements are elected at the annual meeting of the members in 2007. The remaining three (3) Board members will serve until replacements are elected at the annual meeting of members in 2008. The determination of which members will serve the shortened term will be made by a blind drawing by the Board members. Thereafter, two (2) members will be replaced in each odd numbered year and three (3) members will be replaced in each even numbered year.

**Section 3. Removal.** Any director may be removed from the Board, with or without cause, by a majority of the votes of the Members of the Association permitted to be cast. In the event of death, resignation or removal of a director, his/her successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his/her predecessor.

**Section 4. Compensation.** No director shall receive compensation for any service he/she may render to the Association in his/her capacity as a director. However, any director may be reimbursed for his/her actual expenses incurred in the performance of his/her duties.

**Section 5. Action Taken Without A Meeting.** The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the approval of a majority of the directors, either by mail, telephone or email, consistent with applicable law. Any action so approved shall have the same effect as though taken at a meeting of the directors.

## **ARTICLE V**

### **NOMINATION AND ELECTION OF DIRECTORS**

**Section 1. Nomination.** Nomination for election to the Board of Directors shall be made by a Nominating Committee, or from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two (2) or more members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to the annual meeting of the members at which an election of Directors will take place, to serve until the close of such annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled.

**Section 2. Election.** Election to the Board of Directors shall be by secret ballot. At such election the members or their proxies may cast, in respect to each such vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

## ARTICLE VI

### MEETING OF DIRECTORS

**Section 1. Regular Meetings.** A regular meeting of the Board of Directors shall be held without other notice than this bylaw immediately after, and at the same place as, the annual meeting of the members. The Board of Directors may provide, by resolution, the time and place for the holding of additional regular meetings without other notice than such resolution. In the absence of such resolution setting the time and place for regular meetings, a meeting may be called by the President with at least three (3) days notice to the other Board members, and such notice may be delivered personally, by U. S. mail or by email.

**Section 2. Special Meetings.** Special meetings of the Board of Directors may be called at any time by the President, or in his/her absence, by a Vice President, or by any two (2) directors. The person or persons authorized to call special meetings of the Board of Directors may fix the place for holding any special meeting of the Board of Directors called by them. Notice of any special meeting of the Board of Directors shall be given at least three (3) days previously thereto by written notice to be delivered personally, by U.S. mail, or by email.

**Section 3. Quorum.** A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

**Section 4. Presumption of Assent.** A director of the Association who is present at a meeting of the Board of Directors at which action on any corporate matter is taken shall be presumed to have consented to the action taken unless his/her dissent shall be entered into the minutes of the meeting or unless he/she shall file his/her written dissent to such action with the person acting as the Secretary of the meeting before adjournment thereof or the Association immediately, and not more than five (5) days after adjournment of the meeting. Such right to dissent shall not apply to a director who voted in favor of such action.

## ARTICLE VII

### POWERS AND DUTIES OF THE BOARD OF DIRECTORS

**Section 1. Powers.** The Board of Directors shall have the power to:

- (a) adopt and publish rules and regulations governing the use of the Common Area and facilities, and the personal conduct of members and their guests thereon, and to establish penalties for the infraction thereof;
- (b) suspend the voting rights of a member during any period in which such member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed 60 days for infraction of published rules and regulations;
- (c) exercise for the Association all powers, duties and authority vested in or delegated to the Association and not reserved to the membership by other provisions of these By-laws, the Articles of Incorporation, or the Declarations;
- (d) declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors; and
- (e) employ a manager, or independent contractor, or such other employees as they deem necessary, and to prescribe their duties.

**Section 2. Duties.** It shall be the duty of the Board of Directors to:

- (a) cause to be kept a complete record of all of its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members, or at any special meeting, when such statement is requested in writing by one-fourth (1/4) of the members who are entitled to vote;
- (b) supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

(c) as more fully provided in the Declaration, to:

1. fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each assessment period; and
2. send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period; and
3. foreclose the lien against any property for which assessments are not paid within thirty (30) days after due date or to bring an action at law against the owner personally obligated to pay the same.

(d) issue, or cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If any certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment.

(e) fix the amount of any special assessments for capital improvements. The annual and special assessments, together with interest, costs and reasonable attorney fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs and reasonable attorney fees, shall be the personal obligation of the Owner of such Lot at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to the successors in title unless expressly assumed by them.

(f) levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of an improvement upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of the Members who are voting in person or by proxy at a meeting duly called for this purpose. Written notice of any meeting called for the purpose of fixing or levying special assessments only as defined herein (specifically excluding any annual assessment) shall be sent to all Members not less than thirty (30) nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of Members or proxies entitled to cast at least sixty (60) percent of the votes shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

- (g) procure and maintain adequate liability and hazard insurance on property owned by the Association;
- (h) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;
- (i) cause the Common Area to be maintained;
- (j) cause the exterior roofs, siding and driveways of the Townhomes to be maintained;
- (k) manage the affairs of the Association.
- (l) communicate to members and receive and act on communication from members in an appropriate and timely manner according to procedures approved by the Board.

## **ARTICLE VIII.**

### **DIRECTOR OR OFFICER CONFLICTS OF INTEREST**

**Section 1. Conflict of Interest Transaction.** No Director or officer of the Association, or any family Member of such Director or officer, or any corporation, partnership, association, trust or other entity in which such Director or officer, or family Member of such Director or officer, serves as a director, officer, partner or trustee, or has a financial interest shall be permitted to enter into any contract or transaction with the Association unless:

Such Director or officer discloses to the Board of Directors the material facts as to his /her or his/her family Member's relationship with or interest in the entity proposing to enter into the contract or transaction with the Association, and the Board of Directors authorizes the contract or transaction by the affirmative vote of a majority of the disinterested Directors (even though the disinterested Directors may constitute less than a quorum).

**Section 2. Definition of Family Member.** For the purpose of this Section 1, the term 'Family Member' means children, the spouses of children, brothers and their spouses, sisters and their spouses, parents, spouse, and the parents of a spouse.



**Section 3. Remedies for Violation of Conflict of Interest Requirements.** If a Director or officer of the Association, or any family Member of such Director or officer, or any corporation, partnership, association, trust or other entity in which such Director, officer or family member of such Director or officer serves as a director, officer, partner or trustee, or has a financial interest, enters into any contract or transaction with the Association without complying with the requirements described above, the Board of Directors may, in its sole discretion:

1. Void the contract or transaction in its entirety and recover from such Director or officer any damages and expenses suffered or incurred by the Association as a result of the contract or transaction; or

Modify the price and terms of the contract or transaction so that the Association receives a price and terms comparable to what the Association would receive in an arm's-length negotiation.

## ARTICLE IX

### OFFICERS AND THEIR DUTIES

**Section 1. Enumeration of Officers.** The officers of this Association shall be a president, vice-president, secretary, and treasurer, who shall at the time be members of the Board of Directors, and such other officers as the Board may from time to time by resolution create.

**Section 2. Election Of Officers.** The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the members.

**Section 3. Term.** The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he/she shall sooner resign, or shall be removed, or otherwise be disqualified to serve.

**Section 4. Special Appointments.** The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

**Section 5. Resignation and Removal.** Any officer may be removed by vote of a majority of the Board of Directors, plus one, whenever in its judgment, the best interests of the Association will be served thereby. Any officer may resign at any time by giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

**Section 6. Vacancies.** Any vacancy occurring in the Board of Directors, regardless of the manner in which caused, may be filled by the affirmative vote of a majority of the remaining directors, though less than a quorum of the Board of Directors, unless otherwise provided by law. A director elected to fill a vacancy shall be elected for the unexpired term of his/her predecessor in office and until his/her successor is elected and qualified. Any directorship to be filled by reason of an increase in the number of directors shall be filled by election at an annual meeting or at a special meeting of Members called for that specific purpose.

**Section 7. Multiple Offices.** The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

**Section 8. Duties.** The duties of the officers are as follows:

**President** - the President shall preside at all meetings of the Board of Directors and/or the general membership. However, he/she shall have the discretion to appoint another board member or the general manager to assume the chairmanship of any such meeting. The President shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds, and other written instruments and shall co-sign all promissory notes.

**Vice President** - the Vice President shall act in the place and stead of the president in the event of his/her absence, inability, or refusal to act, and shall exercise and discharge such other duties as may be required of him/her by the Board.

**Secretary** - the Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; keep appropriate current records showing the Members of the Association together with their addresses, and shall perform such other duties as required by the Board or the office of the Secretary.

**Treasurer** - the Treasurer shall meet regularly with the Finance Manager as well as participate on the Finance Committee that oversees the Finance Manager, budget, all financial matters of the Association, collecting and disbursement of assessments, investment of funds, and record keeping. The Treasurer shall work with the Finance Manager to assist in the preparation of the annual budget and statement of income and expenditures to be presented to the Board for approval and disbursement to the membership at its regular annual meeting. The Treasurer should have applicable financial knowledge and experience to be able to temporarily assume the duties of the Finance Manager if that manager is unable to perform the duties of that position.

Any one, or all, of the enumerated duties of the Secretary and/or Treasurer may be delegated to an Association manager, under the direction of the Board of Directors.

## **ARTICLE X**

### **INDEMNIFICATION**

The Association will indemnify and hold harmless any person who serves or has served as a director, officer, employee or agent of the Association against expenses (including reasonable attorney's fees), judgments, fines, taxes, penalties, interest and payments in settlement, in connection with any threatened, pending or completed action or proceeding, and to pay any such expenses in advance of the final disposition of any such action or proceeding, arising out of his or her status as such, in the good faith exercise of his or her duties. The Association is specifically empowered and authorized to purchase and maintain, at the expense of the Association, insurance on behalf of any such director, officer, employee or agent against any liability asserted against him or her in such capacity.

## **ARTICLE XI**

### **COMMITTEES**

The Board of Directors shall appoint a Nominating Committee, as provided in the bylaws. In addition, the Board of Directors may appoint other committees as deemed appropriate in carrying out its purpose.

## ARTICLE XII

### BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, by appropriate notice of request and during reasonable business hours, be subject to inspection by any Members. The Declaration, the Articles of Incorporation and the bylaws of the Association shall be available for inspection by any Members of the Association by making a request to any of the elected officers. Since the Association owns no buildings and has no central office, the books, records and papers of the Association are held by the individual officers charged with responsibility for their safekeeping. Copies of any records may be purchased by any Members at a reasonable cost as set by the Board.

## ARTICLE XIII

### ASSESSMENTS

**Section 1. Assessment Obligations.** As more fully provided in the Declarations, each member is obligated to pay the Association annual and special assessments which are secured by a continuing lien upon the property and against which the assessment is made. Any assessments which are not paid when due shall be delinquent. Any assessment delinquent for a period of more than ten (10) days shall incur a late charge in an amount as the Board may from time to time determine. The Association shall cause a notice of delinquency to be given to any member who has not paid within ten (10) days following the due date. If the assessment is not paid within thirty (30) days from the due date, a lien, as herein provided, shall attach and, in addition, the lien shall include the late charge, interest not to exceed the maximum legal rate, on the principal amount due, and all late charges from the date first due and payable, all costs of collection, reasonable attorneys fees actually incurred, and any other amounts provided or permitted by law. If the delinquency continues for a period of sixty (60) days, the Association may, as the Board shall determine, bring an action at law against the Owner personally obligated to pay the same and foreclose the lien against the property, and interest, costs, and reasonable attorneys' fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his/her Lot.

**Section 2. Method of Payment.** Assessments shall be paid monthly, in equal installments, via Electronic Funds Transfer (EFT) from an active bank account. Payment by any other method shall require approval by the Board and only upon a showing of good cause. Any non-conforming payment will be subject to a monthly surcharge as determined from time to time and set by the Board.

#### **ARTICLE XIV**

#### **NO CORPORATE SEAL**

The Association shall not have a corporate seal.

#### **ARTICLE XV**

#### **AMENDMENTS**

**Section 1. Amendment by Board of Directors.** Except as provided in Section 3 of this Article XV, the Board of Directors shall have the power to make, amend, alter or repeal the bylaws of this Association by a vote of a majority of the Board of Directors; provided that notice of such alteration, amendment or repeal has been given to each director in writing at least three (3) days prior to said meeting and further provided that the Board of Directors may not adopt a new bylaw or amendment thereof changing the authorized number of directors or their qualifications.

**Section 2. by Members.** Except as provided in Section 3 of this Article XV, the Members, by affirmative vote of a majority of the Owners of Lots present may make, alter, amend or repeal the bylaws without any notice at any annual meeting, or these bylaws may be altered, amended or repealed and new bylaws adopted by a majority of the Members present entitled to vote at any special meeting when the proposed amendment, alteration or repeal of new bylaws have been set out in the notice of such special meeting.

**Section 3. Limitation on Amendments.** Neither the Board nor the Members shall have the power or authority to amend any of these bylaws in a manner inconsistent with the Declaration, including, without limitation, provisions in the Declaration relating to the Association's responsibilities for maintaining and improving the Common Areas. The amendment of any covenants and restrictions set forth in the Declaration may only be amended in accordance with the terms of said Declaration.

## **ARTICLE XVI**

### **MISCELLANEOUS**

The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first year shall begin on the date of incorporation.