



**STONECREEK VILLAGE**  
**HOMEOWNERS ASSOCIATION,**  
**INC.**  
**BY-LAWS**

MAY 2022

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## **PRELIMINARY STATEMENT**

The following By-Laws shall apply to the Stonecreek Village Patio Home Development and its Homeowners Association, Stonecreek Village Homeowners Association, Inc. (hereinafter called the “Project”), located on Charlestown Pike in Clark County, Indiana, as described in and originally created by the Declaration of Horizontal Property Unit Ownership for Stonecreek Village Homeowners Association Horizontal Property Regime (hereinafter called the “Declaration”), originally recorded in the office of the Recorder of Clark County, Indiana, at Jeffersonville, Indiana, on the 8<sup>th</sup> day of June, 2001, and revised on August 31, 2017, and to all present and future owners of any units of the Project and all other persons who shall at any time use the Project.

These Revised and Restated Bylaws are adopted in connection with the execution of a certain Restated Declaration to which these Bylaws are attached and made a part, both recorded on the \_\_\_\_ day of \_\_\_\_\_, 2022. The Declaration is incorporated by this reference, and all of the covenants, rights, restrictions, and liabilities therein contained shall apply to and govern the interpretation of these Bylaws. The definitions and terms as defined and used in the Declaration shall have the same meaning in these Bylaws and reference is specifically made to Paragraph One (1) of the Declaration containing definitions of terms. The provisions of these Bylaws shall apply to the Property and the administration and conduct of the affairs of the Association.

All of the Unit Owners, future Unit Owners, or their guests and invitees, or any other person that might use or occupy a Unit or any part of the Property shall be subject to the restrictions, terms, and conditions set forth in the Declaration, the Articles of Incorporation, these Bylaws, and all applicable law, and to any Rules and Regulations adopted by the Board of Directors.

Attached to the Rules and Regulations and incorporated into that document is a table (Attachment A) identifying homeowner and HOA responsibility in the event of day to day or catastrophic events that may occur from time to time.

Attachment A includes both insurable and non-insurable events from minor fixes to complete unit rebuilds and identifies who is responsible for the resolution (homeowner or HOA). Attachment A is the primary document outlining specific responsibilities in the community and as such supersedes any language contained within the Bylaws and Rules & Regulations.

The Board will utilize Attachment A in cases to establish any or all financial responsibility arising from community concerns or requests or from any governmental requirements.

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## **ARTICLE 1 - MEMBERSHIP**

### **Section 1 – Qualification**

All owners of units of the Stonecreek Village Project shall constitute the members of the Homeowners Association (herein called “Association”). The owner of any unit, upon acquiring title thereto, shall automatically become a member of the Association, and shall remain a member thereof until such time as his/her ownership of such unit ceases, for any reason, at which time his/her membership in the Association shall automatically cease.

### **Section 2 – Place and Purpose of Meetings**

Meetings of the Association shall be held at least twice annually, a General Meeting and a Budget meeting, and at such other times as may be necessary or appropriate for communicating information to and soliciting feedback from the members. Meetings will be held in the Project, or other such suitable place as may be designated by the Board of Directors.

### **Section 3 – Annual Meetings**

Annual meetings of the Association shall be held on the first Monday of May and the last Monday of October of each year at a time set by the Board of Directors, or such other date as may be determined by the Board with notice to the membership.

### **Section 4 – Special Meetings**

In addition to any other meeting held by a Board, a Board shall hold a special meeting of the members of a Homeowners Association if members representing at least ten percent (10%) of the Units of the Homeowners Association submit to the Board at least one (1) written request for the special meeting that:

- A. describes the purpose for which the meeting is to be held; and
- B. is signed by the members requesting the special meeting.

If a Board does not send out a notice of the date, time, and place for a special meeting within thirty (30) days after the date the Board receives a valid written request for the special meeting, a member of the Homeowners Association who signed the written request may:

- A. set the date, time, and place for the special meeting; and
- B. send out the notice for the special meeting to all other members.

### **Section 5 – Notice of Meetings**

The Secretary (or designee) shall give notice of each annual and special meeting to every Unit Owner according to the Association’s record of ownership at least five (5) days before the date set for such meeting, stating whether it is an annual or special meeting, the authority for the call of the meeting, the place, day and hour of

such meeting, and the purpose in any of the following ways: (a) by delivering it personally, (b) by mailing it to the address as it appears on the Association's record, or (c) by email or any electronic method approved for commercial use (for those members who have provided an address for electronic delivery). If notice is given as per the above provisions, the failure of any Unit Owner to receive the actual notice of any meeting shall in no way invalidate such meeting or any actions taken.

### **Section 6 – Quorum**

The presence at any meeting in person or by proxy of 30% of the Unit Owners shall constitute a quorum and the acts of a majority of the Unit Owners present, in person or by proxy, at any meeting at which a quorum is present shall be the acts of the Association.

### **Section 7 – Voting**

The owners of each unit shall be entitled to one (1) vote per unit unless they are delinquent for more than six months in their assessments. Votes will be cast in person or by proxy, by the respective Unit Owners as shown in the record of ownership of the Association. A secure method of electronic voting could be offered to those with computer access. Any executor, administrator, guardian or trustee having control of a property may vote by those means at any meeting of the Association for that property in such capacity whether or not the Association's record of ownership has been updated to reflect it as long as satisfactory evidence of that ownership or control is first provided to the Secretary or other recordkeeper.

### **Section 8 – Proxies and Pledges**

The authority given by any Unit Owner to the Secretary of the Board, the board's assignee, or another unit owner to represent owner at meetings of the Association shall be in writing, signed by such owner and filed with the Secretary (or other method as directed) and, unless limited by its terms, shall continue until revoked by writing, by a new proxy filed with the Secretary, or by death or incapacity of such owner or their assigned proxy. Voting rights transferred or pledged by mortgage, deed of trust or agreement of sale of any unit or interest therein, a true copy of which is filed with the Board through the Secretary, Administrator or Managing Agent, shall be exercised only by the person designated in such instrument until the written release or other termination thereof is filed with the Board in like manner.



## **Section 9 – Conduct of Annual Meetings**

The President of the Board of Directors shall act as Chairman of all annual meetings of the Association if the President is present. At all annual meetings, the Chairman shall call the meeting to order at the duly designated time and business will be conducted in the following order:

- A. Welcome. Introduction of Board and new members present.
- B. Treasurer's Report. The Treasurer or office manager shall report to the Unit Owners concerning the financial condition of the Association and answer relevant questions of the Unit Owners concerning the Common Expenses and financial report for the prior periods.
- C. Budget – Budget Meeting only. The proposed budget for the ensuing year must be approved by the members of the Homeowners Association in attendance at the fall meeting in person, by proxy, or by written approval submitted prior to the meeting.

If the number of homeowners participating in the vote constitutes a quorum, but the budget is not approved, the Association will operate by extending the previous year's budget. A Special Assessment will be invoked to cover a budget shortfall.

If the number of members of the Homeowners Association in attendance at the meeting does not constitute a quorum, the board may adopt an annual budget for the ensuing year in an amount that does not exceed one hundred ten percent (110%) of the amount of the last Association annual budget.

- D. Other Business. Other business requiring a vote may be brought before the meeting only upon a written request submitted to the Secretary of the Association at least four (4) days prior to the date of the meeting; provided, however, that such written notice may be waived at the meeting if agreed by a majority of the Unit Owners present. Any other general business matters of discussion that do not require a vote may be properly brought before the meeting by any Unit Owner in good standing.
- E. Adjournment. Any meeting of the Association may be adjourned from time to time to such place and time as may be determined by the majority vote of the Unit Owners present, whether or not a quorum is present, without notice other than the announcement of such meeting. At any such adjourned meeting at

which a quorum is present, any business may be transacted which might have been transacted by a quorum at the meeting as originally called.

## **ARTICLE 2 - BOARD OF DIRECTORS**

### **Section 1 – Number and Qualifications**

The affairs of the Association and the project shall be governed by a Board of Directors composed of (5) persons, all of whom shall be owners. In extreme cases, where volunteers are not available, the board can function with a minimum of three (3) members.

### **Section 2 – Powers of Board**

The Board of Directors shall have all powers necessary for the affairs of the Association.

### **Section 3 – Election and Term of Directors**

Election of Board members shall be conducted by an Election Committee appointed by the Board. The election shall be by ballot, with one vote per unit cast for each open position, at or prior to each spring meeting, or any special meeting called for that purpose. The selection will be done by written ballot received via email or picked up and cast at the voting location on the Election Committee's established date and time, by the unit owner of record or by a proxy representative of the unit owner. Each owner or representative will sign in, verifying personal identity, and then cast a unit ballot. If the number of candidates is equal to or less than the number of open board positions, election will be by acclamation at the spring meeting.

Directors shall serve for a period of two (2) years and until their respective successors have been elected, subject to removal as herein provided. Terms for the Board of Directors shall be staggered so that at least one-third of the terms expire each year.

### **Section 4 – Board Vacancies**

Vacancies in the Board of Directors caused by any reason other than removal shall be filled by vote of a majority of the remaining Managers even though this may constitute less than a quorum. Each person so elected shall serve through the end of the unexpired term. Death, incapacity or resignation of any Director or his/her continuous absence from the State of Indiana for more than six (6) months shall cause his/her office to become vacant.

### **Section 5 – Removal of Board Members**

At any regular or special meeting of the Association, any one or more of the Directors may be removed with or without cause by vote of a majority of the Unit Owners and the vacancy will subsequently be filled following normal board vacancy procedures. Any Director whose removal has been proposed by the Unit Owners shall be given an opportunity to be heard at such meeting.

### **Section 6 – Annual Organizational Board Meeting**

An organizational meeting of the Board shall be held immediately following each spring meeting of the Association and no notice shall be necessary to be given to any Board members in order to constitute such meeting provided that a majority of the Board is present. At such meeting, the Board shall elect the officers of the Association for the ensuing year.

### **Section 7 – Regular Board Meetings**

Regular meetings of the Board of Directors may be held at such time and place as determined by a majority of the Board members, but at least one meeting shall be held during each calendar quarter. Meetings can be held electronically via a commercially approved method in extenuating circumstances as defined after the meeting is called to order and as recorded in the minutes. Notice of regular Board meetings shall be given to each Board member personally, by mail, e-mail, or telephone at least one day prior to the date of the meeting.

A member of the Homeowners Association has the right to attend any meeting of the Homeowners Association Board, including an annual meeting of the Board. However, the Board may meet in private to discuss delinquent assessments. The Board may also meet in private with legal counsel to discuss the initiation of litigation, or to discuss litigation that either is pending or has been threatened, specifically in writing. Litigation also includes any judicial action or administrative law proceeding under state or federal law. In addition to the right to attend, a member has the right to inspect the minutes of any Board meeting.

### **Section 8 – Special Board Meetings**

Special meetings of the Board may be called by the President with at least an eight (8) hour notice to each Board member. The notice shall be given to each Board member personally, by mail, e-mail, or telephone, and shall state the time, place, and purpose of the meeting. Special meetings of the Board may be called by the President or Secretary in like manner on the written request of at least two Board members.

### **Section 9 – Waiver of Notice**

Before or at any meeting of the Board, any Board member may waive notice of such meeting in writing and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Board member at any meeting shall be waiver of the notice of such meeting.

### **Section 10 – Quorum of Board**

At all meetings of the Board of Directors, a majority of the total number of members of the Board shall constitute a quorum for the transaction of business. The acts of a majority present at any meeting shall be deemed to be the acts of the Board. If less than a quorum is present, a majority of those present may vote to adjourn the meeting.

### **Section 11 – Fidelity Bond**

The Board of Directors may require that all officers, employees and agents of the Association handling or responsible for its funds shall be covered by adequate fidelity bonds. The premiums on such bonds shall be paid by the Association.

### **Section 12 – Other Duties**

For any holder, insurer or guarantor of a mortgage on any unit who has given prior notice of its mortgage interest to the Board of Directors by providing an address to the Secretary of the Board, the Board shall give timely notice of:

- A. Any condemnation or casualty loss that affects either a material portion of the project or the unit securing its mortgage;
- B. Any 60-day delinquency in the payment of assessments or charges owed by the owner of any unit on which it holds the mortgage;
- C. A lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association, and
- D. Any proposed action that requires the consent of eligible mortgage holders.

### **Section 13 – Compensation**

The Board members shall serve without compensation unless otherwise authorized by the Association. However, any Director may, at any time, be reimbursed for the Director's actual approved or allowed expenses incurred in the performance of the Director's duties, and such reimbursement shall not require express approval of all the Unit Owners or any portion thereof.

## **Section 14 – Management**

The Board of Directors shall at all times manage and operate the Project and have such powers and duties to perform or assign, as may be necessary or proper, including, without limitation, the following:

- A. Supervision of the management and operation of the Project;
- B. Inspection, maintenance, repair, replacement, additions, restoration and alterations of the common elements;
- C. Purchase, maintenance and replacement of any equipment provided for all water services leading up to a unit;
- D. Employment, supervision and dismissal of contractors as may be necessary for the maintenance and operation of the Project;
- E. Preparation of a proposed budget and schedule of assessments at least sixty (60) days before the beginning of each budget year with an opportunity for vetting by the owners prior to the vote;
- F. Collection of all assessments and payment of all common expenses authorized by the Board;
- G. Purchase of all policies of property and liability insurance for the Project required by the Declaration and such other insurance and bonds as may be required or authorized by the Declaration, the By-Laws, the Rules, the Association, or the Board;
- H. Notification to owner and holder of any mortgage or lien who has notified the Board of their interest as outlined in Section 12 (above), of any collection of all unpaid assessments, fines, or fees and other charges.
- I. Supervision of motor vehicle parking including the authority to make reasonable rules, fines, and charge for non-compliance;
- J. Supervision of the use of the common elements, including use of limited common elements, which includes adoption and enforcement of project Rules and enforcement of the provisions of the Declaration and these By-Laws;
- K. The right to establish monetary fines for the purpose of enforcing the Project Rules and Regulations and the By-Laws of the Association. Fines shall

become enforceable upon thirty (30) days written notice to the offending owner.

- L. Establish committees to recommend maintenance and improvements and contribute to the overall management of the Project. Responsibilities of committees should include the solicitation of bids for proposed initiatives and submission of a proposed budget. Assign a member of the Board to each committee where possible.

### **Section 15 – Managing Agent**

The Board of Directors, upon approval of 60% of the Unit Owners, may employ a Managing Agent or Administrator to manage and control the Project at all times with direction by the Board with some or all administrative functions set forth in preceding Section 14 and other such powers and duties and at such compensation as the Board may establish.

### **Section 16 – Representation**

The President or Managing Agent, subject to the direction of the Board of Directors, shall represent the Association or any two or more Unit Owners similarly situated as a class in any proceeding affecting the Association, the common elements, or more than one unit, and may participate in such proceedings without limiting the rights of any Unit Owner to participate individually.

### **Section 17 – Execution of Instruments**

All checks, drafts, notes, acceptances, conveyances, contracts and other instruments shall be signed on behalf of the Association by such person or persons as named by resolution of the Board of Directors, or in the absence of such resolution by the President or the Treasurer.

### **Section 18 – Non-Liability of Directors**

The Directors shall not be liable to the Unit Owners or any other persons for any error or mistake of judgment exercised in carrying out their duties and responsibilities as Directors, except for their own individual willful misconduct, bad faith or gross negligence. The Association shall indemnify and hold harmless and defend each of the Directors against any and all liability to any person, firm or corporation arising out of contracts made by the Board on behalf of, unless any such contract shall have been made in bad faith or contrary to the provisions of the Declaration or Bylaws. It is intended that the Directors shall have no personal liability with respect to any contract made by them on behalf of the Association and that in all matters the Board is acting for and on behalf of the Association as its agent. The liability of any Unit Owner arising out of any contract made by the Board or out of the aforesaid indemnity in favor of the Directors shall be limited to such percentage of the total liability or obligation

thereunder as is equal to his/her Percentage Interest. Every contract made by the Board or the Managing Agent on behalf of the Board shall provide that the Board of Directors and the Managing Agent, as the case may be, are acting as agent for the Unit Owners and shall have no personal liability thereunder, except in their capacity as Unit Owners (if applicable) and then only to the extent of their Percentage Interest.

### **Section 19 – Indemnification**

The Association shall indemnify every Board member and officer, and his/her executors and administrators, against all expenses reasonably incurred by or imposed on him/her in connection with any action, suit or proceeding to which he/she may be made a party by reason of being or having been a Board member except in relation to matters as to which he/she shall be finally adjudged in such action, suit or proceeding to be liable for fraud or bad faith in his/her conduct; and in the absence of such final adjudication, indemnification shall be provided only in connection with such matters as to which the Association is advised by its legal counsel that the person to be indemnified committed no such breach of duty. The foregoing right of indemnification shall be exclusive of any other rights to which such person may be entitled.

## **ARTICLE 3 - OFFICERS**

### **Section 1 – Designation**

The principal officers of the Board shall be President, Vice-President, Secretary, and Treasurer who shall be elected by the Board of Directors. From the remaining Board members, they may appoint an Assistant Treasurer, an Assistant Secretary, and any other such officer as in its judgment may be necessary. Various duties identified below for each officer can also be performed by an office manager or other contractor.

### **Section 2 – Election and Term**

The officers of the Board shall be elected annually by the Board of Directors at its annual meeting held immediately after the Association spring meeting each year and shall hold office at the pleasure of the Board.

### **Section 3 – Removal**

Any Board member may be removed from an office, either with or without cause, by vote of a majority of the Board members and a successor elected at any regular or special meeting of the Board. Any officer whose removal is proposed shall be given an opportunity to be heard prior to the vote.

#### **Section 4 – President and Vice-President**

The President of the Board shall be the Chief Executive Officer of the Association and shall preside at all meetings of the Association and the Board of Directors. Subject to the control of the Board, the President shall exercise general supervision and direction over the management and conduct of the business and affairs of the Association. The President shall also have other such powers and duties from time to time as deemed necessary by the Board or as prescribed by the By-Laws. The Vice-President shall serve in the absence of the President.

#### **Section 5 – Secretary**

The Secretary shall attend and keep the minutes of all meetings of the Association and of the Board of Directors, give all notices as outlined in the Declaration and By-Laws, maintain and keep a continuous and accurate record of ownership of all units, mortgagee name and address for all Units whose mortgage company sent notice, and have charge of such books, documents, and records of the Association as the Board may direct. The President shall have the power to appoint a Board Member to perform the duties of the Secretary if absent.

#### **Section 6 – Treasurer**

The Treasurer shall serve on the Finance Committee and shall maintain and keep the financial records and books of the Association, prepare regular reports and be responsible for the proper deposit and custody in the name of the Association of all funds and securities. The President shall have the power to appoint a Board Member to perform the duties of the Treasurer if absent.

The Treasurer shall also ensure adherence to the following guidelines:

- A. Budget. An Association budget shall be created annually that reflects the estimated revenues and expenses for the budget year, the amount planned to contribute to the reserve account each month, and any increase in the regular assessment paid by the members if the proposed annual budget is approved. A copy of the proposed budget will be provided to homeowners for review at least two weeks prior to the budget meeting, including details of any planned increase in the regular assessment.
- B. Non-recurring Expenditures. For maintenance projects and other non-recurring expenses that are anticipated to incur costs greater than \$2,500, a minimum of three bids should be obtained for that work whenever possible. Upon review of the bids and/or recommendation from a committee, the Board will vote on which bid to accept.



Recurring Expenditures. For maintenance and other recurring expenses where a positive, long-term vendor relationship exists, bids are only required if an anticipated increase exceeds 20%, unless extenuating circumstances justify the increase.

C. Payment of Invoices. The method for payment of invoices for the maintenance, repair, and replacement of the common areas and facilities is: Upon receipt of an invoice for a Board-approved expense, confirm the amount, that work was completed satisfactorily, and issue a check for payment. Obtain two authorized signatures for each check. Retain a copy of invoice with financial records.

D. Financial Records Review. The financial records, including all contracts, invoices, bills, receipts, and bank records, are available for inspection by any member of the Homeowners Association upon written request; (1) in person; (2) by mail; or (3) by electronic mail.

### **Section 7 – Audit/Review**

The Board may appoint annually an accountant as auditor who may not be an officer of the Association nor own any interest in any unit to audit the books and financial records of the Association or may periodically perform an internal review. The cost of the audit or review will be an expense of the Association.

## **ARTICLE 4 – OBLIGATIONS OF THE UNIT OWNERS**

### **Section 1 – Assessments**

A. Regular Assessments. The annual budget, as adopted by the Unit Owners, shall, based on the estimated cash requirement for the Common Expenses in the current year, as set forth in said budget, contain a proposed assessment against each Unit based on the Percentage Interest of each Unit (“Regular Assessments”). The annual budget and the Regular Assessments shall, in addition, include contributions to the reserve fund for capital expenditures and replacement and repair of the Common Areas. In accordance with IRS regulations, the reserve fund shall be used for those purposes and not for usual and ordinary repair expenses of the Common Areas. The reserve fund for capital expenditures and replacement and repair of the Common Areas shall be maintained by the Association in a separate interest-bearing account or accounts with one or more banks, savings and loan associations, or credit unions authorized to conduct business in Clark County, Indiana, selected from time to time by the Board.

Immediately following the adoption of the annual budget, each Unit Owner shall be given written or electronic notice of any increase in such Regular Assessment against his/her respective Unit. In the event the Regular Assessment for a particular period is initially based upon a temporary budget, such Regular Assessment shall be revised, within fifteen (15) days following the adoption of the final budget by the Unit Owners, to reflect an increased assessment against each Unit based upon such budget as finally adopted by the Unit Owners. The aggregate amount of the Regular Assessments shall be equal to the total amount of expenses provided and included in the final annual budget, including reserve funds as hereinabove provided. Payment of the monthly installments of the Regular Assessment shall be made to Stonecreek Village Homeowners Association, Inc., or the Managing Agent, as directed by the Board of Directors.

The Regular Assessment for the current year of the Association shall become a lien on each separate Unit as of the first day of each calendar month. Monthly installments of Regular Assessments shall be due and payable automatically on their respective due dates without any notice from the Board or Association, and neither the Board or the Association shall be responsible for providing any notice or statements to Unit Owners for the same. The Regular Assessment is delinquent if not received on or before the first day of the month that it is due. In the event any Unit Owner is delinquent in the payment of any monthly assessment for a period in excess of fifteen (15) days, a penalty of 10% of the delinquent assessment shall be due and payable on the 16<sup>th</sup> of the month.

This 10% penalty is payable for each month of delinquency beginning with the initial month. Without exception, the assessment levied for the benefit of the Association is not subject to credit or set-off unless authorized by the Association of Unit Owners.

- B. Special Assessments. From time to time, Common Expenses of an unusual or extraordinary nature, or not otherwise anticipated, may arise. At such time, and without the approval of the Unit Owners, unless otherwise provided in these By-Laws, the Articles of Incorporation, the Declaration, or the Act, the Board of Directors shall have the full right, power, and authority to make special assessments during any year which, upon resolution of the Board, shall become a lien on each Unit, prorated in accordance with the Percentage Interest of each Unit ("Special Assessment"). Without limiting the generality of the foregoing provisions, Special Assessments may be made by the Board of Directors from time to time to pay for capital expenditures or to pay for the cost of any repair or reconstruction of damage caused by fire or other casualty

or disaster to the extent the master insurance policy proceeds are insufficient, or deductibles are excessive.

- C. Failure of Unit Owner to Pay Assessments. Each Unit Owner shall be personally liable for the payment of all Regular and Special Assessments. Where the Unit Owner constitutes more than one person, the liability of such persons shall be joint and not severable.
1. If any Unit Owner shall fail or refuse to make any such payment of any assessment when due, the amount thereof shall constitute a lien on the unit of the Unit Owner, and upon the recording of notice thereof by the Association, such lien shall be constituted upon such Unit Owner's unit prior to all other liens and encumbrances, recorded or unrecorded, except only:
    - a. taxes, special assessments and special taxes theretofore or thereafter levied by any political subdivision or municipal corporation of this State and other State or Federal taxes which by law are a lien on the interest of such Unit Owner prior to pre-existing recorded encumbrances thereon, and
    - b. encumbrances on the interest of such Unit Owner recorded prior to the date such notice is recorded, which by law would be a lien thereon prior to subsequently recorded encumbrances.
  2. The Association shall send a notice, postage prepaid, to any such encumbrancer whose encumbrance was recorded prior to the time of recording the notice of lien provided for in this section, at the address shown in the recorded encumbrance; provided that if such encumbrancer has furnished the Association with another address then such other address shall be used, and said Association shall not foreclose its said lien until at least thirty (30) days after the date of depositing such notice in the United States mail, postage prepaid, to the address of such encumbrancer.
  3. Any encumbrancer holding a lien on a Unit may pay any Common Expenses payable with respect to such Unit and, if so provided in an encumbrance, may add the amount of such payment to the unpaid balance secured by his lien, and such added amount shall have the same priority and lien rights as the unpaid balance to which it is added.
  4. The lien provided for in this section shall be in favor of the Association and shall be for the benefit of all other Unit Owners and may be foreclosed by

- an action brought in the name of the Association. The Association, acting on behalf of the Unit Owners, shall have the power to bid in the interest so foreclosed at foreclosure sale and to acquire, hold, mortgage and convey the same; and to subrogate so much of its right to such lien as may be necessary or expedient to an insurance company which will continue to give total coverage in spite of nonpayment of such defaulting Unit Owner's portion of the premium.
5. Suit to recover a money judgment for unpaid assessments shall be maintainable without foreclosing or waiving the lien securing the same.
  6. The Board shall further have the power to suspend the voting rights of a member during any period in which such members shall be in default in the payment of any assessment levied by the Association for more than six (6) months.
  7. It shall be the obligation of any party who shall fail to pay any assessment or assessments when due, to reimburse the Association for all expenses incurred as a result of such failure to pay, including all expenses incurred by the Association in the collection of the same, and including further, but not limited to, all costs of overhead, accounting, and legal expenses incurred with respect to, arising out of, or occasioned by the said failure to pay.
  8. In the event any person shall acquire or be entitled to the issuance of a tax deed, public trustee's deed, sheriff's deed, commissioner's deed, etc., the interest so acquired shall be subject to all the terms, provisions, covenants, conditions, and limitations contained in the Declaration, the Articles of Incorporation, and the By-Laws of the Association or any restrictions or exceptions affecting such interest then in force.

## **Section 2 - Insurance**

Every Unit Owner shall be responsible to purchase insurance to cover loss or damage to the interior building components of the owner's unit, and all contents not covered under the master casualty insurance policy, or outside the limits of the master policy coverage, as outlined in the Declaration (and detailed in these Bylaws and the Rules and Regulations). This includes:

Property insurance for the building components (drywall in) listed in detail on Attachment A of the Rules and Regulations document, but such insurance shall provide that it shall be without contribution as against the casualty insurance purchased by the Association as well as personal liability insurance.

Personal Liability insurance provided all such insurance shall contain the same provisions for waiver of subrogation as referred to in the provisions for the master casualty insurance policy obtained by the Association. Unit Owners are also encouraged to review additional optional condominium insurance coverages listed in the Rules and Regulations and discuss options with their insurance agent.

### **Section 3 – Maintenance of Units**

Every Unit Owner shall, at his/her own expense and at all times, repair, maintain and keep his/her unit including all garages, doors, windows, front and side porches, and patio areas along with all internal installations such as water, electricity, telephone, sewer, sanitation, air condition, lights and all other fixtures and accessories belonging to such unit, and not covered by the Association master policy, in good order and condition except as otherwise provided by law or the Declaration, and shall be liable for all loss or damage caused by his/her failure to perform such work diligently. In case of failure, after reasonable notice to perform such work, the Unit Owner shall reimburse the Association promptly on demand all expenses incurred by it in performing any such work authorized by the Board of Directors or the Managing Agent. In addition, each Unit Owner shall keep clean all interior and exterior windows, front and side porches, and patio areas even though such areas are a part of the limited common elements. Every Unit Owner shall reimburse the Association promptly on demand for all expenses incurred by the Association in repairing or replacing any loss or damage to the common elements where caused by such owner or by their guests or members of their households or incurred for cleaning or repairing appurtenant limited common areas. They shall give prompt notice to the Board of Directors or Managing Agent of any loss or damage or other defect in the Project when it is discovered.

### **Section 4 – Use of the Project**

- A. All units of the Project shall be used only for single family residential unit purposes and no units within the Project may be leased or rented with the exception of those cases noted in the Declaration.
- B. All common elements of the Project shall be used only for their respective purposes as designed.
- C. No Unit Owner/occupant shall place, store, or maintain in the common element any furniture, packages, or objects of any kind or otherwise obstruct transit through such common elements or permit said elements to be unsightly or disorderly.
- D. Every Unit Owner/occupant shall at all times keep the unit and any limited common areas appurtenant to it (including all windows, garages, front and

side porches, and patio areas) in a clean and sanitary condition and observe and perform all laws, ordinances, rules and regulations now or hereafter made by the governmental authority, the Association, or the Board of Directors applicable to the Project.

- E. No Unit Owner/occupant shall make any waste or unlawful, improper or offensive use of the unit or the Project nor alter or remove any furniture, furnishings, or equipment of the common elements. No alterations, additions, or changes of any type may be made to any exterior surface of the unit without approval of the Board.
- F. No Unit Owner/occupant shall erect or place in the Project any structure including fences, walls, patios, or make any additions or alterations to any common or limited common elements of the Project except as may be permitted in the Declaration and except in accordance with plans and specifications including a detailed plot plan prepared by a licensed architect (if required by the Board) unless approved by the Board of Directors. If approved, the Unit Owner is responsible for the maintenance, repair, and replacement of such improvements and any common elements affected thereby. No signs posters, or bills, unless specifically allowed by law, may be placed or maintained in the Project unless approved by the Board except that an owner may post and maintain a "FOR SALE" sign no larger than three (3) feet by two (2) feet for a reasonable period of time.
- G. No Unit Owner/occupant shall decorate or landscape any entrance or other planting area adjacent to his/her unit except in accordance with standards set forth by the Board. The Association will provide regular trimming and mulching services. Upon Board approval of a Service Request, the Unit Owner can replace dead or unwanted plants with new shrubs or small trees. Bedding plants and flowers may be planted without approval.
- H. All occupants shall exercise extreme care about making noises and in the use of musical instruments, radios, televisions, and amplifiers that may disturb other occupants.
- I. No refuse, garbage or trash of any kind shall be thrown, placed or kept on any common elements of the Project.
- J. No livestock, poultry, rabbits, snakes or other such animals shall be allowed or kept in any part of the Project. Dogs, cats, and caged animals or birds shall be allowed subject to Rules and Regulations of the Board.

- K. No Unit Owner/occupant shall, without the written approval of the Board of Directors, install any wiring for electrical or telephone installations, machines, or air conditioning units or other equipment or appurtenances whatsoever on the exterior of the Project or protruding through the walls, windows, or roof.
- L. No activity shall be allowed, or items kept in any units or common or limited common areas of the Project which would overload or impair the floors, walls, or roof, or cause any increase in the ordinary premium rates or the cancellation or invalidation of any insurance maintained by or for the Association.
- M. No Unit Owner/occupant shall cause or permit anything to be hung or displayed on the outside of the windows or placed on the outside walls of any building, and no sign, awning, canopy, shutter, or radio or television antenna or other attachment shall be affixed to or placed upon the exterior walls or roofs or any other attachment or thing shall be affixed to or placed upon the exterior walls or roofs or any other parts of any building without the written consent of the Board of Directors. Any Unit Owner/occupant causing or permitting the removal of any of the aforesaid shall be solely liable for any and all damages to the Building, Common Areas, or Limited Areas resulting from such removal.

### **Section 5 – Project Rules**

The Board of Directors may adopt, amend or repeal any Rules and Regulations governing details of the operation and use of the Project not inconsistent with any provisions of law, the Declaration, or these By-Laws. All unit owners will be notified of any changes to the Rules and Regulations 30 days prior to implementation, and copies of the revised documents will be delivered by electronic method prior to implementation. A copy will be delivered or mailed to those not having the capability to receive documents electronically.

### **Section 6 – Expenses of Enforcement**

Any Unit Owner shall pay to the Association promptly on demand all costs and expenses including reasonable attorneys' fees incurred by or on behalf of the Association in collecting any delinquent assessments against such unit, foreclosing its lien or enforcing any provisions of the Declaration, these By-Laws, or the Rules and Regulations including the imposition of any fine imposed against such owner or any occupant of such unit.

### **Section 7 – Record of Ownership**

Every new Unit Owner shall promptly cause to be duly recorded the deed, assignment, or other conveyance of property or evidence of title thereto and shall provide a copy of same to the Board of Directors if requested. All such information will be maintained in the record of ownership of the Association.

As joint owners of the Project, a vote of 95% of the Unit Owners is required to convey or encumber part or all of the Common Areas and facilities.

### **Section 8 – Mortgages**

Any Unit Owner who mortgages his/her unit, or any interest therein, shall notify the Board of Directors of the name and address of his/her mortgagee, and also of the release of such mortgage. This information will be maintained in the record of ownership of the Association. The Board of Directors or the Managing Agent, at the request of any mortgagee or prospective purchaser of any unit or interest therein, shall report to such person the amount of any assessment against such unit then due and payable.

## **ARTICLE 5 - MISCELLANEOUS**

### **Section 1 – Amendment**

These By-Laws may be amended in any respect not inconsistent with provisions of law or the Declaration by vote of 60% of the Unit Owners attending a meeting of the Association duly called for such purpose.

### **Section 2 – Interpretation**

The Board of Directors shall have the power, authority and obligation to determine all matters affecting or relating to the interpretation, application and enforcement of the Bylaws and Rules and Regulations. Any decision or determination made by the Board pursuant to its powers and obligations as set forth herein shall be deemed binding upon all parties and all Unit Owners unless it shall be shown that said determination was made in bad faith with an intent to unfairly discriminate between Unit Owners or was made in contravention of the express terms and conditions of the Declaration and/or Bylaws.

### **Section 3 – Incorporation**

These By-Laws are the By-Laws of the corporation.

### **Section 4 – Inter-Association Participation**

By action of the Board of Directors, the Association of Unit Owners of Stonecreek Village Homeowners Association, Inc., may participate in and contract with other



such Boards and Associations of condominium regimes for the purpose of efficiency and economy in the operation and maintenance of the condominium regimes participating therein.

### **Section 5 – Enforcement**

Violation of the provisions of the Declaration, these By-Laws or any Project Rules and Regulations may be remedied in any court of law or equity having jurisdiction thereof by the Association of Unit Owners, its Board of Directors, or Managing Agent or administrator, or any Unit Owner or owners entitled to relief with the remedies available to such person or persons including damages, restraining order, injunction, accounting, lien enforcement, and specific performance or any combination thereof.

### **Section 6 - Complaints and Disputes**

If there is a dispute between a Unit Owner and the Association, the officers of the Association must make all communications regarding the dispute available to the Unit Owner. If an Association initiates communication with any member about another member's unit, the Association must give a copy of that communication to the other member whose lot is the subject of the communication. However, this does not apply if the communication concerns suspected criminal activity, or activity that is the subject of a law enforcement investigation.

An Association is not required to make available any communications between the Association and the legal counsel of the Association and other communications or attorney work product prepared in anticipation of litigation.