

HIDDEN VALLEY PROPERTY OWNERS ASSOCIATION, INC.
BY- LAWS
Revised, September, 2004

Article 1 - Name

The name of this association shall be the Hidden Valley Property Owners Association, Inc. (HVPOA).

Article 2 - Fiscal Year, Annual Meeting, Membership

1. The association fiscal year shall be **July 1 through June 30.**

2. The annual meeting of the members of the association shall be held in July of each year, at such place and hour as the Board of Directors may determine. Notice of the annual meeting shall be sent to each of the members not less than thirty (30) days prior to the date of such meeting, unless any such member waives notice of such meeting.

3. Any person, corporation or other legal entity which now or hereafter owns, or acquires ownership, of real property in the Hidden Valley development, so called, situated on and near Lower Beech Pond, in the Town of Tuftonboro and Wolfeboro in the State of New Hampshire shall become a member of this association, and be entitled to the name and standing of a member of this association, including use of all common lands and facilities deeded to the association, upon paying the annual assessment.

4. Members of this association shall be subject to such periodic assessments for the maintenance of the activities of the association. Membership in this association shall terminate upon transfer of title to all property to a third person.

4.1 Assessments or common expenses shall mean and include actual and estimated expenses of operating the Association, including any reasonable reserve, recommended as necessary and appropriate by the Board of Directors and approved by the membership.

4.2 An assessment shall be made against each member in the Association and the member shall pay to the association such assessment as may be recommended by the Board of Directors and approved by the membership at the annual meeting. The assessment for a property with a home thereon may be in excess of the assessment that is made for an unimproved property providing, however, that all properties with homes thereon shall have the same assessment and all properties that are not improved shall have the same assessment. An additional assessment is waived for ownership of one unimproved property contiguous or across the street from the home owners' property. Each property owner shall be deemed to have covenanted and agreed to pay to the Association such assessments as may be made by the Board of Directors and approved by the membership as provided for herein.

4.3 The Board of Directors may recommend a special assessment in any year to obtain funds necessary for appropriate purposes to be voted by the membership.

4.4 Assessments shall be due and payable thirty (30) days after notice is sent by the Association to the members of the Association, to all property owners in Hidden Valley. In the event they are not paid in a timely fashion, interest shall accrue thereon at the rate of 18% per year after ninety (90) days, not retroactive. Further, in the event any costs or expenses are incurred in collecting monies due per the assessment, the same to include all reasonable attorneys fees and charges, the same shall be a charge against the property and a continuing lien upon the property against which such assessment is made, which assessment and all costs and expenses of collection, including attorneys fees and interest, shall also be the personal obligation of the owner or owners of such property as of the time that such payments shall become due and payable. Amounts due per notice of assessment and all costs and expenses and interest shall be deemed a lien on the property and a 'Memorandum of Lien' shall be recorded in the Carroll County Registry of Deeds.

4.5 In the event an individual desires to obtain from the Association a determination that no assessments are due and owing, the Association shall reasonably cause the same to be supplied to such person providing however the Association may charge a reasonable fee for issuing a certificate that assessments have been

paid in full.

4.6 That assessments levied shall be used for the maintenance of common land and common areas including road maintenance, road plowing, sanding and road improvement and the maintenance of common areas and preservation thereof as well as for repairs, replacements and improvements to common areas and facilities as the Board of Directors recommends and the membership approves, payment of real estate taxes, insurance and other similar expenses, all the same to be for the benefit of the Association.

4.7 A purchaser shall take title to the property subject to the lien of all unpaid assessments made against any previous owner or owners thereof except that a first mortgagee or other purchaser at a foreclosure sale of a first mortgage lien or at a sale in lieu of such foreclosure and a purchaser from a first sale in lieu of such foreclosure and a purchaser from a first mortgagee who purchases at such a foreclosure sale or such a sale in lieu of foreclosure, shall not be liable for payment of assessments unpaid and due as of the time of his acquisition but shall be liable for assessments becoming due thereafter.

4.8 That the Association shall have a lien, and record said lien in the Carroll County Registry of Deeds in the event an assessment is not paid within thirty (30) days of mailing of 'Notice of Lien' to the owner or owners of a property for which any assessment has not been paid. Any cost and expense incurred in preparing and/or recording such notice of a lien shall be an additional assessment imposed against the property and the owner thereof. The Memorandum of Lien as provided for herein shall be subordinate to any first mortgage lien of any institutional lender of record at the time that the assessment is imposed.

5. A quorum of any meeting of the members of the association shall consist of not fewer than twenty five (25) members thereof, and any action by the majority of those present shall be the action of all members.

6. The membership of this association shall thereby become entitled to the same title and authority as a member of this association as held by the five (5) members of the association under the Articles of Incorporation of this association. The continuing body of membership of this association shall consist of all property owners within the Hidden Valley development.

7. Annual meeting. The membership shall, at the annual meeting, elect the Board of Directors of the association for the succeeding year, or until their successors are so elected by the membership.

Article 3 - Directors

1. The business and property of the association shall be vested in a Board of Directors of not less than seven (7) nor more than fifteen (15) members, each elected for a term of one (1) year at the annual meeting of the members of Hidden Valley Property Owners Association until their respective successors are duly elected in accordance with the terms of these By-Laws.

2. Meetings of the Board of Directors shall be held at least four times per year or on call of the President, or, if he or she is absent or unable or refuses to act, by any officer, or by any four (4) Directors, providing not less than five (5) days notice, and the purpose of such meeting, is given to each Director, unless each of the Directors waives such notice in writing.

3. A quorum for any meeting of the Board of Directors shall consist of not fewer than 50% of the present board membership, and any action by the majority of those present shall be the action of the Board of Directors.

4. The duties of the Board of Directors shall be:

A. To supervise the affairs of the association in the use, maintenance, development and funding of the association's deeded property.

B. To adopt such policies and procedures as may be consistent with the By-Laws, the deeded property covenants, and Town, State and Federal laws.

C. To nominate the officers of the association, who shall have the responsibility and authority to operate the association on a day to day basis.

D. To employ such persons as it may deem necessary for the successful prosecution of the objects of the association, or to delegate such hiring, firing and employment authority to the President or such officers of the association as the Board deems desirable.

E. To give, at least once a year, a full and complete report of its prior year activities, and finances, as well as next years proposed activities and finances at the annual meeting.

F. To create, implement and enforce reasonable rules and regulations concerning use and maintenance of all association properties, connection of driveways, and to establish fines for violation of same

F(1). In the event of the Board of Directors establishing a fine for a violation, the Board must have a 2/3 vote of the board membership in order to take action.

F(2). In the event of the Board of Directors establishing a fine for a violation, such fine cannot exceed \$100.00 per day.

G. To enforce all covenants, with litigation if necessary, listed on deeds within Hidden Valley Development

5. Any member of the Board of Directors who neglects or refuses to pay any assessment within ninety (90) days of being billed therefore, or who misses three board meetings within the one year term shall be dropped from office as determined by a majority vote of the Board of Directors.

Article 4 - Officers

1. The officers of the association who are Board Members shall be a President, a Vice-President, a Treasurer, Chairman of Roads, Chairman of Recreation, and a Clerk. These officers shall be elected by the Board of Directors from among the members of said Board of Directors at least annually, but shall serve, in any case, until their successors are duly elected.

2. Each officer will serve for a term of one (1) year and until his successor is elected. Vacancies among the officers occurring during the year, shall be filled by the Board of Directors for the unexpired terms.

3. The duties of the officers will be those normally ascribed to those officers, and as further defined in Article Six (6) hereof.

Article 5 – Disposition of Funds

1. All checks, drafts, or other orders for payment of money, notes or other evidence of indebtedness, issued in the name of or payable to the association, shall be signed or endorsed by the Treasurer in the first instance, and in his/her absence or disability, by such person as shall be determined by resolutions of the Board of Directors.

2. The Board of Directors may require that the Treasurer or any other officer of the association give a surety bond for the faithful performance of his/her duties in such form and in such sum and by such surety company as the Board may determine, and may require that any other officer of the association be similarly bonded. All such bonds shall be for the benefit of, and payable to, the association, and the premiums therefore shall be paid by the association.

Article 6 - Duties of Officers

1. President. Shall preside at all meetings of the membership and of the Board of Directors, to appoint all committees, unless otherwise directed by the Board of Directors or these By-Laws, and carry out such other duties as usually pertain to the office of President.

2. Vice-President. Shall perform the duties of the President in the event of his/her absence, resignation or inability to perform his/her duties, and such further duties as assigned by the President or Directors.

3. Treasurer. Shall have charge of the funds of the organization and may be required to give bond with approved surety for the faithful performance of his/her duties, in such amounts as shall be fixed by the Board of Directors.

4. Clerk. Shall record all votes and proceedings of the members of the association, and keep the records of the association in his/her custody.

5. Office Vacancy. If any office of the Hidden Valley Property Owners Association shall become vacant by reason of resignation, disqualification or otherwise, the Directors, by a majority vote, may elect a successor or successors who shall hold office for the unexpired term.

Article 7 - Amendments

1. These By-Laws may be amended, altered or repealed by a two-thirds (2/3) vote of the legal membership present or by proxy, at any annual meeting or at any special meeting of the members, provided that the proposed amendment or amendments, together with the time and place of the meeting, shall be submitted in writing to each member at least thirty (30) days before said meeting.

2. An amendment to the By-Laws may be proposed by a resolution of the Board of Directors or by any individual Director or member, when such amendment has been signed by at least four (4) Directors or at least ten (10) members, provided any such amendment is presented to the Directors for presentation to the membership at least eight (8) weeks prior to any annual meeting or any special meeting of the members concerned.

3. Floor amendments to the proposed amendments may be presented and be voted at the Annual Meeting or a Special meeting in person or by duly noted proxy at that meeting.

4. Amendments to the floor amendments may be presented and voted at the Annual Meeting in person or by duly noted proxy at that meeting.

Article 8 - Proxies

1. Proxy votes will be authorized in combination with meeting votes for determination in changes in dues or By-Laws which must occur at the Annual or Special Meeting.

Article 9 - Voting

1. Members in good standing paid in full are given one (1) vote per paid membership.

2. A property owner in good standing owning multiple lots has one (1) vote.