

Appendix C

**BYLAWS
CLUSTER FIVE ASSOCIATION OF OWNERS**

(Compilation incorporating changes
effected by amendments as annotated)

ARTICLE I
PURPOSE and DEFINITIONS

Section 1. Purpose. The administration of Cluster Five shall be governed by these Bylaws which are annexed to the Declaration of said Cluster and are made a part hereof, and all present and future holders of any interest in any Condominium in said Cluster shall be members of the Cluster Five Association of Owners which is a “condominium management association” organized and operated to provide for the acquisition, construction, management, maintenance and care of “association property” as those terms are defined in Section 528 of the Internal Revenue Code.

Section 2. Definitions. Certain of the terms used in these Bylaws have been defined in the Declaration and, when used herein, shall have the same meaning as set forth in the Declaration, unless the context clearly indicates a different meaning therefor.

Section 3. Applicability of Bylaws. The provisions of these Bylaws are applicable to all of the property which constitutes Cluster Five and to the use and occupancy thereof. All present and future Owners, visitors, tenants and occupants of Units and any other persons who may use the facilities of Cluster Five in any manner are subject to these Bylaws, the Declaration and the Condominium Rules. The acceptance of a deed of conveyance or the entering into of a lease or the act of occupancy of a Unit shall constitute an agreement that these Bylaws, the Condominium Rules, and the provisions of the Declaration, as they may be amended from time to time, are accepted, ratified, and will be complied with.

ARTICLE II
BOARD OF DIRECTORS

Section 1. Number. The affairs of Cluster Five shall be administered by a Cluster Five Board of not less than three (3) nor more than five (5) Directors. (As Amended 27 May 1980 Book 1406 Page 0481)

Section 2. Qualification. The Cluster Five Board shall be elected by the Owners and shall consist only of Owners or spouses of Owners (except where a corporation is an Owner, the members of the board of directors and officers of said corporation shall be eligible to be members of the Cluster Five Board), and the legal residence of at least two (2) members of the Cluster Five Board shall be in the Cluster. (As Amended 27 May 1980 Book 1406 Page 0481)

Section 3. Election and Term. At each Annual Meeting of the Cluster Five Association of Owners, the Owners shall, subject to the provisions of Section 1 above, determine the number of Directors to be elected and shall elect members of the Cluster Five Board of Directors, each for a term of two (2) years. In order to provide continuity in the management of the affairs of Cluster Five, it is recommended that the election of Directors be so scheduled that the two-year terms of one or more (but not all) Directors expire at each annual meeting. A person may succeed himself as a member of the Cluster Five Board. (As Amended 27 May 1980 Book 1406 Page 0481)

Section 4. Resignation and Removal; Vacancies. Any member of the Cluster Five Board may resign at any time by written notice by him or by his legal representative to the President. Any member may be removed for cause from such position by two-thirds vote of the Owners' total voting power at any annual or special meeting provided that notice of such removal vote shall have been mailed to all Owners at least twenty (20) days prior to such a meeting. Members of the Cluster Five board shall serve until their respective successors have been elected, or until death, resignation or removal; provided that if any member (or any member's corporation) ceases to be an Owner, or the spouse of an Owner, his membership on the Cluster Five Board thereupon terminate. Whenever a vacancy of the Cluster Five Board occurs due to any cause, the remaining members of the Cluster Five Board shall fill the vacancy by appointment until the next annual meeting of the Cluster Five Association, at which time any remaining unexpired term shall be filled by the Owners by election. If a majority of positions on the Cluster Five Board are vacant at the same time, a special meeting of Owners shall be called to fill such vacancies. (As Amended 27 May 1980 Book 1406 Page 0482)

Section 5. Meetings. Regular meetings of the Cluster Five Board may be held at such times and places as shall be determined from time to time by the Cluster Five Board. Special meetings of the Cluster Five Board may be called by the President or by any two (2) members of the Cluster Five Board. Notice of regular and special meetings shall be given in hand or mailed to each member of the Cluster Five Board at least seven (7) days prior to said meeting. The said notice shall set forth the time and place of the meeting and, in the case of a special meeting, the purpose for which it is being called. Such notice shall be deemed waived by any member of the Cluster Five Board who expressly waives same in writing or who is present at the meeting and no notice shall be necessary in the case of a meeting of the Cluster Five Board held immediately after and at the same place as the annual meeting of the Owners.

Section 6. Quorum. A majority of the Cluster Five Board shall constitute a quorum for the transaction of business, but less than a quorum may transact business if the remaining members of the Cluster Five Board assent orally or in writing to the decisions of the Cluster Five Board and a record of said decisions shall be filed with the records of the Cluster Five Board. When a quorum is present at any meeting, the votes of a majority of the members in attendance shall decide any business brought before such meeting. Notwithstanding the foregoing, two or more members of the Cluster Five Board, (or, in the event only one member of the Cluster Five Board is available, such member, together with any two other available Owners) may also transact without a meeting any business which in their sole discretion is reasonably required in order to respond to an emergency which threatens to cause physical damage to Cluster Five and which the Cluster Five Board is authorized to transact at a meeting, provided that a record of their decisions shall be filed with the records of the Cluster Five Board. (As Amended 27 May 1980 Book 1406 Page 0482)

Section 7. Powers and Duties. The Cluster Five Board shall have the powers and duties specifically conferred upon it by the Act, the Declaration and these Bylaws, and all other powers and duties necessary for the administration of the affairs of Cluster Five (except as otherwise provided by law, the Declaration or these Bylaws) including, without limiting the generality of the foregoing, the power and duty to obtain the following items for the benefit of Cluster Five, the cost of all of which items shall be Common Expenses assessed according to each Owner's percentage of undivided interest in Common Area as provided in Paragraph 2(f) of the Declaration (As Amended 27 May 1980 Book 1406 Page 0483):

- (a) Trash and garbage collection; snow removal from the Common Area, including sidewalks, parking spaces and the private access road; water and sewer service for Units and Common Area; electrical and any other necessary utility service for the Common Area including forced main pump and generator expenses;
- (b) A policy or policies of fire insurance, with extended coverage endorsements, as required by Paragraph 3 of the Declaration;
- (c) A public liability insurance policy or policies as required by Paragraph 3 of the Declaration;
- (d) Such other insurance, including workmen's compensation insurance, as required by law or as the Cluster Five Board may determine;
- (e) The services of a manager or managing agent, to the extent deemed advisable by the Cluster Five Board, to whom the Cluster Five Board, in its discretion, may delegate certain of its powers and duties, as well as the service of any other personnel as the Cluster Five Board may determine necessary or proper for the operation of Cluster Five,

whether such personnel are employed directly by the Cluster Five Board or are furnished by the manager or managing agent;

(f) Any legal and accounting services necessary or proper for the operation of Cluster Five or the enforcement of the provisions of the Act, the Declaration, these Bylaws and the Condominium Rules;

(g) A fidelity bond or bonds, or other security, for officers, members of the Cluster Five Board, agents, contractors, officers, employees or associates, as the Cluster Five Board of Directors may deem expedient;

(h) Such painting, maintenance, repair and landscaping of, and such tools, equipment, appliances, and other personal property for, the Common Area as the Cluster Five Board shall determine are necessary or proper;

(i) Maintenance and repair of any Unit, if such maintenance or repair is reasonably necessary in the discretion of the Cluster Five Board to protect the Common Area or preserve the appearance and value of Cluster Five and the Owner of said Unit has failed or refused to perform said maintenance or repair within a reasonable time after written notice of the necessity of said maintenance or repair is delivered by the Cluster Five Board to said Owner, provided that the Cluster Five Board shall levy a special assessment against said Owner for the cost of said maintenance or repair;

(j) Any emergency repairs to any Unit necessary to prevent damage to other parts of Cluster Five;

(k) Any other materials, supplies, labor, services, structural alterations, insurance, taxes or assessments which the Cluster Five Board is required to secure or pay for pursuant to the terms of the Declaration, these Bylaws or by law or which in its opinion shall be necessary or proper for the operation of the Common Area or for the enforcement of the Declaration or of these Bylaws, provided that if any such materials, supplies, labor, services, maintenance, repairs, structural alterations, insurance, taxes or assessments are provided for particular Units, the cost thereof shall be specially assessed to the Owners of such Units.

The Cluster Five Board's power shall be limited in that it shall have no authority to acquire and pay for out of Common Expense assessments in any single fiscal year, capital additions and improvements or structural alterations (other than for purposes of replacing portions of the Common Area, subject to the provisions of the Declaration and these Bylaws) having a cost in excess of Three Thousand Dollars (\$3,000.00) unless such additions, improvements or alterations have been approved by a majority of the Owners' total voting power.

The Cluster Five Board shall have the exclusive right to contract for all such goods, services and insurance referred to in this Section 7, which right may be delegated by it. (As Amended 27 May 1980 Book 1406 Page 0483)

ARTICLE III
MEETINGS OF CLUSTER FIVE ASSOCIATION OF OWNERS

Section 1. Annual Meeting. The Annual Meeting of the Cluster Five Association of Owners shall take place on the third Tuesday of May of each year at 10:00 a.m. at the Cluster or at such other reasonable place or time (not more than thirty (30) days before or after such date) as may be designated by the Cluster Five Board. Written notice of the time and place of the annual meeting shall be mailed or delivered by the Cluster Five Board to the Owners of record not less than fifteen (15) days prior to the date fixed for said meeting. Any such notice shall be deemed waived by any Owner who expressly waived the same in writing or who is present in person or by proxy at any such meeting. In addition to the election of members of the Cluster Five Board of Directors pursuant to Section 3 of Article II hereof and any other business to be transacted at the annual meeting, the Cluster Five Board shall present (i) an itemized statement of actual Common Expenses and assessments for the first nine months of the fiscal year ending on May 31 of such year, such statement to include projections for the last three months of the fiscal year; and (ii) for approval or for revision and approval, a proposed itemized budget of estimated Common expenses and assessments for the next fiscal year commencing June 1. Within thirty (30) days after the annual meeting, a copy of the minutes of said meeting, including a copy of such statement and budget as approved, shall be mailed or delivered to the Owners. (As Amended 13 November 1981 Book 1406 Page 0495)

Section 2. Special Meetings. Special meetings of the Owners may be called at any time for the purpose of considering matters which, by the terms of the Declaration, these Bylaws or the Act require the approval of the owners, or for any other reasonable purpose. Said meetings shall be called by the President, a majority of the Cluster Five Board, or by the Owners having one-third (1/3) of the Owners' total voting power, by means of written notice, mailed or delivered to all Owners of record not less than fifteen (15) days prior to the date fixed for said meeting. Said notice shall specify the date, time and place of the meeting, and the purpose for which it is being called. Such notice shall be deemed waived by any Owner who expressly waives same in writing or who is present in person or by proxy at any such meeting. (As Amended 13 November 1981 Book 1406 Page 0495)

Section 3. Quorum. At any meeting of the Cluster Five Association the presence in person or by proxy of Owners holding at least fifty percent (50%) of the Owners' total voting power shall constitute a quorum. When a quorum is present, unless otherwise provided in Declaration, these Bylaws or the Act, a majority of the Owners' total voting power present in person or by proxy shall decide any business brought before the meeting. If any meeting of the Cluster Five Association cannot be held because a quorum has not attended, a majority of the voting power of

the Owners who are present at such meeting, either in person or by proxy, shall adjourn the meeting to a time not less than fourteen (14), nor more than sixty (60), days from the date of the original meeting, in which case any proxies of those not attending such adjourned meeting in person shall be honored notwithstanding their specific reference to such original meeting rather than to such adjourned meeting, and in which case the required quorum shall be reduced to forty percent (40%) of the Owners' total voting power. Written notice of such adjourned meeting shall be mailed or delivered to all Owners of record not less than seven (7) days prior to the date fixed for said meeting.

Section 4. Voting. At any meeting of the Cluster Five Association, the Owners of each Unit shall be entitled to cast a number of votes equal to the ownership percentage attributable to that unit as shown on Appendix B to the Declaration. Any Owner may attend and vote at such meeting in person, or by proxy (by instrument in writing signed by the Owner and filed with the Cluster Five Board). Where there is more than one record Owner of the same Condominium, any or all of such persons may attend any such meeting, but it shall be necessary for said persons to act unanimously in order to cast the votes to which they are entitled. Where only one of such persons attends any such meeting, he may vote for himself and as agent for any absent Owner of his Condominium without proxy designation. Where none of such persons attends such meeting, any designation of proxy must be signed by all such persons. (As Amended 27 May 1980 Book 1406 Page 0484)

ARTICLE IV OFFICERS OF THE ASSOCIATION

Section 1. General. The officers of the Cluster Five Association shall be a President, a Secretary and a Treasurer, all of whom shall be elected annually by, and may be removed and replaced by, the Cluster Five Board which shall also have the power to fill vacancies. The said officers shall hold office at the pleasure of the Cluster Five Board and until their successors are elected. The Cluster Five Board may appoint an assistant Secretary and an Assistant Treasurer and such other officers as, in its discretion, may be necessary. The President must be a member of the Cluster Five Board, but the other officers need not be members of the Cluster Five Board or Owners. The offices of Secretary and Treasurer may be held by the same person. The Cluster Five Board may delegate such of the power, duties or responsibilities of any of said officers to a manager or managing agent as it deems to be advisable. (As amended 3 Aug 1987; Filed 8/18/1987 Book 1669 Page 0593.)

Section 2. President. The President, or his designate, shall preside at meetings of the Cluster Five Association and meetings of the Cluster Five Board and the President shall have such other powers and duties as are provided in the Declaration, these Bylaws or by law and as are ordinarily exercised by the presiding officer of an association, including the appointment of committees from among the Owners, and as may be delegated to him by the Cluster Five Board

or the Cluster Five Association from time to time.

Section 3. Secretary. The Secretary shall record the proceedings of meetings of the Cluster Five Board and of meeting of the Cluster Five Association, shall keep such records and all other records, documents and other papers of the Cluster Five Board and of the Cluster Five Association and shall have such other powers and duties as may be delegated to him by the Cluster Five Board or the Cluster Five Association from time to time.

Section 4. Treasurer. The Treasurer shall be responsible for the funds of the Cluster Five Association and shall be responsible for keeping or having kept full and accurate financial records and books of account showing all receipts and disbursements of the Cluster Five Association and any other financial data required by the Cluster Five Board or the Cluster Five Association. He shall be responsible for the deposit of all funds in the name of the Cluster Five Board or the Cluster Five Association in such depositories as may be designated by the Cluster Five Board from time to time and shall have such other powers and duties as may be delegated to him by the Cluster Five Board or the Cluster Five Association from time to time.

ARTICLE V COMMON EXPENSES

Section 1. Fiscal Year. The fiscal year of the Cluster Five Association shall be a twelve (12) month period running from June 1 to May 31 of each year.

Section 2. Assessment. Prior to the annual meeting of each year, the Cluster Five Board shall estimate the Common Expenses to be required during the next fiscal year commencing on June 1. The Common Expenses shall include any amount necessary to pay for the items to be obtained pursuant to Section 7 of Article II hereof, any amounts necessary to make up any deficit for the fiscal year just ending, a reasonable reserve for contingencies and replacements of Common Area, any amounts required for the purchase of a Condominium by the Cluster Five Association pursuant to Section 4 of this Article, any amount required by an excess of repair and restoration costs over insurance proceeds pursuant to Paragraph 3(c)(i) of the Declaration and any other amounts required by the terms of the Declaration, these Bylaws or the Act. A proposed budget showing said estimated Common Expenses and Owner assessments shall be submitted to the annual meeting of the Cluster Five Association and shall be subject to revision and approval at said meeting. Common Expenses, as approved at the annual meeting, shall be assessed to the Owners of record, as of the beginning of said next fiscal year, pursuant to the percentages set forth in Appendix B to the Declaration.

In calculating said estimated sum of Common Expenses, the Cluster Five Board shall consider the following: Where an Owner has made changes to the building in which is Unit is located, having a cost in excess of One Thousand Dollars (\$1,000.00), and where such changes cause an

increase in the cost of the Cluster Five insurance coverage required by Paragraph 3(a) of the Declaration, such Owner shall pay to the Cluster Five Association by July 1 of each year, in addition to his or her assessment, an amount attributable to such changes. The amount of such additional cost shall be subtracted from the estimated sum of Common Expenses, prior to establishing Owner assessments in the manner set forth above. An Owner shall not be liable for the additional payment provided for herein after said Owners' percentage of undivided interest has been adjusted to reflect the changes made by such Owner.

If said estimated sum proves inadequate for any reason, including non-payment of any Owner's assessment, the Cluster Five Board may, at any time, levy an additional assessment, which shall be assessed to the Owners according to the aforementioned percentages, unless otherwise provided herein, subject, however, to the condition that any such additional assessment shall not exceed twenty (20) percent of the common expense assessment for the year in which it is made. In the event that the amount of any such additional assessment exceeds twenty (20) percent of the common expense assessment for the year in which it is made, it shall require approval at a special meeting of the Owners of the Cluster five Association called in accord with the provisions of Section 2 of Article III of these Bylaws.

Each Owner shall be obligated to pay the assessments made against him to such person as designated by the Cluster Five Board, and such payments shall be due in equal monthly installments on or before the first day of each month during the twelve (12) month period commencing at the beginning of the fiscal year or in such other reasonable manner as the Cluster Five Board shall designate.

In the event a Unit is rendered uninhabitable by fire or other casualty, the Cluster Five Board in its discretion may abate all or any portion of the Common Expenses assessed against the Owner of said Unit while it remains uninhabitable. Each new Owner's assessment shall be pro-rated as of the first day of the month following passage of title. (As Amended 13 November 1981 Book 1406 Page 0495)

Section 3. Records. The Treasurer or the designate of the Cluster Five Board, shall keep detailed, accurate records in chronological order, of the receipts and expenditures by the Cluster Five Association for Cluster Five, specifying and itemizing the maintenance and repair expenses and any other expenses incurred. Said records shall be available for examination by the Owners, or their agents, at convenient times. (As Amended 13 November 1981 Book 1406 Page 0495)

Section 4. Default in Payment of Assessments. Each monthly assessment of Common Expenses, and each special expense and assessment shall be separate, distinct and personal debts and obligations of the Owner against whom the same are assessed and shall be collectible as such. Suit to recover money judgements for unpaid Common Expense assessments and unpaid special expenses and assessments shall be maintainable without foreclosing or waiving the lien securing the same. The amount of any monthly assessment or special expense or assessment

against any Owner which is not paid on its monthly or other due date, plus interest at twelve percent (12%) per annum, and costs, including reasonable attorneys' fees, shall constitute a lien upon the Condominium as provided in Section 22 of the Act, and the Owner shall be liable for such interest and any such costs from the date of default, provided that such interest and costs may be waived by the Cluster Five Board in any specific instance in its sole discretion. Such lien for nonpayment of assessment or expense may be enforced by sale by the Cluster Five Board, such sale to be conducted in accordance with the provisions of law applicable to the exercise of powers of sale or foreclosure of mortgages. In any such sale or foreclosure, the Owner shall be required to pay the costs and expenses of such proceedings and reasonable attorneys' fees. Upon the foreclosure of the said lien against any Owner, the Owner shall immediately vacate the Condominium and if he fails to do so he shall be liable for a reasonable rental while he remains in possession thereof. The Cluster Five Board shall have the power to purchase the Condominium at foreclosure or other sale and to hold, lease, mortgage and convey the Condominium thereafter. (As Amended 27 May 1980 Book 1406 Page 0485)

Section 5. Surplus. Any surplus of payments by Owners for Common expenses over the actual common expenses (including the reserve for contingencies and replacements) during a fiscal year of the Cluster Five Association, shall be paid into the Common Expense fund for operations the following fiscal year or as part of the reserve for replacements and contingencies for said following fiscal year, or, in the sole discretion of the Cluster Five Board, returned to the Owners in amounts proportionate to their respective undivided interests in the Common Area set for in Appendix B to the Declaration. (As Amended 13 November 1981 Book 1406 Page 0497)

ARTICLE VI MISCELLANEOUS

Section 1. Posting the Names of Officers. The Cluster Five Board shall be responsible for the posting of the names of the current members of the Cluster Five Board and of the other officers of the Cluster Five Association from time to time, in a prominent location in the Community Association building, "Hilltop House."

Section 2. Invalidity. The invalidity of any part of these Bylaws shall not impair or affect in any manner the validity, enforceability or effect of the balance hereof or of the Declaration.

Section 3. Gender. The use of the masculine gender herein shall be deemed to include the feminine gender and the use of the singular shall be deemed to include the plural, whenever the context so requires.

Section 4. Interpretation. The provisions of these Bylaws shall be liberally construed to effectuate its purpose of creating a uniform plan for the development and operation of a condominium project.

Section 5. Amendment. The Bylaws may be amended in the same manner as set forth in Paragraph 19 of the Declaration. (As Amended 27 May 1980 Book 1406 Page 0487)