

**CODE OF REGULATIONS  
OF  
ASBURY PARK HOMEOWNERS' ASSOCIATION**

**ARTICLE I.  
DEFINITIONS**

Except as otherwise provided herein, all of the terms used herein shall have the same meaning as set forth in the Asbury Park Homeowners' Association Articles of Incorporation and the Supplemental Declaration of Covenants, Easements, Restrictions, Assessment Liens and Asbury Park Association recorded in the Franklin County, Ohio, Recorder's Office on September 23, 1996, at Official Record Volume 33151, page D20 (the "Declaration") and such other previous or Supplemental Declaration as may have been or may be recorded in connection with the establishment of restrictive covenants relevant to the Asbury Park Subdivision, as the same may be amended from time to time with respect to the real property described therein.

**ARTICLE II.  
NAME**

The name of the Corporation is "Asbury Park Homeowners' Association" (hereinafter referred to as the "Association").

**ARTICLE III.  
MEMBERS**

**Section 1. Composition.** Each record owner of a Lot in the Subdivision (including additional Lots and phases of Sections in said Subdivision that may be added hereto at a later time) including the Declarant (hereinafter sometimes referred to as "Developer"), shall be a Member of the Association.

**Section 2. Privileges of Membership.** Membership shall entitle the holder thereof, or its representatives in the event that the Member is not an individual or individuals, to all the privileges of membership, including the right to vote and to have access to all facilities thereof; and to invite guests in accordance with the provisions hereof. Persons in the family of a Member who live with the Member, tenants in possession of a Lot and those who live with such tenant, but who are not themselves Members, shall have all privileges of membership, except that they shall not have the right to vote or to hold office. Any person entitled to membership shall make such fact known to the Association. Until such fact is made known to the Association, the Member or other person entitled to membership may not vote, receive

notice of meetings, nor enjoy any other privileges or benefits of membership, as the case may be.

**Section 3. Voting Rights.** The record owner of any Lot shall have one (1) vote for each Lot owned by such owner, provided that the joint, common, or multiple ownership of any Lot shall not entitle the owners thereof to more than the number of votes which would be authorized if said Lot was held under one name. If more than one person or entity owns any Lot, then such owners shall determine, among themselves, who shall be entitled to exercise the single vote for such Lot. If the owners of any Lot cannot jointly agree as to which of them shall be entitled to exercise the vote attributable to that Lot, then the right to vote shall be forfeited until such time as the owners designate which of them shall exercise such vote.

**Section 4. Annual Meetings.** A regular meeting of the Members shall be held in the first calendar quarter of each calendar year hereafter, on a date, at an hour, and at a location in Franklin County, Ohio, established, from time to time, by the Trustees (as hereinafter defined).

**Section 5. Special Meetings.** Special meetings of the Members may be called at any time by the President (as hereinafter defined) or pursuant to a resolution of the Trustees or upon written request of Members entitled to exercise one-fourth (1/4) or more of the voting power of Members, and shall be held on such date, hour, and location, within Franklin County, as specified by the person(s) authorized to call the meeting.

**Section 6. Notice of Meetings.** Written notice of each meeting of Members shall be given by the Secretary/Treasurer (as hereinafter defined), or at the direction of the person or persons authorized to call the meeting, by mailing a copy of such notice, postage prepaid, not less than thirty (30) days nor more than sixty (60) days before such meeting to each Member entitled to vote thereat, addressed to the Member's address last appearing on the books of the Association, or supplied by such Member to the Association for the purpose of notice, or by delivering a copy of that notice at such address not less than thirty (30) days nor more than sixty (60) days before the meeting. The notice shall specify the place, day, and hour of the meeting and, in case of a special meeting, the purpose of the meeting.

**Section 7. Quorum.** The presence, in person or by proxy, at any duly called and noticed meeting of Members entitled to exercise twenty percent (20%) of the voting power of Members shall constitute a quorum for such meeting, but no action required by law, the Articles, or this Code of Regulations to be authorized or taken by a specific proportion or number of voting Members may be authorized or taken by a lesser proportion of Members.

**Section 8. Proxies.** At any meeting of members, a Member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary/Treasurer (as hereinafter defined) prior to the meeting. Every proxy shall be revocable and shall automatically cease upon conveyance by a Member of his, her or its Lot.

**Section 9. Voting Power.** Except as otherwise provided herein, in the Articles or in the Declaration, the vote by the holders of two-thirds of the voting power of Members voting on any matter that may be determined by the Members at a duly called and noticed meeting shall be sufficient to determine that matter. The rules of Robert's Rules of Order shall apply to the conduct of all meeting of Members except as otherwise specifically provided herein or in the aforesaid documents.

**Section 10. Action in Writing without Meeting.** Any action that could be taken by Members at a meeting may be taken without a meeting with the approval, in a writing or writings, of Members having not less than two-thirds of the voting power of Members.

#### **ARTICLE IV. BOARD OF TRUSTEES**

**Section 1. Initial Trustees.** The Trustees shall initially be those named in the Articles, or substitutes or additional Trustees designated in the Declaration.

**Section 2. Successor Trustees.** At the first annual meeting of Members occurring after i) the Developer owns no Lots in the Subdivision or undeveloped Subdivision land or ii) an earlier date, if the Developer so elects, the Members shall elect not less than three (3) Trustees for staggered terms ending at the next three (3) successive meetings. At such annual meetings thereafter, the Members shall elect a Trustee to replace the trustee whose term then expires, for a term of three (3) years.

**Section 3. Removal.** Excepting only the Trustees (or substitutes or additional Trustees as may be named by Developer pursuant to Section 1 above), named in the Articles, Trustees may be removed from the Board, with or without cause, by approval of two-thirds of the Members as provided in Sections 9 and 10, above. In the event of death, resignation, or removal of a Trustee without the election of a successor Trustee at the same meeting, that Trustee's successor shall be selected by the remaining Trustees and shall serve until the next annual meeting of Members, when a Trustee shall be elected to complete the term of such deceased, resigned, or removed Trustee. Developer shall have the sole right to remove, with or without cause, any Trustee designated in the Articles or selected by Developer, and to select the successor of any Trustee named in the Articles or selected by Developer, who dies, resigns, is removed, or leaves office for any other reason before the first election of Trustees.

**Section 4. Nomination.** Nominations for the election of Trustees to be elected by the Members shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a chairman, who shall be a member of the Board, and two or more other Members appointed by the Board. The Nominating Committee shall make as many nominations for election to the Board as it shall, in its discretion, determine, but no less than the number of vacancies that are to be filled.

**Section 5. Election.** Election to the Board of Trustees by the Members shall be by secret, written ballot. At such elections the Members or their proxies may exercise, in respect to each vacancy, such voting power as they are entitled to exercise under the provisions hereof. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

**Section 6. Compensation.** Unless otherwise determined by the Members at a meeting duly called and noticed for such purpose, no Trustee shall receive compensation for any service rendered to the Association as a Trustee. However, any Trustee may be reimbursed for his or her actual expenses incurred in the performance of duties.

**Section 7. Regular Meetings.** Regular meetings of the Board shall be held no less frequently than annually, without notice, on such date and at such place and hour as may be fixed from time to time by resolution of the Board.

**Section 8. Special Meetings.** Special meetings of the Board shall be held when called by the President of the Board, or by any two Trustees, after not less than three (3) days' notice to each Trustee.

**Section 9. Quorum.** The presence at any duly called and noticed meeting, in person or by proxy, of Trustees entitled to exercise a majority of the voting power of Trustees, shall constitute a quorum for such meeting.

**Section 10. Voting Power.** Except as otherwise provided in the Declaration, the Articles, or by law, the vote of a majority of the Trustees voting on any matter that may be determined by the Trustees at a duly called and noticed meeting shall be sufficient to determine that matter.

**Section 11. Action in Writing without Meeting.** Any action that could be taken by the Trustees at a meeting may be taken without a meeting with the affirmative vote or approval, in a writing or writings, signed by all of the Trustees.

**Section 12. Powers.** The Board shall exercise all powers and authority, under law, and under the provisions hereof and of the Articles and Declaration, that are not specifically and exclusively reserved to the owners of the Lots by law or by other provisions thereof. Without limiting the generality of the foregoing, the Board shall have the right, power and authority to:

- (a) take all actions deemed necessary or desirable to comply with all requirements of law, this Code of Regulations, the Declaration, and the Articles;
- (b) obtain insurance coverage, and cause officers, trustees, and employees having fiscal responsibilities to be bonded, as the Board deems appropriate;

(c) enforce the covenants, conditions, and restrictions set forth in the Declaration with respect to the Lots;

(d) maintain and landscape entrance areas and to own and to maintain aesthetically and functionally any Common Areas and construct and maintain any improvements thereon;

(e) establish, enforce, levy, and collect assessments as provided in the Declaration;

(f) adopt and publish rules and regulations governing the use of the Subdivision property and Common Areas by Lot owners, their guests and any business invitees and the personal conduct of such Lot owners, their guests and any business invitees thereon, and establish penalties for the infraction thereof;

(g) suspend the voting rights of a Member, including the use of the Subdivision property, Common Areas, and any improvements thereon 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 sixty (60) days for each infraction of published rules and regulations applicable to the entrance areas, Common Areas and any improvements thereon or of any provision of the Declaration applicable to the Lots);

(h) declare the office of a member of the Board to be vacant in the event such Trustee shall be absent from two (2) consecutive regular meetings of the Board;

(i) authorize the officers (as hereinafter specified) to enter into one or more contracts relating to maintenance of the entrance areas, Common Areas and any improvements thereon and the operation of the Association's affairs;

(j) borrow funds to finance authorized activities, and grant security and pledge and/or assign revenues received or to be received as security for repayment thereof;

(k) cause excess funds to be invested in such investments as the Board deems desirable and prudent;

(l) authorize the President to execute deeds, easements, mortgages, and other conveyances of all or any portion of any real or personal property owned by the Association; and

(m) do all things and take all actions permitted to be taken by the Association by law, hereby or by the Articles or Declaration, and not specifically reserved thereby to others.

**Section 13. Duties.** It shall be the duty of the Board to:

(a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of Members, or at any special meeting when such statement is requested in writing by Members representing a majority of the voting power of Members.

(b) supervise all officers, agents, and employees of the Association and see that their duties are properly performed;

(c) as more fully provided in the Declaration;

i) fix the amount of assessments against each Lot as provided therein;

ii) give written notice of each assessment to every Member subject thereto within the time limits set forth therein; and

iii) foreclose the lien against any Lot for which assessments are not paid within a reasonable time after they are due, or bring an action at law against the Members personally obligated to pay the same, or both;

(d) issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid;

(e) keep the improvements erected upon the entrance areas and Common Areas insured against loss by fire and other hazards and, if the Board deems it desirable, maintain liability insurance for the entrance areas and Common Areas in such amount as is deemed sufficient by the Board;

(f) cause any real or personal property subject to the Association's scope of authority to be maintained within the scope of authority provided in the Declaration;

(g) cause the restrictions created by the Declaration with respect to the Lots to be enforced; and

(h) take all other actions required to comply with all requirements of law, the Articles, and the Declaration.

## ARTICLE V. OFFICERS

**Section 1. Enumeration of Offices.** The officers of this Association shall be a President and Secretary/Treasurer and such other officers as the Board may from time to time determine. No officer need be a Member of the Association nor need any officer be a Trustee. The same person may hold more than one office.

**Section 2. Selection and Term.** The officers of the Association shall be elected by the Board, from time to time, to serve until the Board selects their successors.

**Section 3. 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 4. Resignation and Removal.** Any officer may be removed from office, with or without cause, by the Board. Any officer may resign at any time by giving written notice to the Board, the President, or the Secretary/Treasurer. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and the acceptance of such resignation shall not be necessary to make it effective.

**Section 5. Duties.** The duties of the officers shall be such duties as the Board may from time to time determine. Unless the Board otherwise determines, the duties of the officers shall be as follows:

(a) **President.** The president shall preside at all meetings of the Board, shall have the authority to see that orders and resolutions of the Board are carried out, and shall sign all mortgages, easements, deeds, and other written agreements.

(b) **Secretary/Treasurer.** The secretary/treasurer shall record the votes and keep the minutes and proceedings of meetings of the Board and of the Members; shall serve notice of meeting of the Board and of the Members; shall keep appropriate current records showing the names of Members of the Association, together with their addresses; shall receive and deposit and/or invest monies of the Association as directed by the Board; shall disburse such funds as directed by resolution of the Board; shall sign all checks and promissory notes of the Association; shall keep proper books of accounts; shall prepare an annual budget and a statement of income and expenditures to be presented to the Lot owners at the annual meeting and shall deliver or mail a copy of each to each of the Lot owners; and shall act in the place and stead of the president in the event of the president's absence or refusal to act.

## ARTICLE VI. ASSESSMENTS

Each owner of any Lot, by acceptance of a deed or other conveyance thereto, whether or not it shall be so expressed in such deed or conveyance, is deemed to covenant and agree to pay to the Association an annual assessment for Common Expenses (as hereinafter defined) and special assessments (as hereinafter provided). For the purposes hereof, the term "Common Expenses" shall mean the expenses and costs incurred by the Association in performing the rights, duties and obligations set forth herein and in its Articles of Incorporation or the Declaration.

### Section 1. Annual Assessment for Common Expenses.

(a) **Initial and Annual Assessment.** The initial annual Common Expense Assessment per Lot shall be Twenty Dollars (\$20).

(b) **Standard Increases.** For periods from and after the calendar year in which the initial annual Common Expense Assessment occurs, the annual Common Expense Assessment as stated above may be fixed each year by the Association in an amount that is not more than the assessment for the previous year without a vote of Lot owners.

(c) **Special Increases.** From and after the calendar year in which the initial annual Common Expense Assessment occurs, the annual assessment for Common Expense Assessment may be increased above the amount permitted by paragraph (1)(b) above by a vote of two-thirds of the total votes of all owners of Lots present at a meeting duly called for this purpose.

**Section 2. Special Assessments for Capital Improvements.** In addition to the annual assessments authorized above, the Association may 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 major maintenance related to the Features and Common Areas or Association Property, provided that any such assessment shall have the assent of two-thirds of the total votes of all owners of Lots at a meeting duly called for this purpose.

**Section 3. Notice of Meeting and Quorum for Any Action Authorized Under Sections (1) and (2) Above.** Written notice of any Members' meeting called for the purpose of taking any action authorized under Sections (1) and (2) of this Article (i.e., levying any special increases in annual assessment or special assessment) shall be sent to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. At such meeting, the presence of Members or of proxies entitled to cast twenty percent (20%) of all the votes shall constitute a quorum.

**Section 4. Date of Commencement of Annual Assessments - Due Dates.** The Association shall fix the amount of the annual assessment for Common Expenses against each Lot not later than June 1 of each calendar year for the following assessment year (July 1 - June 30). Written notice of the annual assessment for Common Expenses shall be sent to every owner subject thereto at least ten (10) days prior to the date when due. Unless otherwise established by the Association, annual assessments for Common Expenses shall be collected on an annual basis. The due date for special assessments shall be as established by the Association.

**Section 5. Lien for Assessments.** All sums assessed to any Lot pursuant hereto, including those owned by the Developer, together with interest and all costs and expenses of collection, including reasonable attorney fees, shall be secured by a continuing lien on such Lot in favor of the Association.

**Section 6. Effect of Nonpayment of Assessments - Remedies of the Association.** Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of ten percent (10%) per annum. The Association may bring an action at law against the owner personally obligated to pay the same, or foreclose the lien against the Lot. No owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the Features, Common Areas or Association Property or abandonment of the Lot. Each assessment provided for herein, together with interest and costs, shall also be the joint and several personal obligation of the person(s) who is the owner(s) of the Lot as of date of assessment.

**Section 7. Foreclosure.** The lien for sums assessed pursuant hereto may be enforced by judicial foreclosure by the Association in the same manner in which mortgages on real property may be foreclosed in Ohio. In any such foreclosure, the owner shall be required to pay all costs and expenses of foreclosure, including reasonable attorney fees. All such costs and expenses shall be secured by the lien being foreclosed. The owner shall also be required to pay to the Association any assessments against the Lot which shall become due during the period of foreclosure, and the same shall be secured by the lien foreclosed and accounted for as of the date the owner's title is divested by foreclosure. The Association shall have the right and power to bid at the foreclosure or any other legal sale to acquire the Lot foreclosed, and thereafter to hold, convey, lease, rent, encumber, use, and otherwise deal with the same as the owner thereof.

**Section 8. Subordination of the Lien to Mortgages.** The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage which is given to or held by a bank, savings and loan association, FNMA, GNMA, insurance company, mortgage company, or other lender, or which is guaranteed or insured by the FHA or VA. The sale or transfer of any Lot pursuant to foreclosure to such a first mortgage or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot owner from liability for any assessments which thereafter become due or from the lien thereof. The Association shall, upon written request, report to any such first mortgagee of a Lot any assessments remaining unpaid for a period longer than thirty (30) days after the same shall have become due, and shall

give such first mortgagee a period of thirty (30) days to cure such delinquency before instituting foreclosure proceedings against the Lot; provided, however, that such first mortgagee shall have furnished to the Association written notice of the existence of its mortgage, which notice shall designate the Lot encumbered by a proper legal description and shall state the address to which notices pursuant to this paragraph are to be given. Any such first mortgagee holding a lien on a Lot may pay, but shall not be required to pay, any amounts secured by the lien created by this Article.

## **ARTICLE VII. EASEMENT RIGHTS**

Every owner of a Lot shall have a right and nonexclusive easement of enjoyment in and to the Association owned property or other Association assets which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

(a) The right of the Association from time to time in accordance with its Code of Regulations to establish, modify, amend, and rescind reasonable rules and regulations regarding use of the property and assets;

(b) The right of the Association to suspend the voting rights and rights to use of the property and assets by owner for any period during which any assessment levied under the Declaration against such owner's Lot remains unpaid, and for a period not to exceed sixty (60) days for any infraction of its published rules and regulations;

(c) The right of the Association to otherwise deal with the property or assets provided by its Articles of Incorporation.

Any owner may delegate, in accordance with the Code of Regulations, the owner's rights of enjoyment to the property or assets to the members of such owner's family, tenant, or contract purchasers provided the foregoing actually reside at the owner's Lot. No damage to, or waste of, Association property or any part thereof shall be committed by any owner or any tenant or invitee of any owner. No noxious, destructive, or offensive activity shall be permitted on or in the Association property or any part thereof, nor shall anything be done thereon which may be or may become an unreasonable annoyance or nuisance to any other owner. No owner may erect any improvement or structure of any kind on the Association property without the prior written approval of the Association.

## **ARTICLE VIII. COMMITTEES**

The Board shall appoint a Nominating Committee, as provided herein, and may appoint such other committees as it deems appropriate in carrying out its purposes.

**ARTICLE IX.  
GUESTS**

Guests of members, when and only when accompanied by a Member, shall be entitled to the use of the Association property subject to such fees, rules, and regulations as may be adopted by the Board.

**ARTICLE X.  
BOOKS AND RECORDS**

The books, records, and financial statements of the Association, including annual financial statements when such are prepared, shall be available during normal business hours or under other reasonable circumstances, upon request to the Association, for inspection by Members. Likewise, during normal business hours or under other reasonable circumstances, the Association shall make available for inspection by Members current copies of the Association's organizational documents and its rules and regulations.

**ARTICLE XI.  
FISCAL YEAR**

Unless otherwise changed by the Board, the fiscal year of the Association shall begin on January 1 and end on December 31 of every year, except that the first fiscal year shall begin on the date of incorporation of this Association.

**ARTICLE XII.  
AMENDMENTS**

Any modification or amendment of this Code of Regulations shall be made only in the manner and subject to the approvals, terms, and conditions set forth in the Articles.

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Alisa K. Argust, Incorporator