CONSTITUTION AND BY-LAWS

OF CAMBRIDGE LAKE ESTATES ASSOCIATION, INC.

Article 1: NAME AND PURPOSE

Section 1

The name of this Association shall be the Cambridge Lake Estates

Association, Inc.

Section 2 . The purpose of the Association shall be to provide for the upkeep and maintenance of roads, easements, docks, boat loading ramps, parking areas, parks, playgrounds, in, on, adjoining or leading thereto and therefore, and to and from the various lots or tracts of land in the Cambridge Lake Estates Subdivision as have been dedicated to general use or are the property of the Association

ARTICLE II: MEMBERSHIP

Section 1.

Membership in the Association shall be limited to owners of lots or tracts of land in Cambridge Lake Estates Subdivision.

Section 2 . Each lot owner shall have one vote, regardless of the number of lots or land tracts owned by one or more individuals, except individuals owning more than five lots or individual land tracts shall have one vote for each of five lots. Cambridge Land Company shall not have more than one vote regardless of the number of lots or land tracts owned.

Section 3 . Only members in good standing shall have the right to vote, to participate in meetings, and to hold office in this Association. There shall not be any voting by proxy.

Section 4. Good standing shall be earned by the payment of all

assessments no later than thirty (30) days following the annual meeting.

Section 5 • Upon favorable vote of the membership Associate Memberships may be awarded to individuals or parties having an interest in the affairs of this Association. Associate members shall not have voting rights. The Board of Directors, in the absence of a membership meeting, shall have the power to approve temporary Associate Memberships, until such time as they can be acted upon by the full membership.

ARTICLE III . BOARD OF DIRECTORS

Section 1: The Board of Directors shall consist of twelve (12) individuals from the Association.

Section 2 . Twelve (12)Directors shall be elected annually to serve three-year terms, but shall not be eligible to serve more than two consecutive terms. At the annual meeting in 1968 all of the Board of Directors shall stand for re-election. At this time, four (4)members shall be elected for one year, four (4)members for two years, and four (4)members for three years.

Amended June 9, 1985 – the voting members amended the number of the Board of Directors to decrease from 12 to 9.

Section 3. Any vacancy occuring among the directors prior to the annual meeting shall be filled by the vote of the Board of Directors. Such a Director shall serve for the unexpired term of his predecessor.

Section 4*.* The Board of Directors shall meet at such times as shall be determined by the Board. Meetings of the Directors may be called by the President for the transaction of business and/or must be called by him at the request of any three (3) members of the Board. The time and place of meetings shall be determined by the President.

Section 5. Notice of all meetings shall be given by the Secretary.

Section 6. No more than two members, who have the use of the water from the pool well, shall serve on the Board of Directors at any one time.

Amended June 9, 1985 – the voting members amended this section to increase the number of pool well users allowed to serve on the Board of Directors from two to four.

Section 7. Any Board member missing fifty per cent (50%) or more of the Board meetings during the year shall be considered to have vacated his office and a new member shall be elected to serve the remaining time of his term of office.

ARTICLE IV. OFFICERS

Section 1. The officers of the Association shall be: Presi­dent, First Vice President, Second Vice President, Secretary-Treasurer, chairmen of standing committees, and such assistants as may be necessary.

Section 2 . Officers shall serve for a term of one year and shall not be eligible to serve more than two consecutive terms in the same office. This limitation shall not apply to the office of the Secretary-Treasurer.

ARTICLE V. DUTIES AND POWERS OF OFFICERS AND BOARD

Section 1 . The executive power vested in the Board of Directors who shall have charge of the affairs and funds of the Association authority to do and perform all acts and functions in accordance with these by-laws.

Section 2. The President shall be the chief executive officer of the Association. He shall preside at all meetings of the Association and Board of Directors. The President shall be an ex-officio member of all committees. He sha1l appoint the chairmen of all standing committees, subject to the approval of the Board of

Directors. The President shall read or have read a report of the Association's annual activities to the membership at its annual meeting.

Section 3. The Secretary-Treasurer shall be the chief fiscal officer. He shall receive all funds paid to the Association and shall deposit such funds in the name of the Association in such banks as the Board of Directors may designate from time to time. He shall pay all bills for the organization after these bills have been certified and approved for payment by the President and the Chairman of the committee incurring the bill. He shall keep or cause **to** be kept in suitable form, detailed accounts of the assets, liabilities, receipts, and disbursements of the organization. The books shall be open at all times for examination or audit by auditors or such representation of the Board of Directors as it may designate from time to time, He shall render an annual report to the membership and to the Board of Directors, and the books should be audited annually. The Secretary-Treasurer may be bonded in such amount and with such surety as the Beard of Directors may determine. The expense of the bond may be borne by the Association.

Section 4. The Secretary-Treasurer shall keep an accurate record of the proceedings of the Association and the Board of Directors. The records should be open at all times to reasonable inspection by any member.

He shall give notice of the meetings of the Association and the Board of Directors.

Section 5. The Secretary-Treasurer of the Association shall either be a voting member of the Board or a non-voting appointee of the Board. If the membership desires, they may elect the Secretary-Treasurer to serve with the Board of Directors in a non-voting capacity.

Section 6. The Secretary-Treasurer shall keep a record of all owners who wish to sell property, lots, or tracts of land within the subdivision and may make this information available to those wishing to purchase property. The Secretary-Treasurer shall not receive any real estate fee remuneration for this service.

Section 7. The Board of Directors may elect to pay the Secretary-Treasurer for duties.

Section 8 . In the absence or in the event of temporary disability of the President, the First Vice President will preside at meetings of the Association or Board of Directors. In his absence, the Second Vice President will serve.

ARTICLE VI. COMMITTEES

Section 1. There shall, be the following standing committees:

a. Swimming Pool Committee

b. Roads Committee

c. Parks Committee

Section 2. The President shall appoint, from the Board of Directors, chairmen of the standing committees. Membership of the standing committees shall be selected by The committee chairman from the Board of Directors and/or from the membership. The President shall be an ex-officio member of the standing committees.

Section 3. The President shall create such committees as he deems necessary. He shall, with the advice of the Board of Directors, appoint chairmen of those committees.

Section 4*.* All actions of committees shall be subject to approval by the Board of Directors.

ARTICLE VII. MEETINGS

Section 1. The last Association meeting of the year shall be the annual meeting.

Section 2. The time and place of meetings may be designated by the President and/or the Board of Directors. The Secretary-Treasurer shall be responsible for notification to the membership of meetings. It is the responsibility of the membership to keep the Secretary informed of their current mailing addresses.

Section 3• The annual meeting shall be held the Second Sunday in June of each year for the election of the Board of Directors and such other business as may properly come before the meeting. In the event this date is not deemed desirable for some unforeseen circumstances, the Board of Directors shall set an alternate date as near as possible to this date.

Amended June 9, 1985 – the voting members amended the date of the annual meeting from the Second Sunday in June to the Fourth Sunday in April.

Section 4*.* The President or a majority of the Board of Direc­tors may call a special meeting of the membership of the Associ­ation to transact business.

Section 5. A quorum shall be satisfied by the attendance of ten per cent (1O%) of the members in good standing. In the event that a quorum is not present at the annual meeting and the members had been duly notified by the Secretary, those present may transact necessary business. The Board of Directors shall meet immediately following this meeting to act upon any decisions made by a majority of those attending. At the first membership meeting all those motions must be certified by the membership.

Section 6. In voting on motions before the Association, the majority requirement shall apply to those voting for passage.

ARTICLE VIII. FUNDS

Section 1. The membership, at the annual meeting of the Association, shall set the assessment for the next fiscal year. If a new assessment amount is not made, the previous assessment amount shall be collected.

Section 2. The assessment should be set at a rate per member. For those members having more than three lots an additional per lot assessment shall be made by the Association.

Section 3. The Board of Directors shall, in addition to the regular membership assessment make an annual assessment for those individuals using water from the well which is maintained by the Association. Individuals using the well will not be assessed or charged for the use of water, but will be assessed in relation to the amount of electricity used over the amount used to pump water for the swimming pool.

Amended July 19, 1997 – Shall be amended to read: The Board of Directors shall, in addition to the regular membership assessment, make an annual assessment for those individuals using water from the well formerly known as the swimming pool well. Individuals using the well will not be assessed or charged for the use of the water, but will be assessed in relation to the amount of electricity used to power the well.

Section 4. In the event that the pool well pump should need repair or replacement, the Board of Directors shall determine a formula to use in dividing the cost between the Association and those individual lot owners using the well equipment.

Amended July 19, 1997 – Shall be amended to read: In the event that the swimming pool well pump should need repair or replacement, those individual lot owners using the well equipment will be responsible for fifty percent of the costs incurred for repair or replacement, while the Association will be responsible for the remaining fifty percent.

Section 5. No member of the Association shall attach to, or cause to be attached, the water supply without the consent of the Board of Directors. Such consent must be approved by the membership of the Association.

Section 6. In the event users of the well fail to pay the assessment for electrical charges, the Cambridge Land Company shall be asked to return the original charge for the lot for the privilege of hooking up to the pool well and cause said owner to be disconnected.

Amended July 19, 1997 – Shall be amended to read: In the event users of the well fail to pay the assessment for electrical charges or repair/replacement costs, said users will be given a thirty day notice requesting payment. After which, said users will be disconnected from the well.

Section 7. Members of the Association who use the well shall not be considered in good standing until they have paid the assessment for electrical expenses.

Section 8. The assessment for use of the electrical expenses to the well will be reviewed annually by the Board of Directors who will set the assessment for the coming year.

Section 9. Associate Members, at the discretion of the Board of Directors, may contribute funds to the Association.

Section 10. All assessments shall be paid within thirty days following the annual meeting. Each member paying the assessment shall receive evidence of good standing from the Secretary-Treasurer. Such proof may, at the discretion of the Board of Directors, be required for use of the Association facilities, i.e. swimming pool.

ARTICLE IX.

Section 1. All documents made, accepted or executed by the Association shall be signed by the President and Secretary-Treasurer.

Section 2. All checks drawn against funds of the Association for routine expenses shall be signed by the Secretary-Treasurer.

ARTICLE X.

Section 1. The fiscal year of the Association shall, commence on June 1 and shall end on May 31.

ARTICLE XI. PARLIAMENTARY AUTHORITY

Section 1. Roberts' Rules of Order, Revised shall govern the Association.

ARTICLE XII. RESTRICTIONS

Section I. The Association endorses the restrictions imposed in the original agreement between the Cambridge Land Company and the lot purchasers. These agreements were as follows:

1. No building shall be erected or maintained on any lot in Cambridge Lake Estates other than a private residence and a private garage for the sole use of the owner or occupant, except those lots designated as Commercial on the plat map.

2. Any garage erected or maintained must conform in appear­ance and construction to the residence on such lot.

3. No part of said premises shall be used for commercial or manufacturing purposes, except those lots designated as Commercial on the plat map.

4*.* No residential building shall be erected or maintained on any lot in Cambridge Lake Estates having a ground floor area of less than 400 square feet.

5. No building shall be erected or maintained on any lot in Cambridge Lake Estates unless complying with restrictions, easements and covenants of record.

6. No outside toilet or privy shall be erected or maintained in Cambridge Lake Estates.

7. No animals or birds, other than household pets, shall be kept on any lot in Cambridge Lake Estates.

8. Building exteriors must be of brick, frame or block con­struction; and wood exterior or block exterior must be painted.

9. Subject to all easements of record, and side lines of all lots in this subdivision for the construction and perpetual maintenance of conduits, poles, wires, and fixtures for electric lights, telephones, water mains, sanitary and storm sewers., road drains, and other public and quasi-public utili­ties and to trim any trees which at any time may interfere or threaten to interfere with the maintenance of such lines, with right of ingress to and egress from across said premises to employees of said utilities. Said easements to also extend along any owner's side and rear property lines in case of fractional lots.

It is understood and agreed that it shall not be consid­ered a violation of the provisions of the easement if wires or cables carried by such pole lines pass over some portion of said lots not within the 5 foot wide strip as long as such lines do not hinder the construction of buildings on any lots in this subdivision.

10. The placing of for sale signs on lots in Cambridge Lake Estates shall be prohibited.

Amended July 19, 1997 – Shall be amended to read: The placing of for sale signs on lots in Cambridge Lake Estates shall be allowed.

11. These conditions and restrictions shall be binding upon all owners of lots in Cambridge Lake Estates, their heirs, and assigns.

Section 2. In addition to these restrictions, the Association in agreement with the lot owners wishes to add the following restrictions:

1. The exterior of all buildings shall be completed within twelve (l2) months after commencement of construction.

2. Section 1, Number 8, of the Restrictions shall be deemed by this Association to also include such materials as may be developed from time to time and are in general use as exterior materials. This does not suggest that trailer houses, trailer homes, or such manufactured homes which to the public at large would be considered trailer houses or homes either on or off of wheels are allowable. Removal of wheels from such manu­factured homes will not change their status.

3. Under no circumstances may trailer houses or mobile homes as described in the above section be used as a temporary or part-time living area. All such manufactured living quarters shall not remain within Cambridge Lake Estates for more than two days.

4. At no time will inoperable vehicles be parked or placed on either the common roadway or the individual lots.

5. No garbage shall be deposited on lots or common land within the subdivision.

6. No structure shall be located closer than five (5) feet to a lot line.

Amended July 19, 1997 - **Section 2, Number 7:** Shall be added to read: Garage sales shall be limited to 2 per calendar year. Each garage sale shall not exceed 3 days in length, and signs must be removed on day following the sale.

ARTICLE XIII. AMENDMENTS

Section 1. This constitution may be amended, revised, or repealed at any meeting of the Association by a two-thirds vote of all members present, provided that the active members have been notified (of proposed changes) at least thirty (30) days previous to the meeting.

Amended July 19, 1997 - The following section shall be added:

**Article XIV DOCK REQUIREMENTS**

**Section 1: Public Dock**

1. The Association will provide a dock and swim platform for the use of members in good standing. The Association will maintain the public portion of said dock.

2. Members in good standing may use the designated public well on a short term basis only. The wells are not intended for extended personal use, and boats docked for extended periods will be removed.

3. Docking of boats at the swim platform is strictly prohibited.

**Section 2: Private Slips**

**1.** Private slips may be added to the dock on a first come, first served basis as space is available for members in good standing.

2. All proposed docks must be submitted in writing to the Secretary/ Treasurer for approval from the Board of Directors. The Board of Directors have the right to decline approval. The Board of Directors will respond within sixty days to dock proposals.

3. If approved, all costs incurred as a result of the dock addition are the responsibility of the applicant including but not limited to registration fees and modification cost associated with connecting the addition to the existing dock. The proposed dock addition costs must be paid in full prior to connection to the existing dock.

4. Dock additions become the property of the Association, and will be leased back to the applicant at no cost for the useful life of the dock and the dock addition. The applicant has the right to reassign the usage rights to the dock addition to another member in good standing with the approval of the Board of Directors. The applicant shall enter into a written usage agreement with the Association; usage agreements shall be signed and approved by at least one member of the Board of Directors and the Secretary/Treasurer.

5. The applicant is responsible for maintaining their addition in a manner suitable to the Association. If the addition is not maintained properly, the applicant will be considered in default of the usage agreement. The Association can then chose to return the addition to the applicant (the applicant must first pay for all costs associated with this) or the Association can pay the applicant the current value of the addition and the exclusive rights to said addition will be forfeited to the Association. The then current value of the addition will be negotiated with the applicant at the time of the default.

AMENDMENT TO THE CONSTITUTION AND BY-LAWS

OF

CAMBRIDGE LAKE ESTATES ASSOCIATION , INC.

Having been duly notified thirty (30) days prior to the Annual meeting of the Cambridge Lake Estates Association, Incorporated on 14 June 1970, a large majority of the members of said Association voted to make the following amendment to the Constitution and By-Laws of the Cambridge Lake Estates Association, Incorporated:

ARTICLE XII: RESTRICTlONS, Section 2 so much ofsub-paragraph 2as reads "This does not suggest that trailer houses, trailer homes, or such manufactured homes which to the public at large would be con­sidered trailer houses or homes either on or off of wheels are allow­able. Removal of wheels from such manufactured homes will not change their status.”, and sub-paragraph 3 "Under no circumstances may trailer houses or mobile homes as described in the above section be used as a temporary or part-time living area. All such manufactured living' quarters shall not remain within Cambridge Lake Estates for more than two days." shall be amended to read as follows: "Any manufactured living quarters be permitted in the Cambridge Lake Estates, provided such living quarters contain at least 400 square feet of actual living space, and further provided such quarters are set upon a permanent, continuous masonry, foundation, and that such quarters be in such a state of repair as to be approved by the mem­bers of the Board of Directors of said Cambridge Lake Estates Asso­ciation, Incorporated."

Amended June 12, 1977 – No house trailers, mobile homes, modular homes, or pre-fabricated homes shall be allowed, erected, or maintained in Cambridge Lake Estates, excepting those already on the premises as of June 12, 1977, in accordance with the constitution and the by-laws prior to the date. Those mobile homes, house trailer, and modular homes, or pre-fabricated homes which were prior to June 12, 1977, in accordance with the constitution and by-laws of Cambridge Lake Estates shall be allowed to remain at their present location, however, when they are replaced, for whatever reason, they may be replaced only with a permanent dwelling with over Four Hundred (400) square feet of living area, and such swelling may not be a mobile home, house trailer, modular home, or pre-fabricated home. The amendment dated June 14, 1970 is hereby pre-empted and overruled.