

Prepared By: *Ret. To*
G. Thiele, L. Stoner & L. Renoll
148 Williams Way
Lewes, DE 19958

Tax Map No. 3-34-18.00-38.00

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BK: 4390 PG: 4

BOOKHAMMER ESTATES HOMEOWNER'S ASSOCIATION, INC.

By-Laws

ARTICLE I NAME AND LOCATION

The name of the corporation is BOOKHAMMER ESTATES HOMEOWNER'S ASSOCIATION, INC., hereinafter referred to as the "Association." The principal address of the corporation shall be 148 Williams Way, Lewes, Delaware 19958, but meetings of members and directors may be held at such locations within the State of Delaware, County of Sussex, as may be designated by the Board of Directors.

ARTICLE II MEMBERSHIP

Section 1. Every owner of a lot shall be a member of the Association, provided, however, that any such persons or entity who holds such interest merely as a performance for an obligation shall not be a member, unless and until such person or entity has succeeded to such owner's interest by enforcement of such security interest. Membership shall be appurtenant to and may not be separated from the ownership of any lot.

Section 2. The Association shall have one class of voting membership. Members shall be all owners who shall be entitled to one [1] vote for each lot. When more than one person holds an interest in any lot, all such persons shall be members. The vote of such lot shall be exercised as they among themselves determine, but in no event shall more one [1] vote be cast with respect to any lot.

Section 3. During any period in which a member shall be in default of the payment of any assessment levied by the Association, the Board of Directors may suspend the voting rights of the members in accordance with Delaware law, until the assessment has been paid. Such rights of a member may also be suspended for violation of the By-Laws or of the Covenants, or of any rule or regulation properly established by the Board of Directors governing the use of the common properties within accordance of Delaware law.

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ARTICLE III

BOARD OF DIRECTORS: SELECTION: TERM OF OFFICE

Section 1. Number: The affairs of this Association shall be managed by a Board of three [3] Directors, members of which must be members of the Association.

Section 2. Election. All Directors shall serve a term of two [2] years. Terms automatically expire, but Directors may seek re-election.

Section 3. Removal. Any Director may be removed from the Board, with or without cause, by a majority vote of the members of the Board of Directors. In the events of death, resignation, or removal of a Director, a successor shall be selected by the remaining members of the Board and shall serve for the un-expired term, of the deceased, resigned or removed Director.

Section 4. Compensation. No Director shall receive compensation for any service rendered to the Association. However, any Director may be reimbursed for any and all actual expenses incurred in the performance of duties.

ARTICLE IV

MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Meetings of the Board of Directors shall be held at least one [1] time per year, which shall be published to the members by posting a place and hour, or by mailing to each Association member at the address of record at the Association. All meetings shall be open to all members, but only Directors have the right to vote. Executive meetings may be held as necessary to discuss all matters permitted under existing Delaware law. Any member may address the Board in a manner, format and time frame as set forth by the Board.

Section 2. Special Meetings. Special Meetings of the Board of Directors shall be held when called by the President of the Association, or by any two Directors, after not less than seven [7] days notice by each Director and to the members of the Association by posting or mailing.

Section 3. Emergency Meetings. Emergency meetings may be held when called by the President of the Association, or by any two Directors at any time. Advance notice to the members of the Association is not required, but an immediate report of the meeting must be published to the members by mailing within seventy-two [72] hours of the conclusion of the emergency meeting.

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ARTICLE IV Continued:

Section 4. Quorum. A majority of the number of Directors shall constitute a quorum for the transaction of business. Every act or decision executed or made by a majority of the Directors present at a duly held meeting, which represents a quorum, shall be regarded as the act of the Board.

**ARTICLE V
NOMINATION AND ELECTION OF DIRECTORS**

Section 1. Nomination. Nomination for the election to the Board of Directors shall be made by a Nomination Committee, by self-nomination, or from the floor at the Annual Meeting. The Nomination Committee shall consist of a chairperson, who shall be a member of the Board of Directors, and one [1] or more members of the Association. The Nominating Committee shall be appointed by the Board of Directors at the first Board of Directors' meeting following the Annual Meeting and will serve until the close of the next Annual Meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion, but not less than the number of vacancies to be filled. All nominees except those made from the floor at the Annual Meeting shall be included by name on a written ballot used in the election. Nominations made from the floor during the meeting are not required to be included in the written ballot, but shall be considered equally in every other respect. If a nominee is not present at an election meeting, written evidence must be presented at the meeting affirming the nominees' assent to be considered for election.

Section 2. Election. Election to the Board of Directors shall be by secret written ballot at the Annual Meeting, or by mail-in ballot, or proxy ballot prior to the meeting. At the election, the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provision of the Covenants. The persons receiving the largest number of votes shall be elected. Tabulations of the votes shall be conducted by a committee of two [2] members in good standing of the Association, who must be present at the election and who shall certify the accuracy of the results. Ballots shall be retained as part of the Association's records and shall be subject to the same scrutiny by members as all association records.

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**ARTICLE VI
POWERS AND DUTIES OF THE BOARD OF DIRECTORS**

Section 1. Powers. The Board of Directors shall have the power to:

- A. Adopt and publish rules and regulations governing the use of the common properties and the personal conduct of the members and their guests thereon and to establish penalties for infractions;
- B. Exercise for the Association all powers, duties, and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these By-Laws, the Articles of Incorporation, or the Covenants;
- C. Declare the office of a member of the Board of Directors to be vacant in the event such members shall have three [3] unexcused absences from regular meetings of the Board of Directors;
- D. Appoint all committees of the Association to serve until the next Annual Meeting and to act upon the recommendations of any committee of the Association and to hear any appeals or requests for variance, of all special exceptions, and of any interested Association member who, if affected by the decision of the Board, provided such appeal or request is made within thirty [30] days of the action of the Committee. This section does not pertain to violations of Covenants.

Section 2. Duties. It shall be the duty of the Board of Directors to:

- A. Cause to be kept a complete record of all its acts and corporate affairs and to present a summary thereof to the members at the Annual Meeting of the members, or at any special meeting when the summary is requested in writing by one-fourth [1/4] of the members, who are entitled to vote.
- B. Supervise all officers, agents, and employees of this Association, and to insure that their duties are properly performed;

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ARTICLE VI Continued:

- C. The Board of Directors shall determine and set Homeowner's Association Dues and Special Assessments. As more fully provided herein and in the Covenants, to:
1. Fix the amount of the annual assessment or special assessment against each lot at least thirty [30] days in advance of each assessment period; and
 2. In the event that there is an increase to the current amount of the assessment, written notice of each assessment will be sent to every subject thereto at least thirty [30] days in advance of each assessment period; or
 3. In the event that the assessment amount remains the same as the previous amount, written notice of each assessment will be sent to every owner subject, thereto, at least fifteen [15] days in advance of each assessment period.
- D. Procure and maintain adequate insurance on property owned by the Association;
- E. Insure Covenants of the Association are adhered to by Association members.
- F. Notwithstanding the provisions of this Article VI, above, the power of the Board shall be limited by the following restrictions:
1. Any proposed expenditure of unbudgeted funds of the Association exceeding twenty-thousand dollars [\$20,000], but less than twenty-five-thousand dollars [\$25,000], shall require approval by a majority of the membership voting at the next scheduled membership meeting.
 2. Any single proposed expenditure of unbudgeted funds of the Association, twenty-five-thousand dollars [\$25,000], or greater shall require the approval by written ballot of two-thirds [2/3] majority of the membership, whether at a membership meeting, or by mail.
 3. If the Board's unanimous vote, recorded in writing, determines the existence of an expenditure in excess of these limits without a membership vote, the Board is required to publish to the members a detailed explanation of its decision and the subject shall automatically be placed on the agenda for the next meeting of of the Board to allow members to discuss the action and to vote.

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ARTICLE VII COMMITTEES

Section 1. The Board of Directors shall appoint an Architectural Committee and a Nominating Committee.

- A. The Architectural Committee [AC] consisting of at least two [2] members, shall be responsible for developing and updating guidelines for owners, for reviewing the submissions of owners for construction, changes to their lots, and for making recommendations to the Board regarding approval thereof. A member of the Board shall serve as Chair of the AC, however, both AC members can be Directors.
- B. The Nominating Committee consisting of at least two [2] members shall operate as described in Article V, Section 1, above.
- C. The Board of Directors may appoint other committees as it deems appropriate from time to time in carrying out its purpose.

Section 2. It shall be the duty of the Board of Directors and each committee to receive complaints from members on any matter involving Association functions, duties and activities within its field of responsibility. As the Board deems appropriate, complaints shall be deferred for review to committee[s], to the Director, or to an officer of the Association. Written notice shall be sent to the members address as it appears in Association files.

ARTICLE VIII MEETINGS OF MEMBERS

Section 1. Annual Meetings. The annual Meeting of the members shall be held as determined, from year to year, by the Board of Directors.

Section 2. Special Meetings. Special meetings of the members may be called at any time by the President of the Board, or upon written request of one-fourth [1/4] of the members who are entitled to vote.

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ARTICLE VIII Continued:

Section 3. Notice of Meetings. Written notice, posting, or e-mail notice, of each meeting shall be given at the direction of the Treasurer/Secretary, or by the person authorized to call the meeting, or by mailing a copy of the notice at least fifteen [15] days before the meeting to each member entitled to vote. Written notice shall be sent to the members' address as it appears on the latest books of the Association, or supplied by the member of the Association for the purpose of notice. The notice shall specify the place, day, and hour of the meeting, and in the case of a special meeting, the purpose of the meeting. The notice shall also explain voting and proxy procedures of the Association.

Section 4. Quorum. The presence at the meeting of the members entitled to cast, or of proxies entitled to cast, one-fifth [1/5] of the votes of the membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, in the Covenants, or in the By-Laws. If, however, a quorum shall not be present or represented at any meeting, the members entitled to vote shall have the power to adjourn the meeting and to reschedule the meeting until such time as a quorum shall be present. If after two unsuccessful attempts for a quorum have been made, the members entitled to vote at the third meeting shall have the power to continue the meeting with a simple majority vote for any decisions that may come before the membership for vote.

Section 5. Proxies. At all meetings of the members, each member may vote in person, by mail, or by proxy. All proxies shall be in writing and filed with the Board at the commencement of the meeting. Every proxy shall be revocable and shall automatically cease upon conveyance by the members of his/her lot. Only one proxy is allowed per lot and it requires only one owner's signature. The proxy must designate the specific person or officer to whom the proxy is given.

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**ARTICLE VIII
OFFICERS AND THEIR DUTIES**

Section 1. Enumeration of Officers. The officers of the Association shall be a President, a Vice-President, and a Treasurer/Secretary, who shall at all times be members of the Board of Directors and other officers as the Board may from time to time create by resolution.

Section 2. Election of Officers. The election of the officers shall take place at the first meeting of the Board of Directors following the election of Directors at each Annual Meeting of the members.

Section 3. Term. The officers of the Association shall be elected every two [2] years by the Board and each shall hold office for two [2] years, unless he/she shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. Special Appointments. The Board may elect other officers as the affairs of the Association may require, each of whom shall hold office for a period, have the authority, and perform any duties as the Board may determine from time to time. These officers shall not be members of the Board of Directors and shall not vote as Directors.

Section 5. Resignation. Any officer may resign at any time by giving written notice to the Board of Directors, to the President, or to the Treasurer. The acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office shall be filled as provided an Article III Section 3 herein. The officer appointed/elected to any office shall serve for the remainder of the term of the officer being replaced.

Section 7. Multiple Offices. No person shall simultaneously hold more than one [1] position on the Board of Directors except the Treasurer/Secretary and in the case of special offices created pursuant to Section 4 Article IX. This does not apply to Committees.

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ARTICLE VIII Continued:

Section 8. Duties. The duties of each office of the Board of Directors are as following:

A. **President.** The President shall preside at all meetings of the Board of Directors and shall insure that all resolutions of the Board are carried out. The President shall be an ex-officio member of all committees.

B. **Vice President.** The Vice President shall act in the place and stead of the President in the event of his/her absence, inability or refusal to act, and shall exercise and discharge any other duties as may be assigned by the President or by the Board.

C. **Treasurer/Secretary:** Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members and publish notice of meetings of the Board and of the members and shall perform other duties assigned by the President or the Board. Treasurer shall be responsible for verifying that all records and documents and activities accurately reflect the business and decisions of the Association. Sends notices, collects dues and advises Board of delinquent assessments and dues for further action.

**ARTICLE X
ASSESSMENTS**

Section 1. Creation of the Personal Obligation of Assessments. By the membership in the corporation, each member is deemed to covenant and agrees to pay the Association [1] the annual assessment or charges and [2] special assessment for capital improvements. The annual and special assessments, together with interest thereon and costs of collection thereof, as hereinafter provided, shall be the personal obligation of the person who was the recorded owner of the property at the time when the assessment came due and shall not pass to his/her successors or assigns unless expressly assumed by said successor.

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ARTICLE X Continued:

Section 2. Purpose of Assessment. The assessments levied by the Association Board shall be used for the purpose of promoting the recreation, health, safety, and welfare of the residence in and of the Bookhammer Estates together with cost of operating the Association; in particular, for the improvement and maintenance of the property, service, and facilities devoted to this purpose and related to the use and enjoyment of the common area and of the homes situated upon the properties.

Section 3. Basis of Annual Assessments. Each lot shall be subject to an annual assessment, as set forth in accordance with the Covenants and these By-Laws. The amount of such assessment shall be fixed annually by the Board of Directors and shall be assessed against each lot owner on a yearly basis.

Section 4. Special Assessments. The Board of Directors may levy in any assessment year as a special assessment applicable to that year only for defraying in whole or in part the cost of any construction, reconstruction, repair, or replacement of a capital improvement upon the Common Areas, including the necessary fixtures and personal property related thereto and for operating the Common Areas, for which a reserve funds does not exist or is not adequate. The due date of any special assessment shall be set by the same resolution which establishes the assessment.

Section 5. Special Assessments for New Capital Improvements. In addition to the assessment authorized above, the Association may levy, in any calendar year, a special assessment which could be extended over several years, for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, unexpected repair or replacement including the necessary fixtures and personal property related thereto.

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ARTICLE X Continued:

Section 6. Quorum for Any Action Authorized Under Section 3 and 4. At the first established meeting, as provided in Sections 3 and 4, hereof, the presence at the meeting of two (2) Directors shall constitute a quorum of Directors. If the requirement quorum is not met at the meeting, another meeting may be called, at which the issue may be raised again.

Section 7. Due Dates of Assessments. The annual assessments provided for, herein, shall be dues paid on a yearly basis. Any change in the assessments or due date must be fixed by the Board and made known to the members in writing at least thirty [30] days in advance of the commencement of the change. Payment of Dues will be due at such times as determined by the Board of Directors. The Association shall, upon demand at any time from a member, furnish to that member or to a designee, a certificate in writing, signed by a member of the Board of Directors or by management representative, setting forth whether that member's annual or other assessments are current. The certificate shall be conclusive evidence of the facts stated therein.

Section 8. Effect of Non-payment of Assessments; Remedies of the Association. If the assessments are not paid on the date when due, then the assessment shall become delinquent and shall, together with interest, late fees and cost of collection thereof as hereinafter provided, become a continuing lien on the property which shall bind the property in the hands of the then owner, his heirs, devisees, personal representatives, and assigns. The personal obligation of the then owner to pay the assessment, however, shall remain his personal obligation for the statutory period and shall not pass to his/her successors in title unless expressly assumed by them. If the assessment is not paid within thirty [30] days after the delinquent date, the assessment shall bear interest from the date of delinquency at the rate of eighteen percent [18%] per annum and the Association may bring action at law against the owner personally obligated to pay the same or to foreclose the lien against the property and there shall be added to the amount of the assessment the cost of preparing and filing a complaint in the action, and in the event a judgment is obtained, the judgment shall include interest on the assessment as above provided and a reasonable attorney's fee together with the costs of the action. In addition to the penalties enumerated in this section, the Board of Directors may implement suspension of membership as described in Article II, Section 3, hereof.

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ARTICLE X Continued:

Section 9. Subordination of the Lien to Mortgages. The lien of the assessments provided herein shall be subordinated to the lien of any mortgage or mortgages now or herein placed upon the properties subject to assessment; provided however, that the subordination shall apply only to the assessments which have become due and payable prior to a sale or transfer of such property pursuant to a decree of foreclosure, or any other proceeding in lieu of foreclosure. Any sale or transfer shall not relieve a property owner from liability for any assessments thereafter becoming due, not from the lien of any subsequent assessment.

Section 10. Fiscal Year. The fiscal year of the Association shall begin on the first day of January and end on the last day of December each year. However, the Board may change the dates of the fiscal year for management purposes and the fiscal year of the Association and the payment of dues thereof may change from time to time without need or cause to change these By- Laws.

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ARTICLE XI

BOOKS AND RECORDS

The books, records, and papers of the Association shall be available for inspection by any member upon reasonable written request. The Board of Directors shall not have the power to prevent or obstruct inspection by members of the Association's records. However, request to inspect records shall not automatically impose upon the Association unreasonable cost of photocopying and research; these expenses shall be borne by members seeking those services. The Board shall determine if frequent and repeated requests for inspection constitute a costly nuisance to the members of the Association and the Association shall have the power to impose limits on the frequency of access to records in such nuisance cases. The Covenants, Articles of Incorporation, and By-Laws shall be available for inspection by any member of the Association. One copy of each of these documents shall be provided free of charge to each member; additional copies may be purchased at a reasonable cost.

ARTICLE XII

AMENDMENTS

Section 1. These By-Laws may be amended at a regular or special meeting of the Board of Directors by a majority vote of the Board of Directors present at that meeting.

Section 2. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles of Incorporation shall control; and in the case of any conflict between the Covenants and these By-Laws, the Covenants shall control.

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IN WITNESS WHEREOF, we, being all of the Directors of Bookhammer Estates Homeowners Association, Inc., have hereto set our hands this 29th day of April, 2015.




Gary Thiele, President



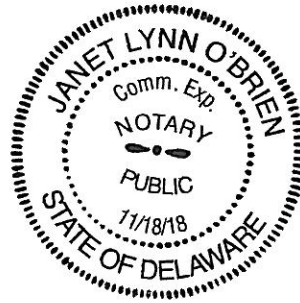
Lewis Renoll, Vice President



Linda Stoner, Treasurer/Secretary



NOTARY
4/29/15



RECEIVED

APR 30 2015

**ASSESSMENT DIVISION
OF SUSSEX COUNTY**

Recorder of Deeds
Scott Dailey
Apr 30, 2015 01:36P
Sussex County
Doc. Surcharge Paid