

# BY-LAWS of WAILUPE PENINSULA COMMUNITY ASSOCIATION

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## ARTICLE I NAME AND PRINCIPAL OFFICE

**Section 1. Name.** The name of this Association shall be the "Wailupe Peninsula Community Association".

**Section 2. Principal Office.** The principal office of this Association shall be at Honolulu, City and County of Honolulu, Territory of Hawaii.

## ARTICLE II OBJECTS AND PURPOSES

**Section 1. Objects and Purposes.** The objects and purposes of the corporation shall be to generally promote the cultural, educational, social and economic welfare of the members of the corporation; *To own, operate, and maintain the common facilities of the Wailupe Peninsula Community Association (as those common facilities are defined in Section 1 of Article XVI of these Bylaws) (the common facilities as so defined are hereinafter referred to as the "Common Facilities"); to preserve Wailupe Peninsula as an attractive residential district; and to obtain a harmonious solution to all problems affecting the welfare of the members of the corporation and the community.*

## ARTICLE III MEMBERSHIP

**Section 1. Membership.** Subject to such rules and regulations as may from time to time be made in accordance with these By-Laws, the following persons shall be eligible for membership in this Association.

**A. Voting Members.** *The Voting Members of this Association shall be comprised of (1) any person or persons holding the lease of a lot in Wailupe Peninsula who holds an Agreement of Sale (the "Agreement of Sale") with Bishop Trust Company, Limited (or its successor), as Trustee under the Declaration of the Wailupe Peninsula Community Trust, dated January 31, 1955, and recorded in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 172784 and noted on Transfer Certificate of Title Nos. 60375 and 95510 (the "Trust"); and (2) any person or persons owning in fee simple a lot in Wailupe Peninsula who accepts membership in the*

*Association. Where more than one person all co-owners shall be treated as one member. Each membership shall be entitled to one vote. A certificate of membership may be issued for each membership.*

**B. Non-Voting Members.** Any person interested in or desiring to further the objects and purposes of the Association may, upon approval of the Board of Directors, become a Non-Voting Member of the Association. A Non-Voting Member shall not be eligible to vote or hold office in the Association but may be eligible to serve on Committees of the Association.

**C. Honorary Members.** The Board of Directors may, by unanimous vote of the members present, admit to honorary membership any person deemed worthy of such distinction. Honorary Members shall be exempt from fees and dues but shall not be entitled to vote or hold office.

**D. Expulsion of Members.** A member may be expelled by a majority vote of the Board of Directors in the following manner and for any of the following causes, in addition to any other cause which may be prescribed by law, the Charter or these By-Laws:

(1) For a breach by any member of any of the terms, covenants or conditions of the Agreement of Sale or Lease (Exhibit "B") executed by such member with Bishop Trust Company, Limited Trustee of the Wailupe Peninsula Community Trust.

(2) For conduct which is found by a majority vote of the Board of Directors to be injurious to the good order, peace, reputation or best interest of the corporation or derogatory to its dignity.

A hearing upon any charge against a member may be held by the Board of Directors or by any Committee appointed by the President and approved by the Board of Directors. Any Committee so appointed shall, after due hearing, make a report to the Board of Directors of its findings and recommendations, and the Board may act upon such report with or without further hearing if the Board deems it proper.

**E. Termination of Membership.** Any person or persons who shall transfer, sell, or assign his, her or their interest in the Agreement of Sale *or in his, her or their fee simple interest in his, her, or their lot shall cease to be* a Voting Member of the Association and the membership of such person or persons in the Association shall thereupon be *transferred and vested in the successor fee simple owner or holder of the Agreement of Sale, as the case may be.*

## **ARTICLE IV OFFICERS AND DIRECTORS**

**Section 1. Principal Officers.** The principal Officers of the Association shall be a President, one or more Vice Presidents (as determined by the Board), a Secretary and a Treasurer. The Treasurer may be a Corporation. Two or more offices may be held by the same person.

The Officers of the Association shall be elected by the Board of Directors.

**Section 2. Subordinate Officers.** There shall be such other subordinate Officers and agents of the Association as the Board of Directors may deem appropriate and may appoint, all of whom shall serve at the pleasure of the Board of Directors.

**Section 3. Directors.** The Board of Directors shall consist of the Officers and of not less than three (3) other Voting Members of the Association, as shall be determined by the Voting Members from time to time, and to be elected as hereinafter provided.

**Section 4. Term of Office.** The term of the members of Board of Directors shall be for a period of three (3) years or until a successor shall be appointed or elected; provided, however, that at the first annual meeting of the members, two of the Directors elected at such meeting shall have a term of office for one year; two (2) of the Directors for a term of two (2) years; and three (3) Directors for a term of three (3) years. The Directors receiving the highest vote shall serve for three (3) years, and those receiving the next highest vote shall serve for two (2) years. In the event that the number of the members of the Board of Directors shall be changed, such change shall be made in such manner that the terms of approximately one-third (1/3) of the total number constituting the Board of Directors shall expire each year.

## **ARTICLE V**

### **BOARD OF DIRECTORS (OR MANAGING COMMITTEE)**

**Section 1. Board of Directors Same as Managing Committee.** The Board of Directors of the Association may also be known as the "Managing Committee".

**Section 2. Powers of Board of Directors.** All of the powers and authority of the Association shall be vested in and be exercised by the Board of Directors except as limited by law, the Charter or the By-Laws, and in furtherance and not in limitation of said general powers, the Board of Directors shall have power to acquire, lease and dispose of property, real, personal and mixed; employ agents and employees of the Association as in its judgment the best interests of the Association may require and to confer and delegate to them by power of attorney or otherwise such power and authority as it shall determine; to fix the salaries for compensation of any and all of the agents and employees of the Association and, in its discretion, require security for the faithful performance of their duties; to make rules and regulations not inconsistent with law or the Charter or the By-Laws for the operation of the Association; to create such Committees and to designate as members of such Committee such persons as it shall determine, and to confer upon such Committees such powers and authority as may by resolution be set forth for the carrying on or exercising of the powers of the Association; to remove or suspend any officer and, generally to do any and every lawful act necessary or proper to carry into effect the purposes and objects of the Association. *The Board shall also have the power and authority (a) to require all Voting Members to submit all plans, specifications and plot*

plans for the construction of any alteration or renovation of any improvements costing more than \$10,000.00 to the Board for approval, such approval to be based upon compliance with the guidelines set forth in Section XVI of these Bylaws; (b) to require any Voting Member to remove any construction done without the Board's approval and to restore the lot to its original state and to bear all the costs of this removal and restoration; and (c) to hire an independent architectural consultant to review any plans, specifications or plot plans submitted to the Board for approval and to pass the cost of this review to the Voting Member submitting such plans, specifications or plot plans.

**Section 3. Annual Meeting.** The Board of Directors shall meet each year immediately after the annual meeting of the members of the Association for the purpose of electing the Officers of the Association and for the consideration of any other business which may properly be brought before the meeting.

**Section 4. Regular and Special Meetings.** The Board of Directors shall meet monthly at such place as shall be determined by them. Special meetings may be held as often as the business of the Association may require, at the call of the President or any two Directors.

**Section 5. Notice.** The Secretary shall give notice of each meeting of the Board of Directors, upon 24 hours, notice, served personally or by telephone or mail, to each Director at his business or residence address, provided, however, that in cases of emergency, of which the President shall be the judge, meetings of the Board may be called upon shorter notice. The failure of any Director to receive any such notice shall not invalidate the proceedings at any meeting at which a quorum of the Directors is present. No meeting and no business transacted at any such meeting shall be affected by the failure to give notice of such meeting to any Director if such Director attends such meeting, or after any such Director approves in writing the minutes or transactions thereof.

**Section 6. Quorum.** A majority of the Board of Directors shall constitute a quorum for the transaction of business. In the absence of a quorum, the presiding Officer or a majority of the Board of Directors present may adjourn the meeting from time to time without further notice until a quorum is present.

**Section 7. Forfeiture of Office.** When a Director has failed to attend three (3) consecutive meetings of the Board without proper excuse, his office shall be declared vacant by the President.

**Section 8. Vacancies.** If a member of the Board of Directors shall cease to be a voting member of the Association, he, ipso facto, shall cease to be a member of the Board of Directors. All vacancies shall be filled as provided in Article X, Section 1. The Voting Members of the Association shall be given prompt notice of every Director appointed to fill such vacancy.

**Section 9. Removal.** Any member of the Board of Directors may be removed by a petition or resolution signed by a majority of the Voting Members of the Association.

**Section 10. Nomination to Board of Directors.** At least thirty (30) days prior to the annual meeting, the President with the approval of the Board of Directors shall appoint a Nominating Committee of at least five (5) Voting Members of the Association. The Nominating Committee shall submit to the members at the annual meeting the names of at least two (2) nominees for each vacancy in the Board of Directors. The Nominating Committee, upon the written request of ten (10) Voting Members of the Association, shall include the name of any eligible person on the ballot so requested as a candidate for the Board of Directors. The nominations and recommendations shall be in writing, signed by the Committee and filed with the Secretary. A written ballot shall then be prepared listing the names of the candidates alphabetically and in sequence and distributed to each Voting Member.

## **ARTICLE VI DUTIES OF OFFICERS**

**Section 1. President.** The President, or in his absence the Vice President, shall preside at all meetings of the Association and of the Board of Directors. The President shall be the general executive officer of the Association and shall see to the proper enforcement of the Charter and By-Laws of the Association and the rules and regulations, actions and orders of the Board of Directors. Except as otherwise provided in these By-Laws, or by resolution of the Board of Directors, the President and Treasurer shall sign all written contracts, checks and other instruments. He shall render at the annual meeting of the membership a written report on the affairs of the Association during the previous year. He shall perform such other duties as usually pertain to the office of President.

**Section 2. Vice President.** In the absence or disability of the President, or if the office is vacant, the Vice President or Vice Presidents, in the order of their appointment, shall have all the powers of the President. In the absence or disability of the President and Vice President, or if these offices are vacant, the Board of Directors shall designate a Director to perform such duties.

**Section 3. Secretary.** The Secretary shall give the notice of all meetings of the Association and of the Board of Directors, and shall keep minutes of all meetings, both of the Board of Directors and of the Association. He shall keep a membership roll containing the names of all the members of the Association, and shall be keeper of the seal. He shall have custody of all records of the Association, except those pertaining to the office of Treasurer. He shall perform all other duties assigned to him by the Board of Directors. At the expiration of his term of office, he shall deliver to the President all records and property of the Association which have come into his charge or custody. During the temporary absence or disability of the Secretary, or if that office is vacant, his duties shall be performed by the person so designated by the Board of Directors.

**Section 4. Treasurer.** The Treasurer shall have custody of all of the funds and evidence of property of the Association and shall be responsible for keeping all the books and accounts of the Association and shall render statements thereof in such form and as often as required by the Board of Directors. He shall make a detailed financial report to the Association at the annual meeting. The Treasurer with the President shall sign all written contracts, checks and other instruments. The funds, books and securities in his hands or under his control shall at all times be under the supervision of the Board of Directors. At the expiration of his term of office, he shall deliver to the President all funds, books, papers and other property of the Association in his custody or under his charge. During the absence or disability of the Treasurer, or if that office is vacant, his duties shall be performed by the person so designated by the Board of Directors.

**Section 5. Removal.** All Officers shall be subject to removal at any time by the affirmative vote of a majority vote of the whole Board of Directors.

## **ARTICLE VII EXECUTION OF INSTRUMENTS**

**Section 1. Proper Officers.** Except as otherwise provided by law, all checks, notes, bonds, deeds, leases, contracts and other documents or instruments shall be signed, executed and delivered by the President and Treasurer of the Association, provided, however, that the Board of Directors may from time to time by resolution authorize checks, agreements, certificates and documents of any nature to be signed, executed and delivered by other officers or agents or employees of the Association, or any one of them, in such manner as may be determined by the Board of Directors.

## **ARTICLE VIII MEETINGS**

**Section 1. Annual Meeting.** The annual meeting of the Association shall be held in January or February of each year at such time and place as shall be determined by the Board of Directors. Any business within the power of the Association without special notice of such business may be transacted, except as limited by law or by these By-laws.

**Section 2. Special Meetings.** Special meetings of the Association may be held at any time on call of the President or on call of two (2) Directors or upon written request of not less than fifteen (15) members of the voting membership. The purpose of such meeting shall be stated in the request and in the notice of the meeting.

**Section 3. Notice of Meeting.** Notice of all annual and special meetings of the Association shall be given by the Secretary by mail, addressed to each Voting Member of the Association at his or their last known address not less than five (5) days prior to the meeting. Such notice shall state the place and hour of the meeting and in brief the business proposed to be transacted. On notice being given in accordance

with the provision hereof, the failure of any Voting Member to receive actual notice of

any meeting shall not in any way invalidate the meeting or proceedings.

**Section 4. Quorum.** Thirty (30) or more Voting Members of the Association shall be a quorum for the transaction of business at any meeting. A majority of the quorum shall decide all questions, excepting as may otherwise be provided in these By-Laws.

**Section 5. Voting.** At each meeting of the Association, each Voting Member shall be entitled to vote in person or by proxy, appointed by instrument in writing, subscribed by such member or his duly authorized attorney, and filed with the Secretary. Unless limited by its terms, a proxy or authorization shall continue effective until the same shall be revoked by written revocation filed with the Secretary.

The Board of Directors may in its discretion at any time, without the necessity of a meeting, submit for decision by the Voting Members any matter or question concerning the affairs of the Association.

**Section 6. Adjournment.** Any meeting of the Voting Members, whether annual or special, may be adjourned from time to time whether a quorum be present or not, to such time or place or subject to the call of the presiding officer by a majority vote and without notice other than the announcement of the meeting. At any such adjourned meeting at which a quorum is present any business may be transacted which might have been transacted at the original meeting as originally called and notified.

**Section 7. Order of Business.** The order of business at the annual meeting shall be as follows:

1. Call to Order
2. Reading of Minutes
3. Reports of Officers
4. Communications
5. New Business
6. Election
7. Adjournment

The foregoing shall be the order of business at all other meetings except that item number 6 entitled "Election" shall be eliminated.

**Section 8. Committee Meetings.** Meetings of Committees may be called at any time by the President or by the Chairman of such Committees.

**Section 9. Debate.** No member shall be permitted to speak twice or longer than ten minutes each time on any one subject, except by a two-thirds (2/3) vote of those present.

## **ARTICLE IX ELECTION OF OFFICERS AND DIRECTORS**

**Section 1. Election of Directors.** The Board of Directors shall be elected

by the Voting Members of the Association by ballot at the annual meeting of the Association from the names presented by the Nominating Committee or added thereto

by independent nomination as provided in Article V, Section 10. The Secretary shall provide ballots containing the list of nominees for Directors. The President shall appoint at least three (3) tellers who shall be the judges of the election. In the case of a tie vote affecting the result, the judges of the election shall pass lots and certify as elected the person or persons whom the lot determines.

**Section 2. Election of Officers.** The Board of Directors shall meet within ten (10) days following the annual meeting and shall elect from their membership a President, a Vice President, a Secretary and a Treasurer, who shall hold office until their successors are elected or appointed.

## **ARTICLE X VACANCY IN OFFICE**

**Section 1. Vacancy in Office.** Should any vacancy occur in the office of President, Vice President, Secretary, Treasurer, other office or a Board Member, the remaining members of the Board of Directors by a majority vote may appoint a successor to fill the vacancy and to serve for the unexpired term so vacated. During the temporary illness, incapacity or inability of an Officer or Board Member, the remaining members of the Board of Directors shall have the power to appoint a temporary successor.

## **ARTICLE XI FEES, DUES AND ASSESSMENTS**

**Section 1. Fees, Dues, and Assessments.** The fees, dues and assessments payable by Voting Members shall be determined by the Board of Directors by resolution duly entered upon the minutes of the Board and shall be subject to change in like manner from time to time.

**Section 2. Maintenance Fee for Common Facilities.** *Provided that Bishop Trust Company, Limited, as Trustee of the Trust, conveys the Common Facilities to the Association, all Voting Members shall pay an annual maintenance fee (the "Maintenance Fee") for the operation and maintenance of the Common Facilities.*

*The Board shall have the power and authority to adjust the Maintenance Fee on thirty days' notice to the Voting Members. This Maintenance Fee shall be paid to the Board in such monthly, quarterly or semi-annual installments as the Board shall determine from time to time.*

*The Board shall deposit all Maintenance Fees, as well as any*



delinquent charges, into an interest-bearing account in the name of the Association (the "Maintenance Account").

The Board shall have sole responsibility for the disbursement and management of this Maintenance Account.

**Section 3. Penalties for Delinquent Payment of Maintenance Fee.** Interest at a rate of twelve percent (12%) per year shall be assessed upon any portion of Maintenance Fees paid after the due date. The Board may also assess late charges for payments received more than ten (10) days past the due date, which late charges shall be determined by the Board from time to time and be uniformly applied so that all delinquent members shall be treated the same.

## **ARTICLE XII COMMITTEES**

**Section 1. Appointment of Committees.** The President with the approval of the Board of Directors may at any time appoint such Committees and members thereof as he deems necessary and prescribe their powers and duties.

**Section 2. Grounds of Committee.** The Grounds Committee shall consist of five (5) members of the Association. The members of this Committee shall have charge of the proper maintenance and beautification of the Peninsula. The Committee shall also assist in the enforcement of the covenants of the Lease. It shall also be the duty of the Committee to assist in keeping the waters adjacent to Wailupe Peninsula free from refuse or contamination. The Committee shall take all action necessary to prevent the throwing or disposing of refuse into the waters surrounding the Peninsula.

## **ARTICLE XIII RULES OF PROCEEDINGS**

**Section 1. Rules of Proceedings.** All meetings shall be governed according to "Robert's Rules of Order, Newly Revised" in so far as the same do not conflict with these By-Laws or with rules of procedure adopted by the Directors or any committees for the conduct of their business.

## **ARTICLE XIV MISCELLANEOUS**

**Section 1. Inspection of Records.** All records of the Association shall be open for inspection by the Voting Members of the Association at all reasonable times.

**Section 2. Use of Lots.** All lots shall be used solely for residential purposes and no livestock, poultry or any insects or animals other than customary household pets shall be kept on any lot.

**Section 3. Lots Abutting Kalanianaʻole Highway.** The Voting Members with lots abutting Kalanianaʻole Highway will permit the Association to maintain a masonry wall along the mauka boundary of their lots and will landscape, plant, and maintain the area within ten (10) feet of said highway to provide at all times a planted screen of good appearance.

**Section 4. Lots Abutting the Sea.** The Voting Members with lots abutting the sea wall, at their own expense, well and substantially repair, mend and keep the seawalls located on their lots in the same condition as when first installed or constructed, and will from time to time replace said seawalls in the event of damage by the sea or other casualty.

**Section 5. Attorneys' fees and Expenses of Enforcement.** All costs and expenses, including reasonable attorneys' fees, incurred by or on behalf of the Association for enforcing any of the covenants or obligations contained in these Bylaws or in any rules promulgated by the Board, if any, as the same may be amended from time to time shall be paid by the Voting Member against whom such enforcement is brought (the "Subject Voting Member"); provided that if the Association's position regarding this enforcement is not substantiated, all costs and expenses, including reasonable attorneys' fees, incurred by the Association and paid for by the Subject Voting Member, shall be promptly reimbursed on demand to the Subject Voting Member by the Association.

## **ARTICLE XV OWNERSHIP, OPERATION, AND MAINTENANCE OF COMMON FACILITIES**

**Section 1. Common facilities.** The common facilities of the Wailupe Peninsula consist of the following:

- a. Lot 121, 3,476 square feet, of Land Court Application No. 1596, including the asphalt-paved boat ramp (TMK 3-6-01-121);
- b. Lot 122, 998 square feet, of Land Court Application No. 1596, including the concrete-paved right-of-way (TMK 3-6-01-122) along with the chain-link fence along the boundaries of this right-of-way and the pier and diving board at the end of this right-of-way;
- c. Lot 123, 1,091 square feet, of Land Court Application No. 1596, including the concrete-paved right-of-way (TMK 3-6-01-123);
- d. Masonry wall abutting Kalanianaʻole Highway.

**Section 2. Ownership of Common Facilities.** Upon approval by the required percentage of the beneficiaries of the Trust, Bishop Trust Company, Limited, (or its successor) as Trustee of the Trust, shall convey fee simple interest in the Common Facilities to the Association, subject to the access rights of the beneficiaries of the Trust and of the fee simple owners of lots in the Wailupe Peninsula, and the Association is hereby authorized to accept such conveyance on behalf of its Voting Members.

**Section 3. Operation and Maintenance of Common Facilities.** The Association, acting through the Board, shall operate and maintain the Common Facilities for the use and benefit of the Voting Members. This operation and maintenance shall include the following responsibilities which the Board, in its discretion may amend, delete, or delegate:

a. Obtaining and maintaining, in the name of the Association, general liability insurance, including coverage for premises/operations, independent contractor, contractual liability, personal injury, employees as additional insureds, broad form property damage, with combined single limits of liability for bodily injury and property damage in such amounts as the Board in its discretion may deem reasonable prudent;

b. Obtaining and maintaining, in the name of the Association, (i) property insurance written on the Insurance Service Office (commonly referred to as "ISO") "special form" used in the State of Hawaii or its equivalent, in amounts determined by the Board and covering such improvements included in the Common Facilities as shall be readily insurable, and (ii) flood insurance if and as required by the provisions of the Flood Disaster Protection Act; and

c. Obtaining and maintaining, in the name of the Association, insurance for officers and directors of the Association for errors and omissions in form and amounts deemed reasonably prudent by the Board.

**Section 4. Employees for Maintenance and Operation.** The Board shall have the authority to hire and dismiss employees and agents for the maintenance and operation of the Common Facilities and for handling the financial affairs of the Association.

## ARTICLE XVI RESTRICTIONS AND CONDITIONS

### SECTION 1. Restrictions and Conditions.

**a.** Each lot shall have no more than one building, plus one outbuilding. The height of this building and outbuilding, if any, shall not exceed twenty-eight (28) feet. All-flat roof structures shall not be allowed.

**b.** No dwelling, outbuilding, fence exceeding four (4) feet in height, or other improvement within twenty-five (25) feet of any front street or within ten (10) feet of any side street shall be constructed on any lot. No fences having a height greater than six (6) feet shall be constructed in any location on any lot. The word "fence" shall not be construed to include hedges.

**c.** If the lot abuts upon Kalanianaʻole Highway, the Owner of the lot shall not construct or permit to be constructed any building, roadway, or driveway within ten (10) feet of the mauka boundary of the lot.

**Section 2. Second-Story Additions.** In order to accommodate the need for more living space, second-story additions will be considered by the Board for approval, subject to the following restrictions and conditions:

**a. General Restrictions and Conditions.**

(i) Mezzanines and lofts located under the primary sloping roof form of the house shall be permitted.

(ii) Horizontal projections in dormers shall be allowed to penetrate the major sloping roof form, provided that such projections do not exceed twenty-five percent (25%) of the sloping roof form for the lot.

(iii) All second-story additions must have a minimum setback of forty-five (45) feet from the rear and front property lines, and fifteen (15) feet from the side property lines.

**b. Restrictions Regarding Views.**

(i) For interior lots, only exterior views to the front yard or street areas will be permitted.

(ii) For oceanfront lots, only exterior views to the front (street) and/or rear yard (ocean) will be permitted.

(iii) *For all lots, second-story windows facing the front (street) or rear (ocean) must be inset so that the privacy of adjoining lots will not be impaired.*

(iv) *No side windows with views of adjoining side properties will be permitted.*

## **ARTICLE XVII AMENDMENT OF BY-LAWS**

**Section 1. Procedure to Amend.** These By-Laws may be amended or repealed or new By-Laws adopted by a vote of not less than two-thirds (2/3) of the Voting Members present in person or by proxy at any meeting of the Association. Notice stating that a purpose of the meeting is to consider the amendment or repeal of the By-Laws or the adoption of new By-Laws, as the case may be, shall be mailed by the Secretary to each of the Voting Members at least five (5) days immediately preceding such meeting.

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**Additions Amended and Approved, Special Meeting April 21, 1993.**

*Italics indicate most recent amendments*

## C O R R E C T I O N

IN THE 9-23-95 NEWSLETTER, REFERENCE MADE TO BY-LAWS "ARTICLE XVII" IS AN ERROR. THE CORRECT REFERENCE SHOULD READ: ARTICLE XVI.

THESE IMPORTANT INTERPRETATIONS ARE REPEATED HERE AND WE SUGGEST YOU KEEP THEM FILED WITH YOUR BY-LAWS.

INTERPRETATION #1: ARTICLE XVI, SECTION 2.b.

WITH REGARD TO VIEWS FROM SECOND STORY ADDITIONS, IT IS THE INTERPRETATION OF THIS COMMITTEE THAT ANY WINDOWS WITH A SILL HEIGHT OF SIXTY-SIX INCHES OR GREATER SHALL NOT BE CONSIDERED TO ALLOW VIEWS OF ADJOINING PROPERTIES. INTERIOR ARRANGEMENTS WHICH CREATE LOWER "EFFECTIVE" SILL HEIGHTS DO NOT FALL WITHIN THIS INTERPRETATION.

INTERPRETATION #2: ARTICLE XVI, SECTION 2.2.iii.

WITH REGARD TO SETBACKS FROM PROPERTY LINES, IT IS THE INTERPRETATION OF THIS COMMITTEE THAT SETBACKS BE MEASURED FROM THE PROPERTY LINE TO THE EXTERIOR FACE OF THE BUILDING WALL WHICH ENCLOSES THE SECOND FLOOR AREA. EXTERIOR SECOND FLOOR ELEMENTS, SUCH AS ROOF EAVES, BALCONIES, LANIS AND ARCHITECTURAL PROJECTIONS, MAY FALL WITHIN THE SETBACK, BUT ONLY TO A MAXIMUM OF FORTY-TWO INCHES. RESTRICTIONS REGARDING VIEWS FROM SECOND-STORY ADDITIONS WILL STILL APPLY, EFFECTIVELY PROHIBITING EXTERIOR BALCONIES AND LANAI AREAS WITHIN THE SIDE AND REAR PROPERTY LINE SETBACKS.

THE MANAGING COMMITTEE

9-25-95