

EXHIBIT 3

BYLAWS

OF

HUNTER'S RIDGE OF BURLINGTON HOA, INC.

The following are adopted as the initial bylaws of Hunter's Ridge of Burlington HOA, Inc.

Section 1. Meetings

- 1.1 Type of Meetings. The members shall have annual meetings and special meetings.
- 1.2 Annual Meeting. The first annual meeting of the members of the Hunter's Ridge of Burlington HOA, Inc. shall be held in the year 2007. Thereafter, they shall be held during each year at a time and place designated by the Board of Directors.
- 1.3 Special Meetings. Special meetings of the members may be called at any reasonable time by the Board of Directors or by members holding at least 5% of the voting power of the corporation. The Board or the secretary shall call a special meeting to be held at a time not less than 2 days after the proper request has been received from either the Board or from the members. If the secretary or the Board does not issue such call, then the call may be issued by any member who signed the petition.
- 1.4 Notice. The secretary shall give written notice of the time and place of each annual or special meeting, to be delivered either personally or by mail to the members entitled to vote, not less than 2 days before the date of the meeting.
- 1.5 Waiver of Notice. The attendance of a member at any meeting without protesting the lack of proper notice shall be deemed a waiver of notice by that member.
- 1.6 Quorum. Except as otherwise provided in the Declarations, a quorum shall exist upon representation at the meeting of members holding at least 5% of the total number of votes entitled to be cast at the time of the vote. Such representation can be in person or by proxy.
- 1.7 Action without Meeting. Any action taken at a meeting of the members may be taken without a meeting if a consent to such action, in writing, is signed by a majority of the members entitled to vote and such consent is filed with the minutes.
- 1.8 Location. Meetings of the members shall be held at the office of the corporation or any other reasonable place designated by the Board.

Section 2. Board of Directors

- 2.1 Number. The affairs of the corporation shall be managed by the Board of Directors. Until the annual meeting held in the year 2010, the initial Board shall consist of 3 Directors appointed by the Class B member who shall serve until their successors are appointed and qualified. At the year 2010 annual meeting, the Board of Directors shall expand from 3 to 5. Class B appointed Directors need not be members of the Association.

- 2.2 Term. Except as otherwise provided, Directors shall be elected for 2 year terms of office and shall serve until their successor is elected. Any vacancy which occurs in the Board while Class B member still exists, shall be filled by the Class B member if the resigning Director was originally appointed by the class B member. Any vacancy which occurs after the Class B member no longer exists or if the Director was originally appointed by the Class A members, shall be filled at the next meeting of the Board by majority vote of the remaining Directors. Any Director elected to fill a vacancy shall serve until the expiration of the term of the Director whose position he or she was elected to fill.

At the year 2010 annual meeting, the Board of Directors shall expand from 3 to 5. At that meeting, the Class B member shall appoint 3 Directors for 1 year terms. Thereafter at each annual meeting, the Class B member shall appoint 3 directors for 1 year terms, until the time as it transfers control of the Board to the Class A members.

At the year 2010 annual meeting, the Class A members shall elect 2 Directors. One of the directors shall be elected for a 1 year term and one of the Directors shall be elected for a 2 year term. At the expiration of the terms of those Directors, until the Developer transfers control of the Board to the Class A members, the Class A members shall elect successor Directors for a 2 year term. Directors elected by the Class A members shall be owners or residents of Hunter's Ridge Subdivision.

- 2.3 Transfer. The Class B member shall transfer control of the Board to the Class A members at the first annual meeting after the following event occurs, either:

- (1) 80% of the total number of living units that are to be constructed in all phases of the development have been sold; or
- (2) Abandonment of the Property by Developer. The property shall be considered abandoned by the Developer if no new construction on a home has been done by a builder for a period of one year; or
- (3) Developer decides to voluntarily transfer control of the Board to the Class A members; or
- (4) No later than December 31, 2018.

At this meeting, all Class B appointed Directors shall resign or be removed from the office, and the Class A members, including the Developer if it still owns a lot, shall elect a Director to fill each vacancy on the Board. The terms of the newly elected Directors shall be from 1 to 2 years, as determined by the Board, so that in any year thereafter, the terms of no more than 3 nor less than 1 Director shall expire. After this meeting, the Directors and their successors shall be elected by Class A members for 2 year terms.

- 2.4 Meetings. The annual meeting of the Board of Directors shall be held reasonably soon after the annual meeting of the members and any special meeting of members. Special meetings of the Board of Directors may be called by the President or by any Director.

- 2.5 Notice. Notice of the time and place of each meeting of the Board of Directors shall be delivered to each Director at least 2 days prior to such meeting. Delivery shall be by personal delivery, telephone, FAX, E-Mail, or by regular mail to a Director at his last known address as shown by the books of the corporation. If mailed, the notice shall be postmarked at least 2 days prior to the time of the meeting and one of the other types of notices shall then be attempted in good faith.

- 2.6 Waiver. Notice of a meeting of Directors may be waived by a Director. The attendance by a Director at any meeting of Directors without protesting the lack of proper notice shall be considered to be a waiver of notice of that meeting.
- 2.7 Quorum. A majority of the Directors shall constitute a quorum. Any action approved by a majority of the Directors present at a meeting at which a quorum is present, shall be considered as the action of the board of Directors.
- 2.8 Action Without Meeting. Any action taken at a meeting of the Board of Directors may be taken without a meeting if a consent to such action in writing is signed by all members of the Board of Directors and such consent is filed with the Board minutes.
- 2.9 Compensation. Directors shall not receive compensation for services rendered to the corporation. However, Directors may be reimbursed for actual proven out-of-pocket expenses incurred in the performance of Board duties.
- 2.10 Duties. The duties of the Board of Directors are to construct, manage, operate, improve, repair and maintain real and personal property owned by the corporation, or which is deemed for the benefit of the subdivision or residents thereof, or which has been dedicated to public use and which may be owned by any governmental agency.
- 2.11 Removal. A Director can be removed from the Board of Directors by a majority vote of the members of the corporation. No reason or cause needs to be given for such removal.
- 2.12 Nomination. Nomination for election to the Board of Directors shall be made by any member (Class A or B) at an annual meeting or at a special meeting, or by a Nominating committee. The number of nominations shall be reasonable.
- 2.13 Nominating Committee. The Nominating Committee (if so established) shall consist of a Chairman, who shall be a member of the Board of Directors, and two members of the corporation. The Nominating Committee shall be appointed by the Board of Directors at least 30 days prior to the annual meeting of the members, to 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 reasonably determine.

Section 3. Officers

- 3.1 Officers. The corporation shall have a President, Secretary and a Treasurer. The Officers and their successors shall be elected by the Board of Directors. The corporation can also have assistant officers as the Board of Directors feels is necessary or desirable, to be elected by the Board of Directors. The President and Secretary shall not be the same person.
- 3.2 Initial Officers. The initial Officers shall be as follows: The President shall be Robert Schroder, the Secretary shall be John Arlinghaus, and the Treasurer shall be Ted Arlinghaus.
- 3.3 President. The President shall have general management powers and authority over the daily business and affairs of the corporation. He shall preside at all meetings of the members and of the Board of Directors. He shall have the power to sign and deliver any document on behalf of the corporation. He also shall have any other powers and duties as the Board of directors may grant to him.

- 3.4 Secretary. The Secretary shall deliver notices of any meetings for which notice are to be given, keep the minutes of all meetings, keep charge of the corporate record books, and shall have any other duties and powers as the Board of Directors or the President may assign to him.
- 3.5 Treasurer. The Treasurer shall have primary responsibility for the funds of the corporation, keep accurate accounts of its financial affairs, and shall have any other duties and powers as the Board of Directors or the President may assign to him.
- 3.6 Other Officers. Other officers, employees or agents of the corporation shall have any authority and perform any duties in the management and operation of te corporation as the board of directors or the president may assign to them.
- 3.7 Resignation and Removal. Any officer may be removed from office by the Board of Directors. No reason or cause needs to be given. Any officer may resign by giving notice to the Board of Directors or to the President. Such resignation shall take effect immediately or at a time specified in the Notice. Unless otherwise specified, the acceptance of the resignation is not necessary to make it effective.

Section 4. Committee

- 4.1 Finance Committee. The Board of Directors may appoint a Finance Committee as provided in the Declaration. The purpose of such Committee is to assist and make recommendations to the Board and Officers in the financial affairs of the Corporation.
- 4.2 Maintenance Committee. The Board of Directors may appoint a Maintenance committee as provided in the Declaration. The purpose of such Committee is to assist and make recommendations to the Board and Officers relating to the maintenance of the corporation's assets.
- 4.3 Nominating Committee. The Board of Directors may appoint a Nominating committee, as provided in Section 2.13 of these bylaws.
- 4.4 Other Committees. The Board of Directors also may appoint any other committees as it feels is helpful and appropriate to carry out its duties.

Section 5. Assessments

5. 1 Assessments. The Board of directors shall assess each owner of a lot or tract as defined in the articles of Incorporation in accordance with the provisions of the Declaration of Covenants, Conditions and Restrictions and Reservation of Easements recorded in the office of the Boone County Clerk, Burlington, Kentucky, that affect any portion of the Hunter's Ridge Subdivision. These assessments shall be made at least annually. If a new assessment is not made, then the amount of the assessment for the new year shall be the same as the prior year.

Section 6. Indemnification

- 6.1 Indemnification. The corporation shall indemnify any current or former Director or Officer against all expenses, including Court costs and attorney fees reasonably incurred by him, in connection with the defense of any action or litigation in which he is a party because of being or having been a Director or Officer. However, if it is determined that he is liable for negligence or misconduct in the performance or his duties to the Corporation, then no indemnification shall occur. The corporation shall make such indemnification, as long as the current or former Director or Officer acted in good faith,

and in a manner in which he reasonably believed to be in the best interest of the corporation, and he reasonably believed that his conduct was lawful. The termination of any action or litigation by judgement, Court order, settlement, conviction, or upon a plea of no contest, shall be considered but shall not in itself, be proof that the person did not act in good faith and in a manner which he reasonably believed to be in the best interests of the corporation and in which he reasonably believed was lawful.

- 6.2 Authorization. Any indemnification can be ordered by court or can be made by the Board of Directors of the corporation after a determination that indemnification of the current or former Director or Officer is proper in the circumstances because he has met the applicable standards of conduct set forth above. Such determination shall be made by a majority vote of the Directors who were not parties to such action or litigation. However if such quorum cannot be attained, the corporation shall obtain a written opinion of an independent Attorney who shall determine whether or not to recommend such indemnification.
- 6.3 Time. Expenses including Court costs or attorney fees incurred in defending any action or litigation, may be paid by the corporation in advance of the final disposition of such action or litigation if authorized by the Board of Directors. Such payment shall only be made after receipt of a payment by or on behalf of the current or former Director or Officer. If it is ultimately determined that he is not entitled to be indemnified by the corporation as authorized in this Section, then any payments so made by the corporation shall be recovered from the current or former Director or Officer.
- 6.4 Not Exclusive. This indemnification is not exclusive of any other rights to which the person seeking indemnification may be entitled by law or under any insurance policy or under any other agreement between the parties.
- 6.5 Insurance. The corporation is authorized to purchase insurance on behalf of any current and/or former directors, Officers, employees or agents of the corporation, to protect those persons against liability incurred by him in such capacity or arising out of his status as a Director, Officer, employee, or agent, whether or not the corporation would have indemnified him against such liability under these bylaws.

Section 7. Miscellaneous

- 7.1 Suspension of Privileges. No member shall be eligible to vote or to be elected to the Board of Directors who is more than 90 days delinquent in the payment of an assessment due to the corporation.
- 7.2 Records. The books and records of the corporation shall be available for inspection by any member during reasonable business hours and after reasonable request. The books shall include all records of the corporation including maintenance schedules, financial affairs, investments, etc. Copies of any of the above may be purchased at a reasonable cost.
- 7.3 Conflict. If a conflict develops between the Articles of Incorporation and these bylaws, the Articles shall control; and if a conflict develops between the Declaration and these bylaws, the Declaration shall control.
- 7.4 Amendments. These bylaws can be amended by at least a 60% vote of the Board of Directors.

The above are the bylaws adopted by the Board of directors of the Hunter's Ridge of Burlington HOA, Inc., and the Directors sign below to indicate their approval of such action dated November 30, 2006.

Robert Elrod

John Arlinghaus

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