

BYLAWS OF
HILLTOP VIEW CONDOMINIUMS HOME OWNERS ASSOCIATION, INC.
(A nonprofit Iowa corporation organized under Chapter 504 Iowa Code)

ARTICLE I

Scope and Definitions

1. The following are Bylaws of HILLTOP VIEW CONDOMINIUMS HOME OWNERS ASSOCIATION, INC., a nonprofit corporation organized under Chapter 504, Code of Iowa, which governs the council of co-owners of Hilltop Condominiums, Regime, situated in Cedar County, Iowa.
2. The term "regime" means the horizontal property (condominium) regime known as Hilltop View Condominiums, and situated and located on the following described real estate situated in Cedar County, Iowa, to-wit:

**Lot 41 and Lot 42, Pedersen Valley, Part Three- Phase Two,
Addition to West Branch, Cedar County, Iowa.**

And

**Outlot G, Pedersen Valley, Part Five, Addition to West Branch,
Cedar County, Iowa.**

The entire site is situated in the City of West Branch, County of Cedar, and State of Iowa.

3. The term "person" shall include a corporation, trust or other entity or representative. All references in the plural or singular shall include the other according to context, and all references to gender shall include male, female or neuter according to context.

ARTICLE II

Members and Voting Rights

1. Subject to the qualifications set forth in paragraph 2 below, the owners of record of the Private Drive Units lawfully submitted to the regime shall constitute the members of the corporation, and membership shall automatically cease when the record ownership of such Unit is terminated. A member may not resign his or her membership and at the same time maintain ownership of his or her Unit. The developer of the regime shall be a member and have the rights of membership with respect to completed but unsold Units that have been submitted to the regime.

2. If ownership is acquired or terminated by instrument of transfer but not of record, or, if acquired or terminated other than by way of instrument of transfer (such as by death, judicial act or dissolution), the person acquiring or succeeding to ownership shall present to the Board of Directors of the corporation evidence satisfactory to it of facts evidencing lawful ownership status. A fiduciary or other official acting in a representative capacity shall exercise all membership rights and privileges of the owner or property right in respect to which he is serving.

3. If more than one person owns an interest in the same Private Drive Unit, all such persons shall be members and remain jointly and severally liable for all membership obligations. In such cases, or if more than one fiduciary or other official is acting in the premises, the votes entitled to be cast by the owners of that unit shall be cast by the person or persons named on a certificate signed by all owners or fiduciaries or other officials. If such certificate is not executed and filed with the Association, the number of votes entitled to be cast with respect to that Unit shall not be counted or voted for purposes of a quorum or in determining the outcome of any vote unless all owners, or fiduciaries, or officials are present and concur that the persons casting such votes have the authority or are otherwise entitled to cast them. This restriction, however, shall not affect the total number of votes outstanding and entitled to be cast which shall be equal to the number of Units in the regime, nor shall it affect any percentage of such total number of votes as is required for any purpose as set forth in any of the condominium documents.

4. The total number of votes outstanding and entitled to be cast by all members is equal to the number of Private Drive Units in the regime. Each member shall be entitled to one (1) vote on all matters to be determined by the members of the corporation either as such or as owners. If there is more than one owner, the owners shall be entitled to one (1) vote collectively. Fractional votes are permitted in cases where multiple owners of a Private Drive Unit cannot agree on which way to cast their collective vote.

ARTICLE III

Membership Meetings

1. The annual meeting and any regular or special meeting shall be held within Cedar County, Iowa, and all such meetings shall be held at such particular time and place (which may or may not be at the registered office of the corporation), as is set forth in the Notice thereof.

2. At any annual, regular or special meeting, the presence of members, in person or by proxy, who are entitled to cast a majority of the total number of votes outstanding as determined by the Declaration shall constitute a quorum for the transaction of business. All actions taken by the members or submitted to them for consideration shall be carried or approved upon the favorable vote of a majority of the votes represented and entitled to be cast at the meeting unless a different rule is provided herein or by the Articles of Incorporation, the Declaration of Condominium, Bylaws or any agreement to which the

Association is a party. If neither the President nor Vice-President is available to preside, a chairperson shall be elected.

3. A special meeting of the members may be called by the President or, in the event of his absence or disability, by the Vice-President or by one-third (1/3) of the directors or by such number of members who are entitled collectively to cast at least twenty-five percent (25%) of the total number of votes outstanding and entitled to be cast.

4. It shall be the duty of the Secretary or his or her designate to give written notice to members of the time and place of the annual meeting and any regular meeting. The person or persons calling a special meeting pursuant to paragraph 3 shall give like written notice of the time and place of such special meeting. All notices shall set forth the purpose or purposes for which the meeting will be held and no action shall be taken at a special meeting which is not directly related to the purposes of the special meeting as defined in said notice.

5. At all meetings the order of business shall consist of the following:

- A. Election of chairperson, if required.
- B. Calling roll and certifying of proxies.
- C. Proof of notice of meeting or waiver of notice.
- D. Reading and disposal of any unapproved minutes.
- E. Reports of officers, if applicable.
- F. Reports of committees, if applicable.
- G. Election of inspectors of election, if applicable.
- H. Election of directors, if applicable.
- I. Unfinished business.
- J. New business.
- K. Adjournment.

Robert's Rules of Order shall govern unless specifically superseded.

6. At all membership meetings, the presence of an owner and the exercise of the voting rights of the owner by proxy shall be permitted and recognized, provided such proxy must be in writing and signed by all persons possessing an ownership interest in the Unit in question and shall set forth the period for which the proxy is to be in force and effect. The decision of the Board of Directors as to the sufficiency of any proxy for recognition shall be final and not subject to appeal to the members.

7. The Secretary shall fix the record date for membership votes prior to any membership meeting. The record date for determining the members entitled to notice of a meeting is the close of business on the day preceding the mailing of the notice of that meeting. The record date for determining the members entitled to vote at a meeting is the date of the meeting.

8. After fixing a record date for notice of a meeting, the Secretary shall prepare an alphabetical list of the names of its members who are entitled to notice of the meeting. The list shall show the address of each member and the number of votes each member is entitled to cast at the meeting. The Secretary shall also prepare on a current basis through the time of the membership meeting a list of members, if any, who are entitled to vote at the meeting but were not entitled to notice of the meeting at the time notice was given. The Secretary shall make each list available as provided in Section 504.711 of the Iowa Code.

9. Notice shall be given by mailing or delivering the same not less than ten (10) nor more than sixty (60) days, or if notice is mailed other than by first class or registered mail, not less than thirty (30) days, prior to the date of the meeting. A mailed notice shall be duly given if addressed to the member at his or her address of record listed in a local telephone directory, unless at the time of giving of such notice, he or she has in writing directed a different mailing address to be carried on the rolls of the corporation. Where a Unit is owned in common or jointly, notice is duly given to the person named in the certificate required by paragraph 3 of Article II.

10. The annual meeting of the members shall be held on the 25th day of October each year at 7 p.m. local time, provided the first annual meeting shall not be held until such date in the year 2018, provided the initial Board of Directors may call an annual meeting prior to such date if such Board elects, all pursuant to the provisions of the Declaration of Condominium in which the Developer as the initial Board of Directors has retained the right to name all directors until such time. The provisions of this paragraph shall not inhibit the calling or holding of any special meeting. At each annual meeting, the President and Treasurer shall report on the activities and financial condition of the corporation. The members shall consider and act upon other such matters as may be raised consistent with the notice and quorum requirements set forth in these Bylaws.

ARTICLE IV

Board of Directors

1. The corporation and its affairs shall be governed, managed, and administered by a Board of Directors. The initial Board is one (1) in number and the initial director shall be Nate Luerkens. The term of the initial director shall commence on the day the Articles of Incorporation are filed with the Iowa Secretary of State and shall be five (5) years or shorter if the initial director resigns prior to the end of his initial term. The initial Board need not be members of the corporation. At the expiration of the term of the initial director and thereafter, the Board of Directors shall be selected from the members of the corporation. An officer or designated agent of a corporate member may serve as a director.

2. From and after the expiration of the term of the initial director, the Board of Directors shall be three (3) in number. At such time, the full complement of three (3) directors shall be elected. Thereafter the term of office for each director shall be two (2) years, except following the expiration of the term of the initial director, one (1) director shall be elected for a one (1) year term, one (1) director shall be elected for a two (2) year term,

and one (1) director shall be elected for a three (3) year term. There shall be no limitation on the number of terms during which a director may serve. All directors shall serve until their successors are duly designated and qualified.

3. Election of directors shall be by ballot in which each member (or members if more than one person holds tide to a Unit) is entitled to east one vote per Unit owned by the member(s) in respect to each vacant Board position. The person receiving a majority of the votes cast for each vacant position shall be elected. Immediately following the expiration of the term of the initial director, the members shall cast votes to fill three (3) vacancies, each succeeding year, votes shall be cast to fill at least two (2) vacancies.

4. Vacancies in the Board of Directors occurring during the months between annual meetings may be filled until the date of the next annual meeting by vote of the majority of the directors remaining in office, whether those remaining constitute a quorum or not.

5. The initial director shall not be subject to removal. Thereafter a director may be removed from office at a special meeting called for such purpose, if at least seventy-five percent (75%) of the total number of votes outstanding and entitled to be cast are voted in favor of such removal.

6. A majority of the Board of Directors may, by resolution, set a time and place for regular meetings of the Board of Directors and no notice thereof shall be required until such resolution is rescinded. Special meetings of the directors may be called by the President or any two (2) directors. Not less than two (2) days notice shall be given, personally or by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting.

7. The Board of Directors, by resolution approved by all members thereof, may designate from among its membership an executive committee or other committees and by such resolution provide the extent and manner to which the same may have and exercise the authority of the Board.

8. Notwithstanding any provision contained in this Article, the Developer agrees to transfer control of the corporation to the unit owners no later than the last of the following to occur:

- a. one hundred twenty (120) days after seventy-five (75%) percent of the Private Drive Units have been sold and conveyed;
- b. ten years after completion of the project/conveyance of the first unit.

ARTICLE V

Officers

1. The officers of the Corporation shall be the President, who shall be a director, a Vice-President, who shall be a director, a Treasurer and a Secretary, who may or may not be directors but who must be members or representatives of non-natural persons who are members, all of whom shall be elected annually by the Board of Directors, except that the initial officers and their successors shall be chosen by the initial Board of Directors and shall serve until the expiration of the term of the initial Board of Directors, and the initial officers need not be members of the Corporation. The Board of Directors may from time to time create and fill other offices and designate the powers and duties thereof. Each officer shall have the powers and duties usually vested in such office, and such authority as is committed to the office by the Bylaws or by specific grant from the Board, but subject at all times to the provisions of the Bylaws and to the control of the Board of Directors. More than one office may be held by a single person.

2. The President shall be the chief executive officer of the Corporation. He or she shall preside at all membership meetings and shall have power to appoint committees from among the members to assist in the conduct of the affairs of the Corporation.

3. The Vice-President shall preside over membership meetings in the absence or disability of the President, and shall otherwise exercise the powers and duties of the President in the event of the absence or disability of the President and shall generally assist the President and exercise such other powers and duties as are prescribed by the Directors.

4. The Secretary shall keep as permanent records the minutes of all corporation meetings, including all meetings of the members and board of directors; a record of all actions taken by the members or directors without a meeting pursuant to a written ballot; and a record of all actions taken by committees of the board of directors. The Secretary shall also keep record of all actions approved by the members for the past three (3) years, shall be responsible for authenticating records of the corporation, and shall give notice where required or directed to do so. The Secretary shall maintain a record of the corporation's members in a form that permits preparation of a list of the names and addresses of all members. The Secretary shall make available during normal business hours to members within five (5) business days after any request for such document current copies of the Articles of Incorporation and Bylaws of the corporation, including amendments thereto, if any; resolutions adopted by its board of directors relating to the characteristics, qualifications, rights, limitations and obligations of the members; all written communications to members generally within the past three (3) years, including the financial statements furnished for the past three (3) years; a list of the names and addresses of the corporation's current officers and directors; and other books, records and financial statements of the corporation.

5. The Treasurer shall have control of the funds and other property of the Association, shall keep the financial books and records thereof, shall be responsible for preparing or arranging for the preparation for annual financial statements that include a balance sheet as of the end of the fiscal year and a statement of operations for that year, and shall pay vouchers approved by the Board or designate some person under his control to do

so. The Treasurer shall cooperate with the Secretary in keeping and making available documents relating to the corporation's finances.

6. Compensation, if any, of all officers and employees shall be fixed by the directors. This provision shall not preclude the Board of Directors from employing a director as an employee, nor from contracting with a director for management of the condominium.

7. Any deed or contract for sale of real estate or lease (or assignment of such contract or lease) may be executed by the President or Vice-President and any officer other than the President or Vice-President. Any lien held by the Association may be released by any of the officers of the Association, provided that an officer shall not be permitted to release a lien against his or her own property. The Board of Directors may, in addition, authorize the execution of the kinds of instruments above mentioned or other instruments required to be executed on behalf of the Association in such manner as it shall by resolution direct.

ARTICLE VI

Powers and Duties of the Board of Directors

All of the powers and duties of the corporation (including those existing under the common law and statutes, the Articles of Incorporation, and the documents establishing the Condominium), shall be exercised by the Board of Directors. Such powers and duties of the directors shall be exercised in accordance with the provisions of the Declaration of Condominium which governs the use of the land, and shall include in addition to those elsewhere provided for, but shall not be limited to, the following:

1. Making and collecting assessments against members for all common expenses.
2. Using the proceeds of assessments in the exercise of their powers and duties as directors.
3. Maintaining, repairing, replacing, and operating the condominium property including all common areas, elements and facilities, and Units, as applicable and contracting new improvements or alterations if authorized, and making or providing for payment for all such work and approving or delegating to the Treasurer authority to approve vouchers therefore.
4. Reconstructing, repairing, restoring or rebuilding of the condominium property and of any Units as applicable after casualty or otherwise.
5. Making and amending regulations restricting the use and occupancy of the property in the condominium, and in their discretion, permitting or forbidding an action or conduct as discretion is committed to them in the condominium documents.

6. Enforcing by legal means the provisions of the condominium documents, the Articles of Incorporation, the Bylaws of the corporation and the regulations for the use of the property in the condominium.

7. Contracting for management of the condominium and delegating to such contractor all powers and duties of the corporation except such as are specifically required by the condominium documents to have approval of the Board of Directors or the membership of the corporation; employing, designating and removing any personnel necessary for the maintenance, repair and replacement of the common areas and facilities.

8. Paying taxes and assessments which are liens against any part of the condominium other than individual Units and the appurtenances thereto, and assessing the same against the Units subject to such liens.

9. Carrying insurance for the protection of owners and the Corporation against casualty, liabilities, and other contingencies.

10. Paying the cost of all utility or other services rendered to any of the condominium property, which is not billed directly to owners.

11. Interpreting and applying the provisions of the condominium documents in matters of dispute between owners or between owners and the Association, which determination shall be binding on the owners; conducting and supervising all votes or determinations by members other than a membership meeting.

12. Acquiring title to and ownership of in the name of the Association Units within the regime upon judicial sale, and on behalf of all owners, selling, leasing or mortgaging such Units and borrowing funds for any legitimate purpose and assigning as security therefore the assessment receivables due the Association, provided the Board of Directors may in no manner affect or encumber the common elements of the regime or any Unit or the percentage interest appurtenant to such (except such Units and the appurtenant interests thereto as the Association has acquired upon judicial sale) and provided further, the authority of the Board of Directors to borrow in excess of Five Thousand Dollars (\$5,000) other than in connection with the mortgage of an acquired Unit to the amount of the loan value thereof shall be exercised only in the event of approval of owners entitled to cast seventy-five percent (75%) of the total number of votes outstanding and entitled to be cast. For purposes of permitted conveyance, lease, or encumbrance of Units or assessment receivables, the Board of Directors shall be regarded as the irrevocable agent and attorney in fact for all owners and members.

ARTICLE VII

Common Expenses: Assessments and Collection

1. The common expenses of the Association include all those legitimately assumed by it in connection with its powers, duties and obligations as set forth in any of the condominium documents and as are necessary or implied in connection with the powers and duties of the Board of Directors and the provisions of Chapter 499B and 504, Code of Iowa. Snow removal and lawn care in connection with common land and the upkeep of the Building exteriors shall be assumed by the Association as common expense.

2. Assessments against the Private Drive Units and the owners thereof shall be made by the Association in order to provide funds for the discharge of all common expense of the Association, which assessments, in addition to being and constituting a lien against the Private Drive Unit in question and the appurtenances thereto shall also be a personal liability of the owner thereof and jointly and severally so if more than one owner. All assessments and funds collected therefrom shall be charged or credited to the owner's account. Unless specifically otherwise provided, as for example in the case of "special" assessments, each Private Drive Unit and owner shall be liable and subjected only to the proportionate share of the total common expense and assessment made therefore as is derived by multiplying the total assessment by the percent interest of ownership of the common elements which is appurtenant to that Unit. Certain common expense for increased insurance premiums provided by Article VIII, paragraph 9, of these Bylaws or on account of the failure of an owner to provide maintenance as provided by Article IX, paragraph 2(c) of the Declaration or other defaults shall be recovered by an assessment made only against a particular Unit(s) and the owner or owners thereof; which assessments are referred to in the condominium documents as "special" assessments and shall be made in the necessary amounts therefore and without regard to the percentage of interest formula. If each Unit does not have its own water meter, the expense of water service furnished to the condominium property shall be a common expense but the assessments therefore may be made either according to the percentage interest appurtenant to each Private Drive Unit or as "special" assessments on some other equitable basis as the Board of Directors may determine.

3. Where a mortgagee or purchaser of a Private Drive Unit obtains title as a result of foreclosure of a first mortgage, such mortgagee or purchaser, his successors and assigns, shall not be liable for the assessments chargeable to such Unit due prior to the acquisition of title and such unpaid assessment shall thereafter be deemed to be common expenses collectible from all owners, including the mortgagee or purchaser, his successors and assigns. The owner of a Private Drive Unit pursuant to a voluntary conveyance or by inheritance or devise shall be jointly and severally liable with the grantor or prior owner for all unpaid assessments whether generally or "specially" levied against said Private Drive Unit and the grantor or prior owner thereof, but without prejudice to the right of such grantee or devisee to recover from the prior owner the amounts paid therefore.

A first mortgagee, upon request, will be entitled to written notification of any default in the performance of the mortgagor of any obligation created by the Declaration of Condominium, the Articles or any other document affecting the condominium, which default is not cured within sixty (60) days.

4. The Board of Directors shall adopt a budget each year for such one-year fiscal period as it elects to report on for income tax purposes, which shall include the estimated funds, required to defray the following common expenses:

(a) Current expense, which shall include all funds and expenditures to be made within the year for which the funds are budgeted (except expenditures chargeable to reserves or additional improvements), including a reasonable allowance for contingencies and working funds, and the assessment for current expense may sometimes be referred to as the working capital assessment and the funds thereof as the working capital fund. Any balance in this fund at the end of each year may be applied to reduce the assessments for current expense for the succeeding year.

(b) Reserve for deferred maintenance, which shall include funds for maintenance items, which occur less frequently annually, and for replacement of common property required on account of depreciation or obsolescence.

(c) Reserve for replacement, which shall include generally funds for repair, reconstruction and the like required because of damage, destruction, or other hazards.

Upon the determination of such budget, the directors shall each year levy an assessment for the amount to be thus assessed against each Private Drive Unit at least thirty (30) days prior to the one year period covered by such budget and assessments. Notwithstanding the foregoing requirement of regular assessments, the Board of Directors may discontinue a regular annual assessment or reserve for replacement or transfer such portion thereof to another fund or account if in its judgment the amount remaining is sufficient to satisfy the best interests of the members.

5. The Board may also make and levy, from time to time, assessments for Common emergency or extraordinary expenses. Emergency assessments and "special" assessments shall be due and payable according to the terms fixed by the Board. Funds for emergency expenses may be raised by emergency assessment and/or by regular but separate reserve accounts and assessments for such purposes.

6. The regular annual assessments made for current expense and deferred maintenance and replacement reserves or for any other purpose shall be due from and paid by the Unit owners as to their shares thereof in twelve (12) equal monthly installments payable on the first day of each month during the one year period in question (or less frequently if the Board of Directors deems monthly payments unnecessary). If any installment of any assessment of any kind or character is in default for more than thirty (30) days, the Board of Directors may accelerate the remaining installments and declare the entire amount thereof due and payable within twenty (20) days after written notice thereof is mailed to the owner in default at his address carried upon the corporate records. When the Association has acquired a Unit, the assessment otherwise due and payable, reduced by the amount of income, which may be derived from the leasing of such Unit by the Association,

shall be apportioned and assessments therefore levied ratably among all other owners according to their percentage interests in the common elements.

7. At such time contemporaneously with the recording of the Declaration of Condominium or subsequent thereto as the Certificate of Occupancy for a Building has been issued or as the Board of Directors determines, in its discretion, that a Building and improvements have been substantially completed and are ready for occupancy, the Board of Directors shall immediately meet and adopt an interim budget and make such assessments of whatever character as are necessary in order to provide for the expenses and obligations of the Association as determined by the condominium documents during the period of any fractional calendar year or any fractional fiscal year as may remain until the commencement of the initial one year period contemplated by paragraph 4 of this Article, which assessments shall be effective as of the date of the Certificate of Occupancy or such determination made by the Board. Any changes in monthly assessments made during the initial director's term are invalid unless the Developer or its successor and assigns have approved such changes.

8. If prior to the date of its first annual meeting the Association requires capital, the Developer may loan to it any sums required in excess of the assessment for which the Developer is liable as owner, in which event the requirement of Article VI, paragraph 12, of approval by a seventy-five percent (75%) vote shall not apply.

9. The share of all sums assessed payable by an owner but unpaid shall constitute a lien on the Unit or of such owner prior to all other liens, except tax liens on the Unit in favor of any assessing unit or special district and all sums payable on a prior recorded first mortgage of record, which lien may be foreclosed by the Association in the manner and with the consequence provided in Section 499B.17, Code of Iowa. In event of foreclosure, the owner shall be required to pay to the Association a reasonable rental for the Unit if he remains in possession thereof. The Association may sue for money judgment for unpaid assessments or sums due without foreclosing or waiving any lien, which it holds. In event of suit or foreclosure, the Association shall be entitled to collect reasonable attorney fees from owner.

10. The Association shall at all times maintain complete and accurate written records of each owner and the address of each, and setting forth the status of all assessments, accounts and funds pertinent to that owner. Any person other than an owner may rely on a certificate made from such records by an officer or agent of the Association as to the status of all assessments and accounts.

11. Notwithstanding anything to the contrary herein contained, any existing regular annual assessment or common emergency or extraordinary expense assessment may not be increased by more than Fifty Dollars (\$50) per month, unless such increase is approved at a special or annual meeting by a vote provided for in Article III, paragraph 2.

12. The initial regular monthly assessment shall be \$100.00 per month. The Board of Directors may change the amount of the monthly assessment without approval from the members, but must provide written notice of such changes.

ARTICLE VIII

Insurance Provisions

1. Responsibility for Insurance. Insurance policies on the condominium property and in respect to liability in connection with the use, ownership or operation thereof shall be purchased and paid for by the Association, and the premium expense thereof shall be a common expense of the regime, and the Association, acting through its Board of Directors rather than any individual owner or owners, shall have the responsibility and authority, subject to the further provisions hereof, to adjust any loss or claim in connection therewith to the extent permissible by law.

2. Assured. All such policies shall be purchased by the Association for the benefit of the Association and the owners of Private Drive Units and their mortgagees as their interest may appear, and provision made where applicable for issuance of certificates of mortgage endorsements to the mortgagees of individual Private Drive Units. For the purposes of its functions under this Article, the Association may be considered the agent coupled with an interest of all the owners.

3. Coverage to be Afforded. (a) All condominium property, meaning the Private Drive Units, general common elements and limited common elements, and whether within or without a Private Drive Unit (excluding only such personal property as may be the sole separate personality of a member) shall be insured by the Association in an amount equal to the maximum insurable replacement value thereof, excluding foundation and excavation costs, as determined annually by the Board of Directors of the Association against loss or damage by fire and other hazards covered by a standard extended coverage hazard or other perils endorsement. Coverage shall also be procured against such other risks of a similar or dissimilar nature as are or shall be customarily covered with respect to Buildings similar in construction, location and use to the Buildings, including but not limited to vandalism, malicious mischief, windstorm, water damage and war risk insurance, if available.

(b) Insurance against public liability and property damage, including liability on account of ownership, maintenance and control of common elements and areas, shall be procured in such form as will protect the Association and all owners and in such amounts as shall be required by the Board of Directors of the Association. Such liability policy or policies shall contain cross liability endorsements to cover the liability of the owners as a group to an owner and shall protect in standard form as a minimum the owners, Board of Directors, officers, agents and contractors of or with the Association. Such liability insurance may include but is not limited to water damage, legal liability, liability in respect to motor vehicles owned or hired, and off-premises employee coverage.

(c) Worker's compensation insurance shall be procured as required to meet applicable law.

(d) Such other insurance may be procured as the Board of Directors shall determine from time to time is necessary and reasonable in order to fully insure the condominium property and the Association and owners and their mortgagees against insurable risks.

(e) It is the intent hereof that the Association procure a single policy to afford the coverage referred to except that separate policies may be procured for different types of risks. Such policy or policies, comprehensive in coverage, are sometimes referred to as the master policy.

(f) If agreeable to the insurer, the policies procured by the Association shall include provisions that they shall be without contribution or proration and that the doctrine of "no other insurance" shall not apply with respect to insurance procured by owners or their mortgagees; that the conduct or default of any one or more owners will not constitute grounds for avoiding liability under doctrines of warranties, conditions or forfeiture with respect to increase in hazard or vacancy clauses or other conditions or warranties purporting to relieve a carrier of its obligations; for payment of common expenses with respect to damaged Units during the period of reconstruction patterned after "use and occupancy" riders; for sub-policies specifying the portion of a master policy earmarked for each owner's interest; that improvements made to Units by the owners shall not affect the valuation of the property with respect to any claims against owners, the Association, and their respective servants, agents or guests or for the naming of such parties as additional insured. Reference to all or any of the foregoing provisions is for the purpose of providing flexibility and certainty and is not to be interpreted as constituting an admission that any of the doctrines or rights referred to are applicable or would exist in the absence of a specific provision or waiver referring to the same.

4. Insurance Trustee. The Board of Directors of the Association may provide that insurance proceeds related to property losses (whether from fire and extended coverage or liability proceeds) be paid to an insurance trustee which shall be a bank or other financial institution in Iowa authorized to serve as such, which insurance trustee, if so designated, shall not be liable for payment of premiums or for the renewal or the sufficiency of policies nor for the failure to collect any insurance proceeds. The duty of the insurance trustee shall be to receive such proceeds as are paid and hold the same in trust for the purpose of adequately safekeeping and properly disbursing the same as determined by adjustment of any loss or any decision of the Association or the Board with respect to repair, reconstruction and the like. Such proceeds shall be held by the insurance trustee in trust for the benefit of the Association and owners and their mortgagees as applicable in such amounts (which need not be set forth on the records of the insurance trustee) undivided in character which are the same as the undivided percentage interest in the common elements appurtenant to the respective Private Drive Units. The proceeds on account of damage solely to a Unit payable under such policies shall be held for the owners thereof in proportion to the cost of repairing the damage suffered by each such owner as determined by the Board of Directors. The fund held by the trustee shall be disbursed as determined by the Association or its Board of Directors, as the case may be.

5. Proceeds Payable to Association. If proceeds are payable to the Association, the same shall be held and disbursed in the same manner as above provided with respect to an insurance trustee.

6. Use of Insurance Proceeds. Unless the Association in the manner provided for shall specifically make a determination not to repair, rebuild, restore or reconstruct, all insurance proceeds to the extent available shall be used for such purposes. In the event of loss or damage, insurance proceeds available shall be first applied to the repair, replacement rebuilding, reconstruction or restoration of the common elements and the balance to the repair, rebuilding, replacement, reconstruction or restoration of Private Drive Units. If the insurance proceeds are in excess of the cost of such work with respect to the common elements, Units, or the common elements only, or the Private Drive Units only, as the case may be, then such excess proceeds shall be applied and paid by the insurance trustee or the Association, as the case may be, to the owners of all the Private Drive Units and their respective mortgagees, such distribution to be separately made to the owner of each Private Drive Unit and his respective mortgagee or mortgagees as their interest may appear in such proportion that the share of such excess proceeds paid to the owner of each Private Drive Unit (and the said mortgagee or mortgagees, if any) shall bear the same ratio and percentage as is provided in Exhibit H to the Declaration of Condominium.

7. Notice to Owners, Mortgagee Provisions. Each owner shall be entitled to receive from the insurance carrier or the Association by endorsement or in other written form, information as to the identity of the policies carried by the Association and of effective and expiration dates, policy amounts and notice of any change or cancellation. A mortgagee or an owner shall receive from the carrier and/or Association a memorandum of the insurance carried by the Association and shall be included where applicable by standard mortgagee clause as may be adjusted according to the provisions of the condominium documents and for condominium purposes in the coverage to the extent of its mortgagor's interest. Where, the mortgagee of a Private Drive Unit so requests, all insurance carriers shall be directed to give notice to such mortgagee of any default on the part of the insured and, if agreeable to the carrier, such policies of insurance shall provide by endorsement or otherwise for the benefit of the named mortgagee that, in the event such policy is canceled by the company or the named insured as provided by its terms, such insurance shall continue in force for ten (10) days after notice to such mortgagee of such cancellation and shall then cease.

8. Insurance by Owner. The individual purchase of separate individual insurance coverage by any owner of a Private Drive Unit is governed by the following:

(a) Limitations. The provisions set out relative to the purchase of master policies by the Association shall not be construed to prohibit the purchase of an individual policy by a member/owner, but each such owner and member agrees to the following limitations with respect to the purchase of an individual policy for fire and extended coverage: (1) No such individual policy shall be procured which by reason of doctrines of co-insurance, contribution or proration, "no other insurance", subrogation or waiver thereof, warranties, conditions or forfeiture, or otherwise would limit, affect or decrease the coverage and

recoverable proceeds under the master policy or invalidate or increase the premium thereof;
(2) Such member/owner agrees for his part that the proceeds from any individual policy shall be applied for the purposes of repair, reconstruction, restoration or of building as determined by the Association or Board of Directors hereunder and to attempt to procure the agreement of any mortgagee to such application of funds.

(b) Permitted Insurance. Each member/owner may separately insure any carpeting, furnishings, personal effects and other sole separate personal property wherever situated as is not insured by the Association and procure public liability and property damage insurance covering causes of action growing out of the ownership, maintenance, and control of his Unit or limited common areas reserved for the use of such Unit as may not be covered by the master liability policy, and may procure an individual policy insuring individual liability to other owners and the Association arising out of intra-Unit ownership, maintenance or control if such protection is not afforded by any master policy. Such liability coverage, where agreeable to the insurer, shall provide that the insurer waives its rights of subrogation as to any claims against other owners of Units, the Association and the respective servants, agents and guests of each.

9. Alterations or Improvements. Alterations or improvements within a Private Drive Unit are prohibited in Article IX, paragraph 6, of the Declaration for this regime, except where approved by the Board of Directors under the conditions there stated. Where such alterations or improvements are approved, it shall be a further condition of approval that any increase in the insurable value of the condominium property, common or otherwise, shall be first adequately insured under the master policy as a common expense recoverable by the Association against the owner by special assessment, provided, if the owner can procure insurance under an individual policy with regard to such alteration or improvements satisfactory to the Board of Directors and which to its satisfaction does not jeopardize as provided in paragraph 8(a) above any master policy, the procuring of such separate policy is permissible. In any event the proceeds of such additional insurance shall be held and applied and subject to the further terms of this Article for the purpose of rebuilding, repair and the like in the same manner as other master policy or individual policy proceeds.

ARTICLE IX

Taxes

1. Real Estate Taxes. Real estate taxes assessed against the regime shall be assessed against the individual Units by the assessing authorities and shall be paid by the owners thereof. Each owner's assessment shall include the owner's fractional share of the common elements as set forth in Exhibit H to the Declaration of Condominium, Each owner when assessed shall be liable to pay all of such taxes assessed and the Association shall have no responsibility to pay the same but may do so as provided in Article VI, paragraph 3, of these Bylaws.

2. Personal Taxes. If any personal taxes are assessed against an individual owner, such owner shall be solely responsible therefore. If any personal taxes are assessed against the Association, such taxes shall be paid by the Association as a part of the Association's common expenses.

ARTICLE X

Action Without Meeting

Any action required by these Bylaws to be taken at a meeting of the members may be taken without a meeting if a consent in writing setting forth the action so taken shall be signed by at least eighty percent (80%) of the members entitled to vote with respect to the subject matter thereof.

ARTICLE XI

Action By Written Ballot

Any vote or determination required or permitted to be made by the members of the Association and not required by law to be made at a meeting of the members may be taken or made pursuant to a written ballot. The Secretary shall deliver a written ballot to every member entitled to vote on the subject matter covered by the ballot. The written ballot shall set forth each proposed action to be considered by the members and shall provide an opportunity to vote for or against each proposed action. Approval of an action by written ballot of the members shall only be valid when (1) at least one-third (1/3) of all members entitled to vote on the action to be considered have returned completed ballots to the corporation and (2) the number of approvals equals or exceeds the number of votes that would be required to approve the action in person at a meeting. All solicitations for votes by written ballot should (1) indicate the number of responses needed to meet the quorum requirements, (2) state the percentage of approvals necessary to approve each matter (other than election of Directors) and (3) specify the time by which a ballot must be returned to the corporation in order to be counted.

ARTICLE XII

Amendment

1. Except as herein provided, these Bylaws may be amended, altered, repealed or new Bylaws adopted by the members at a special or annual meeting of the members upon the affirmative vote of seventy-five percent (75%) of the total number of votes outstanding and entitled to be cast, all in accordance with the Declaration of Condominium establishing the condominium regime and these Bylaws. No amendment, alteration or action taken to repeal these Bylaws and adopt new Bylaws shall change the provisions of the Declaration and these Bylaws which equate membership with Unit ownership, define the total number of votes, and base for each Unit the number of votes, liabilities for assessments, and interests

in funds including insurance proceeds of the Association on the percentage interest appurtenant to that Unit unless unanimous consent of the owners and their mortgagees is secured. Any amendment, alteration or action taken to repeal these Bylaws and adopt new Bylaws, which affect Developer's rights, shall be void unless the written consent of Developer is given.

2. No amendment may be adopted at either a special or regular membership meeting not included in the notice thereof, provided, however, if notice of the proposed amendment has been given, a different amendment relative to the subject matter thereof may be adopted by those present; in person or by proxy, and possessing the requisite percentage of the total number of votes outstanding and entitled to be cast, provided further, no vote by proxy may be counted unless the proxy expressly provides for such contingency. More than one proposed amendment may be included in the notice of a meeting.

3. To the extent provided in Section 499B.14, Code of Iowa, no modification or amendment of these Bylaws shall be effective unless set forth in an amendment to the Declaration of Condominium executed and recorded in the manner set forth in Article XII of the Declaration and in said Code Section, and an amendment to these Bylaws shall constitute an amendment to the Declaration as provided for by law.

4. Unless required by the specific provisions of the condominium documents or by law, an amendment to the Declaration of Condominium not affecting the subject matter of these Bylaws shall not be considered an amendment of these Bylaws.

ARTICLE XIII

General Provisions

1. The invalidity of any portion or provision of these Bylaws shall not affect the validity of the remaining provisions or portions hereof.

2. The Corporation shall not have a corporate seal.

3. The Board of Directors may require fidelity bonds from all directors, officers or agents handling or responsible for Association funds, except any insurance trustee, and shall procure an audit of the accounts and financial records of the Association not less than every two (2) years, and the expense of such matter shall be a common expense of the Association.

4. Each member shall have the obligations as such member as are imposed upon him/her by the condominium documents as an owner, and no member shall have any power or authority to incur a mechanic's lien or other lien effective against the condominium properly, except as the same may attach only against his appurtenant interest therein and be removable as such.

5. The Board of Directors may, in its discretion, issue written evidence of membership, but the same shall be evidence thereof only and shall in no manner be transferable or negotiable, and the share of the member in the assets of the Association cannot be assigned, hypothecated or transferred in any manner except as an appurtenance to such assignment, hypothecation or transfer of the Unit.

6. Pursuant to Article VI, paragraph 1 of the Declaration, so long as a Unit is owned by Developer, Developer shall only be subject to assessment for "current" expense under Article VII, paragraph 4(a), of these Bylaws. Upon acquisition of such a Unit from Developer, however, such Unit shall then be subject to assessment for "reserves" for the prorated balance thereof during the fiscal year in question and the payment thereof in the same amount as previously assessed against Units not owned by Developer and to assessment and, in addition, the lien thereof for any emergency assessments in the same manner as if such Unit had not been Developer owned at the time such assessments were made.

Adopted by the Corporation as of this 5th day of August, 2020.


NATE LUERKENS, SECRETARY