

THIS INSTRUMENT PREPARED BY: Matthew J. Adam, Simmons Perrine Moyer Bergman PLC, 1150 5th Street, Suite 170, Coralville, IA 52241, (319) 354-1019

PROTECTIVE COVENANTS AND RESTRICTIONS
OF
MADDEN ADDITION
TIFFIN, IOWA

AND NOW this 21st day of September, 2021, MHB Properties, LLC, an Iowa limited liability company, (the "Developer"), being the titleholder to the following described real estate located in Johnson County, Iowa:

**Lots 1-17. Lots 18-42, and Lots 43-54, inclusive and Outlot "A" and Outlot "B",
Madden Addition, Tiffin, Johnson County, Iowa, according to the Plat thereof recorded
in Book 65, Page 111, Plat Records of Johnson County, Iowa; (the "Subdivision")**

hereby executes these Protective Covenants and Restrictions for the mutual benefit of those persons who may purchase Lots 1-54 in the Subdivision (collectively the "Lots" and individually "Lot"), which shall be binding upon all present and future owners of each and every Lot as covenants running with the land and with such force and effect as if contained in each subsequent conveyance of land. Notwithstanding anything contained herein to the contrary, these Protective Covenants and Restrictions shall not apply to Lot 55 or Outlot C of the Subdivision.

USE AND BUILDING RESTRICTIONS

1. Lots numbered within the subdivision as shown on the final subdivision plat shall be used only for the following purposes:

- a) Single-Family Residential: Lots 18-42, inclusive, and Lots 43-54, inclusive;
- b) Two-Family Residential: Lots 1-17, inclusive;
- c) Outlot "A," and Outlot "B": Outlot "A" shall be used as common area and Outlot "B" shall be used for storm water detention. The Developer shall convey Outlot "A" and Outlot "B" to the Madden Addition Homeowner's Association for control, maintenance, repair and insurance.

2. The following restrictions shall be applicable to all Lots in the Subdivision:

a. No Lot shall be subdivided. This provision shall not prevent a conveyance of a portion of one Lot to the abutting owner of another so long as said conveyance does not result in an additional building lot being created thereby.

b. For single-family residential Lots, the following shall apply:

Lots 18-42: no building shall be erected having an above-ground floor living area of less than one thousand three hundred fifty (1,350) square feet in the case of a one (1) story structure, nor less than one thousand one hundred (1,100) square feet in the case of a multilevel, one and one-half (1½) story, or two (2) story structure, nor less than one thousand two hundred (1,200) square feet in the case of any split-level structure. Garages, breezeways, screened porches, open porches, decks, or third story square footage shall not be considered as above-ground floor area.

Lots 43-54: no building shall be erected having an above-ground floor living area of less than one thousand six hundred (1,600) square feet in the case of a one (1) story structure, nor less than one thousand two hundred (1,200) square feet in the case of a multilevel, one and one-half (1½) story, or two (2) story structure, nor less than one thousand three hundred (1,300) square feet in the case of any split-level structure. Garages, breezeways, screened porches, open porches, decks, or third story square footage shall not be considered as above-ground floor area.

c. For two-family residential Lots, no building shall be erected having an above-ground floor living area of less than eight hundred (800) square feet in the case of a one (1) story structure, nor less than one thousand two hundred and fifty (1,250) square feet in the case of a multilevel, split-level, one and one-half (1½) story, or two (2) story structure. Garages, breezeways, screened porches, open porches, decks, or third story square footage shall not be considered as above-ground floor area.

d. No trailer, mobile home, tent, boat, unattached garage or barn shall be placed upon any Lot except as specifically provided in these Covenants.

e. All applicable provisions of the Tiffin, Iowa, zoning ordinances shall be observed. With prior written approval from the Developer, and to the extent permitted by Tiffin city ordinances, an owner may apply with the City of Tiffin, Iowa, for variances to said building setbacks where unusual terrain features or unusual circumstances exist.

f. Exterior surfaces of the dwellings shall be constructed of brick, stone, or horizontal lap siding. All siding materials, including final color selections, need to be approved by the Developer. Other materials may be specifically approved in writing by the Developer.

g. All dwelling roofs shall be surfaced with thirty (30) year asphalt architectural shingles.

h. All driveways, vehicle parking area, and walkways will be constructed of concrete, and will be completed within the twelve (12) month period set forth in Paragraph 2(u) below. All sidewalks must be a minimum of four (4) feet in width. All sidewalks shall be installed per the site plan approved by the City of Tiffin, Iowa for each home.

i. During the course of construction, all building contractors shall keep mud, dirt, debris and building materials off of all subdivision roads and other building Lots.

j. The owner of each single-family dwelling unit shall plant three (3) trees: two (2) in the front yard and one (1) in the back yard, each with a minimum trunk diameter of three (3) inches and of a type (species) to be approved by the Developer. Each two-family dwelling unit shall plant two (2) trees: one (1) in the front yard and one (1) in the back yard, each with a minimum trunk diameter of three (3) inches and of a type (species) to be approved by the Developer. Developer may waive any of these requirements in writing.

k. Each single-family and two-family dwelling unit shall have a minimum of two (2) and a maximum of a three (3) car capacity attached garage. All garages must be serviced by a concrete driveway from the existing public street or by an inside entrance to the garage.

l. The initial exterior color of the dwelling shall be subject to the approval of the Developer. A-frames, premanufactured, or dome houses will not be permitted.

m. No trees six (6) inches in diameter or larger will be removed from the Lot without permission of Developer or such person or entity as it may designate in writing.

n. Storage sheds may be permitted with the express written consent of Developer and provided that the design, color and architectural features match the residential structure on the Lot.

o. No fences will be installed unless the same is of black vinyl chain link fence construction four (4) feet in height. No fence will extend along any boundaries of the front yard. No fence shall extend closer to the front of the dwelling than the rear outside corner of said dwelling. No wire strand, barb wire or woven wire fences shall be permitted. No dog runs or outdoor dog kennels are permitted. Swimming pools must be located in the rear yard and must be bordered by a five (5) to six (6) foot high poly-covered black chain link fence. All fences must comply with the City of Tiffin regulations.

p. No structure shall be erected on any Lot exceeding two and one-half (2½) stories, or two and one-half (2½) stories and an exposed basement to the side or rear, and an attached garage for a minimum of two (2) cars and not to exceed three (3) cars.

q. Prior to any construction, two (2) sets of plans and specifications for the proposed structure shall be submitted to the Developer or its designee for approval. In addition to plans and specifications for structure, the applicant shall submit a site plan showing the location and type of fences, parking areas, plantings and landscaping, including the required trees and light post in the front yard, and other relevant matters. The location on the Lot of all proposed improvements, the materials to be used and the exterior color scheme proposed shall be approved by the Developer in writing. The application shall also set forth a time schedule for construction of improvements, and in no event will an application be approved when the proposed construction will take longer than twelve (12) months. The Developer or its designee shall approve or disapprove the application within a period of ten (10) business days after receipt of all of the above documents. The Developer or its designee shall have the right to refuse approval of any application for any reason which the Developer or its designee, in its sole discretion, may deem to be in the best interest of the Subdivision. In the event any proposed construction is not commenced within one (1) year from the date said plans and specifications have been approved by Developer, said approval shall lapse and it shall be the

responsibility of the Lot owner to re-apply for approval prior to the commencement of construction. Developer's review of submissions is only for the purpose of assuring the character of the Subdivision and shall not be relied upon by anyone as a representation as to structural soundness, fitness for a particular purpose or compliance with zoning, building, health or safety codes or ordinances, or any other restrictions on the construction or property.

r. Other than applicable requirements of the Tiffin Zoning Ordinance and the Developer's Agreement entered into with the City of Tiffin in connection with the approval of the subdivision, the Developer may waive or consent to variances in any of the preceding building regulations to prevent hardship to or unintended results for any Lot owner.

s. The entire Lot shall be sodded.

t. No act constituting a nuisance as defined under the provisions of Chapter 657, Code of Iowa, or the common law of Iowa, shall be permitted, and the restrictions pertaining to acts within a county in said Code chapter shall be applicable to this subdivision.

u. Vegetable gardens may be maintained only at the rear of a dwelling.

v. No animals, livestock or poultry shall be raised or kept within the subdivision except for usual household pets, provided the same are not kept or maintained for commercial purposes. Chickens are expressly prohibited. Pets shall be managed in such a way that they do not interfere with the quiet enjoyment of property by other Lot owners. Pets which continue to make loud noises, damage shrubs or other flora, attack other pets or people shall be considered a nuisance. All dogs located off the owner's premises shall be leashed.

w. Motor vehicles used by residents shall be parked in areas designated in the building plans as parking areas. There shall be provided on each Lot sufficient off- street parking area, including driveway, for the parking of at least two (2) automobiles, which area shall be surfaced. No motor vehicle shall be parked on the street of the subdivision overnight or at any time in any manner which would interfere with the flow of traffic. All campers, trailers, boats, recreational vehicles, or snowmobiles shall be stored within a garage or at such other enclosed place where such items are not visible from the street.

x. No Lot shall contain an above-ground swimming pool or tree house. Also, no illuminated or electrical bug or insect killing device ("bug zapper") shall be located or allowed on any Lot.

y. No satellite dish (except for a satellite dish no larger than two (2) feet in diameter attached to the rear facing roof of the house, garage, or deck), radio tower or antenna shall be located on any Lot. The Developer shall approve the location of any satellite dish prior to installation.

z. Outdoor lighting on a timing device shall be prohibited at the rear or sides of a dwelling. Lighting at the rear or sides of a dwelling shall not be left on for an extended period so as to minimize light pollution.

aa. All construction shall be completed within one (1) year from the date of commencement. The owner of any building damaged by fire or act of nature shall within ninety (90) days

thereof, commence restoration or reconstruction of said dwelling, and work shall be completed within one (1) year from the date of destruction.

bb. No inoperable, dismantled, or wrecked motor vehicles, trailers, or machinery or parts thereof, including scrap metal or other scrap materials, commercial vehicles, farm machinery, construction equipment, or similar vehicles and equipment, and non-licensed motor vehicles may be stored on any Lot in the Subdivision unless the same is housed in a garage.

cc. The titleholders of each Lot in the Subdivision, vacant or improved, shall keep his or her Lot free of weeds and debris.

dd. No act constituting a nuisance as defined under the provisions of Chapter 657, Code of Iowa, or the common law of Iowa, shall be permitted.

3. A perpetual easement for utility purposes is reserved on a portion of each Lot as designated on the final subdivision plat. No improvements shall be placed within the easement rights-of-way which in any manner interfere with the installation and maintenance of the utilities within the easement rights-of-way.

4. A perpetual easement is hereby granted in favor of all utility companies servicing the Subdivision and the city of Tiffin, Iowa, and their successors in interest and assigns, upon, over and under, along and across the areas designated on the plat of the subdivision as "easements". Each of said utilities shall have the right to install, lay, construct, reconstruct, renew, operate, maintain and remove conduits, cables, pipes, poles and wires, overhead and underground, with all necessary braces, guys, anchors, cross arms, electric lines, insulators and other equipment or appurtenances for the purpose of serving the subdivision and other property with electricity, gas, communication, and cable service; the right to trim, cut down and remove such trees, brush, saplings and bushes that may interfere with the proper construction, maintenance, operation or removal of said facilities, equipment and appurtenances; and the right of ingress and egress for all of the purposes aforesaid. No permanent improvements, fences or trees shall be placed on the areas so designated for utility easement, but the same may be used for gardens, shrubs, landscaping and other purposes that do not then or later interfere with the aforesaid uses or the rights herein reserved. There are strips of ground designated on the Plat as "Storm Sewer and Drainage Easement", "Drainage Easement", "Water Main Easement", "Sanitary Sewer Easement", "Access Easement" and "Storm Water Detention Easement" which are hereby reserved for public and private utilities, for the installation and maintenance of poles, mains, sewers, drains, ducts, lines, wires and the like. The owners of Lots shall take title subject to the easements hereby created and subject at all times to the rights or proper authorities to service the utilities and the easements hereby created. No permanent structure of any kind shall be built, erected or maintained on said easements except walkways and driveways.

GENERAL COVENANTS

1. These restrictive covenants shall not be binding upon any Lot in said Subdivision so long as title thereto remains in MHB Properties, LLC.

2. The approval required of the Developer under the terms of these Restrictive Covenants shall be exercised by MHB Properties, LLC. or such person or entity as it may designate in writing. Any reference

in these Covenants to Developer shall refer to MHB Properties, LLC or such person or entity as it may designate in writing.

3. Whenever these Restrictive Covenants require or allow the approval of Developer, such approval shall be at the discretion of Developer in the reasonable exercise of its best judgment and the Developer shall not be liable to any person for the granting or refusal to grant its approval hereunder.

4. The Restrictions of these Protective Covenants shall remain in effect and shall inure to the benefit of and be enforceable by MHB Properties, LLC, the Madden Addition Homeowner's Association, or any owner of a Lot or part of the real estate or other property as is hereinafter made subject to these Protective Covenants, for a period of twenty-one years (21) from the date hereof. These covenants may be extended for additional terms of twenty years any time during the current term by any Lot owner filing a Verified Claim with the Johnson County Recorder, at any time prior to the expiration of the then current term in accordance with the requirements of §614.24, Code of Iowa, or its successor. Pursuant to §614.25, Code of Iowa, the filing of such Verified Claim shall cause these covenants to be extended for an additional twenty- one (21) term from the date of such filing.

5. Each Lot owner, with the exception of Outlot "A" and Outlot "B", shall automatically become a member of Madden Addition Homeowners Association and shall be subject to assessment to carry out the purposes of the Association. Assessments shall be allocated among the members prorata based on the number of votes the member is entitled to cast. Notwithstanding any other provision of these covenants, Developer shall be the sole voting Member of the Association until Developer no longer owns any portion of any Lot, or until Developer waives, in writing, its right to be the sole voting member. Until such time, Developer shall have the right to elect all Directors and to cast all votes as it deems appropriate. Each owner by acceptance of a deed to a Lot shall be deemed to have released Developer from all claims with respect to actions taken while Developer controls the Association or during the development phase. Lots in the subdivision, regardless of the number of owners of said Lots, shall be entitled to the following votes in matters over which the Association has control as follows:

- a. Lots 18 through 42 and 43 through 54: One (1) vote per Lot;
- b. Lots 1 through 17: One (1) vote per dwelling unit;

6. Madden Addition Homeowners Association is organized and shall operate for the purpose of owning, maintaining, controlling and managing the common areas (including mailbox pads) and storm water management facilities serving the Subdivision, including, but not limited to the mailbox pad, Outlot "A" and Outlot "B". The Articles of Incorporation of the Association are set forth on Exhibit A and the By-laws of the Association are set forth in Exhibit B. The Association shall also have the right to enforce any of the protective covenants and restrictions set forth herein as well as to represent the interests of Lot owners to issues affecting development of surrounding areas and maintaining the quality of environment and quality of life within the subdivision. The Developer shall convey title of Outlot "A" and Outlot "B" (as shown and set forth on the plat for the Subdivision) to the Association for use as a common area and storm water detention easement. The Developer may, at its discretion, also convey the other common areas of the Subdivision to the Association. The Association shall assume all responsibilities of the "Owner", (as that word is defined in the Stormwater Management Facility Maintenance Agreement and Easement for the Subdivision ("SMFMA"), which SMFMA is recorded in conjunction with the subdivision documents for the Subdivision), and the Association

shall hold the Owner harmless from and liability or obligations under the SMFMA. Owner hereby assigns all of its obligations under the SMFMA to the Association.

7. The assessments, together with interest, costs and reasonable attorney's fees required for collection of past due assessments shall be a charge on the land and shall be a continuing lien upon the Lot against which each such assessment is made. Each such assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the owner of such property at the time when the assessment falls due. The personal obligation for delinquent assessments shall not pass to any successors in title unless expressly assumed by such successor, but the lien therefore shall remain until foreclosed or released. A portion of such monthly assessments shall be set aside or otherwise allocated in a reserve fund for the purpose of providing repair, replacement, removal and demolition of the Association controlled areas. Notwithstanding the foregoing, Developer may use any reserve funds, if established, to defray operating costs, as it deems appropriate. Developer shall not be liable for any monthly assessments or special assessments upon Lots owned by it. Developer is not responsible for the establishment of a budget as long as Developer is the sole voting member of the Association.

a) The Association may purchase a master comprehensive public liability insurance policy to cover risks from its responsibilities hereunder in such amount or amounts as the Board of Directors shall deem appropriate from time to time. Such comprehensive public liability insurance policy shall cover the Association, its Board of Directors, any committee or organization of the Association or Board of Directors, all persons acting or who may come to act as agents or employees of the foregoing, all owners and all other persons entitled to occupy any Lot. The Association shall also obtain any other insurance required by law to be maintained, including but not limited to workers compensation insurance, and such other insurance as the Board of Directors shall from time to time deem necessary, advisable or appropriate.

8. If the parties hereto or any of them or their heirs or assigns, shall violate or attempt to violate any of the covenants or restrictions herein during their existence as provided for in Paragraph 3, it shall be lawful for any other person or persons owning any other Lot in said subdivision to prosecute any proceedings at law or in equity against the person or persons violating or attempting to violate any such covenants or restrictions and either prevent said person or persons from so doing or for recovery of damages or other dues for such violation. The prevailing party in any such action shall be entitled to recover its costs, expenses and reasonable attorney's fees from the other party.

9. The periodic assessment shall be set annually by the Board. In addition to periodic assessment, the Association may levy a special assessment for the purpose of defraying, in whole or in part, the cost of special maintenance, or to cover operating deficits from prior to current periods. Assessments shall not be in equal amounts as to each Lot, but shall be assessed on a *prorata basis* so that each duplex unit is assessed fifty percent (50%) of the amount of the assessment made against each Lot containing a detached single family home.

Invalidation of any one of these Covenants by judgment or court order shall in no way affect any of the other provisions which shall remain in full force and effect.

10. The Owner of any Lot subject to these protective covenants assumes, by acceptance of a Deed for the Lot, Developer's obligations with respect to such Lot for: (i) soil erosion control on such Lot from and after the delivery of the Deed; and (ii) installation of sidewalks or trails as required by the City of Tiffin, if not already installed by the Developer. Such Owner shall cooperate with Developer in obtaining a transfer of

any soil erosion control NPDES, CSR or other governmental permit with respect to soil erosion, wetland and other environmental laws, to such Owner or the cancellation or other termination of the permit currently in the name of Developer or its affiliate, and the reissuance of a permit in the name of such Owner. At any time required by Developer, any party accepting a Deed for any Lot or part thereof shall execute the appropriate documentation required by the Iowa Department of Natural Resources, the City of Tiffin, Iowa, or other governmental body to release Developer from responsibility for executing a soil erosion plan (including monitoring and record keeping) as it applies to the Lot for the period of time after the delivery of a Deed for such Lot, and to release Developer from any other obligation for environmental matters for the period of time after delivery of a Deed. Any party that accepts a Deed for any Lot or part thereof who fails to cooperate with Developer, fails to execute documentation to relieve Developer from responsibility for soil erosion or fails to comply with the lawful requirements for control of soil erosion shall be obligated to hold Developer harmless from all liability, costs and expense, including reasonable attorney fees, arising from such failure by such party.

11. Developer may, at any time prior to the time, subject additional property which is contiguous to the Subdivision to these Protective Covenants and Restrictions by written instrument filed in the records of Johnson County, Iowa.

12. These Protective Covenants and Restrictions may be amended from time to time with the written consent of at least two-thirds (66.67%) of the Owners entitled to cast a vote. Said amendment shall be executed in writing and signed by the owners of at least two-thirds (66.67%) of the Owners entitled to cast a vote and the same shall be filed of record in the office of the Johnson County Recorder. Notwithstanding the above, The Developer hereby reserves the right to enter into agreements with the owner of any Lot or Lots in the Subdivision (without the consent of owners of other Lots in the Subdivision or owners of adjoining or adjacent property) to waive or deviate from any or all of the covenants set forth herein or to revise these Covenants. Any such waiver, amendment or deviation shall be placed in writing and shall not constitute a waiver of the particular restrictive covenant involved or any other restrictive covenant as to the remaining property in the Subdivision. These covenants may be amended by the Developer at anytime as long as the Developer owns any Lot in the Subdivision. Any amendment to these Covenants shall be recorded in the Johnson County Recorder's Office.

ZERO LOT LINE RULES & REGULATIONS

In addition to the foregoing covenants, the following protective covenants and restrictions apply to Lots 1-18 in the Subdivision zoned for "Zero Lot Line" dwellings, and shall be binding upon all of the present and future owners thereof as covenants running with the land:

1. The common wall connecting the two laterally attached dwelling units shall be a party wall and the owner of each dwelling unit shall have the right to use said wall jointly with the owner of the other dwelling unit as provided by Iowa law, subject to the terms hereof.

2. Except as otherwise provided herein, all elements, including but not limited to utilities, water, sanitary sewer, storm sewer, and driveways, shall be separate utilities and the owner of a dwelling unit shall have no right to use said elements jointly with the owner of the other dwelling unit.

3. Each Zero Lot Line dwelling unit is subject to a reciprocal easement, extending five feet on either side of the common boundary line for utilities, for the benefit of the Zero Lot Line dwelling unit with which it shares a common wall.

4. If the common wall or any element therein, is damaged or destroyed or requires maintenance, repair or replacement for any reason, the owner of each dwelling unit shall be jointly and severally liable for the cost of such maintenance, repair or replacement, except that if repair, replacement or restoration is required because of the sole negligent or willful act or omission of the owner of one of the dwelling units, the cost thereof shall be at such owner's sole expense; provided, however, any sum received from insurance coverage shall first be applied to such repair, replacement or restoration. The owner of a dwelling unit may seek indemnification or contribution from any party responsible for damage or destruction.

5. The owner of a dwelling unit shall not alter or change the common wall (interior decorations excepted) or any of the pipes or conduits located therein without the express permission of the owner of the other dwelling unit.

6. The owner of each dwelling unit shall bear the expense of any repairs or replacement of the roof covering his dwelling unit. Each owner shall make all necessary repairs and replacements of his dwelling unit at his own expense in order to maintain the interior, exterior and structural portions of the dwelling unit in good condition. The following provisions shall govern exterior repairs or replacement:

a. The owner of a dwelling unit may replace exterior components of his dwelling unit with similar components of the same design and color but may not, either in the course of ordinary replacement, remodeling or restoration after damage or destruction, employ different siding, roofing material or a different color scheme, for the components of the dwelling unit (including but not limited to the exterior doors and garage door), unless first obtaining the written consent of the owner of the other dwelling unit, which consent may only be given if the variation in siding, roofing material or color scheme is adopted by the owner of the other dwelling unit and if such variation satisfies other restrictive covenants of record.

b. If any dispute arises concerning a change of siding, roofing materials, or color scheme, each party shall choose one arbitrator and such arbitrators shall choose one additional arbitrator, and the decision of the majority of all the arbitrators shall be final and conclusive of the question presented. If either party refuses or fails to promptly appoint an arbitrator, the same may be appointed by any Judge of the District Court of Iowa in and for Johnson County. Arbitration shall be in accordance of the rules of the American Arbitration Association and the cost thereof shall be shared equally by the parties.

7. The owner of each dwelling unit shall insure his dwelling unit for 100% replacement value and the proceeds of such policy shall be used to repair, replace, or restore the damaged premises to the same condition that existed before the loss. The owner of each dwelling unit shall coordinate his insurance policy on the premises with the owner of the other dwelling unit in order to assure there is adequate coverage for the unit and all other common aspects, including, but not limited to utilities, water, sanitary sewers, storm sewers, easements and driveway. The owner of each dwelling unit shall be insured to the extent of his interest in a dwelling unit and any common aspect and should be named as an additional insured on any insurance policy held by the owner of the other dwelling unit. In addition, the mortgagee of each dwelling unit, if any, shall be designated as an insured to the extent of its interest in the dwelling unit, that portion of the insurance proceeds required to replace or repair said common wall or other common aspects shall be paid over to the mortgagee of

each respective dwelling unit and shall be distributed by the mortgagee as required to make the repairs or replacement.

8. If the common wall is destroyed or damaged by fire or other casualty or by physical deterioration, any owner may restore it, and shall have an easement over the other dwelling unit for purposes of making such restoration and the owner of the other dwelling unit shall contribute to the cost of restoration thereof on an equal basis, without prejudice, however, to the right of any owner to call for a larger contribution from the other owner under any rule of law regarding liability for acts or omissions.

9. If any portions of a dwelling unit on any Zero Lot Line dwelling unit shall actually encroach upon any other Zero Lot Line dwelling unit, or if any such encroachment shall hereafter arise because of settling or shifting of the building or other cause, there shall be deemed to be an easement in favor of the owner of the encroaching dwelling unit to the extent of such encroachment so long as the same shall exist.

10. If any repairs, installation or other work is required in the external utility easement area described herein the area shall be returned to the condition prior to such work at the expense of the owner(s) of the dwelling unit(s) benefited by the work. The owner(s) of the dwelling units benefited by the work shall be responsible for the cost of such work, and the cost of repairing damage to the utilities in the easement area and to the dwelling units. All work shall be done in workmanlike fashion by appropriately licensed personnel. The owner of a dwelling unit may seek indemnification or contribution from any party for the cost of the work.

11. The owner of each dwelling unit agrees to indemnify and hold harmless the owner of the other dwelling unit for any mechanic's liens arising from work done or materials supplied to make repairs or replacements for which said owner is responsible.

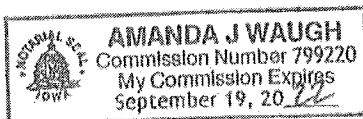
DATED this 21st day of September, 2021.

MHB PROPERTIES, LLC.

By: [Signature]
Dan Sweeting, Manager

STATE OF IOWA)
) ss:
JOHNSON COUNTY)

This instrument was acknowledged before me on this 21st day of September, 2021, by Dan Sweeting, Manager of MHB Properties, LLC



[Signature]
Notary Public in and for the State of Iowa
My commission expires: 9-19-2022

EXHIBIT A
ARTICLES OF INCORPORATION
OF
MADDEN ADDITION HOMEOWNERS ASSOCIATION

The undersigned, acting as incorporator of a corporation under the Iowa Non-Profit Corporation Act under Chapter 504 of the 2011 Code of Iowa, adopts the following Articles of Incorporation for such corporation:

ARTICLE I
NAME

The name of this corporation shall be Madden Addition Homeowners Association, and it is incorporated under Chapter 504 of the 2011 Code of Iowa.

ARTICLE II
PURPOSE AND POWERS

A. The purpose of the corporation is to provide an entity for the management of the affairs of and to act as the council for co-owners for those purposes described in the Protective Covenants and Restrictions of Madden Addition Subdivision (the "*Covenants*"), including but not limited to ownership and maintenance of stormwater management facilities, common areas, Outlot A and Outlot B.

The corporation shall have all powers and purposes granted to or implied to a council of co-owners under the provisions of Chapter 504 of the 2011 Code of Iowa, and as are granted or implied by the Covenants, and all of such powers shall likewise constitute lawful purpose of the corporation.

B. In managing the affairs of the Subdivision, the corporation may join with the management of any other corporation(s) managing a Subdivision(s) in securing or providing services or facilities common in whole or in part to both or all, and in discharging the expense thereof.

C. The purpose of the corporation is not for private profit or gain, and no part of the corporation's activities shall consist of carrying on political propaganda or otherwise attempting to influence legislation, and the corporation is expressly prohibited from making any distributions of income to its

members, directors or officers, although members, directors or officers may be reimbursed for expenses incurred while conducting the affairs of the corporation. No dividends shall be paid to members at any time.

ARTICLE III
REGISTERED OFFICE AND AGENT

The address and initial registered office of the corporation is 1150 5th Street, Suite 170, Coralville, Iowa 52241, and the name of its initial registered agent at such address is Matthew J. Adam.

ARTICLE IV
BOARD OF DIRECTORS

The number of Directors constituting the initial Board of Directors of the Corporation is one (1), and the name and address of the person who is to serve as the initial director is:

Dan Sweeting

PO Box 437
Hills, IA 52235

This initial Board of Directors shall not be subject to removal until their terms expire as provided in the Bylaws. Thereafter, a Director may be removed from office at a Special Meeting of the members of the Corporation in such matter as may be provided by the Bylaws. After the initial Board of Directors, the Board shall consist of three (3) Directors.

ARTICLE V
INCORPORATOR

The name and address of the incorporator is:

Dan Sweeting

PO Box 437
Hills, IA 52235

ARTICLE VI
BYLAWS

The initial Bylaws of the corporation shall be adopted by its initial Board of Directors; thereafter the power to alter, amend or repeal the Bylaws or adopt new Bylaws is reserved to the members of the corporation.

ARTICLE VII
MEMBERS AND VOTING

Persons or entities owning Lots within the Subdivision, (and Future Development Ground, as defined in the Covenants), shall be members of the corporation, all of which, and the rights and obligations thereof, shall be governed by the provisions of the Bylaws. The voting rights of the members shall be fixed, limited, enlarged and denied to the extent specified by the Bylaws, provided there shall be as many votes entitled to be cast with respect to the affairs of the corporation, including amendments, dissolution and other determinations authorized by statute, as there have been Lots submitted to and existing within the Subdivision, and each member shall be entitled to cast votes as established by the Covenants and Lots to the Subdivision and the Bylaws of the corporation.

ARTICLE VIII
DISTRIBUTION OF ASSETS UPON LIQUIDATION

In the event of liquidation, assets remaining for distribution, if any, shall be distributed to the members in accordance to their proportionate share of the ownership Lots existing in the Subdivision as determined by the Covenants and/or the Bylaws, which distribution shall not be deemed to be a dividend or a distribution of income.

ARTICLE IX
DISSOLUTION PROVISIONS

Upon the dissolution of the corporation, the Board of Directors shall, after paying or making provisions for the payment of all liabilities of the corporation, dispose of all the remaining assets of the corporation exclusively for the purpose(s) of the corporation set forth in Article II hereof in such a manner or to such organization or organizations operated exclusively as charitable organizations as the Board of Directors shall determine. Any such assets not so disposed of shall be disposed of by the District Court of the County in which the principal office of the corporation is then located, exclusively for such purposes or to such organization or organizations as said District Court shall determine which are organized exclusively for such designated purpose(s).

21st IN WITNESS WHEREOF, the undersigned has caused this instrument to be duly executed this
day of September, 2021.

MADDIN ADDITION HOMEOWNERS ASSOCIATION

By: [Signature]
Dan Sweeting, Incorporator

STATE OF IOWA, COUNTY OF JOHNSON) ss:

On this 21st day of September, 2021, before me, the undersigned, a Notary Public in and for the State of Iowa, personally appeared Dan Sweeting, the Incorporator, to me known to be the identical person named in and who executed the foregoing instrument, and acknowledged that he executed the same as his voluntary act and deed.

[Signature]
Notary Public in and for the State of Iowa
My commission expires: 9-19-2022

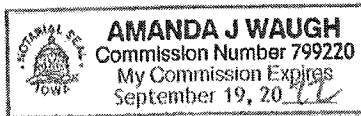


EXHIBIT B

BYLAWS OF

MADDEN ADDITION HOMEOWNERS ASSOCIATION, INC.

(A nonprofit Iowa limited liability company organized under Chapter 504 Iowa Code)

ARTICLE I

Scope and Definitions

1. The following are Bylaws of Madden Addition Homeowners Association, Inc., a nonprofit corporation organized under Chapter 504, Code of Iowa, which govern the council of co-owners established by the Protective Covenants and Restrictions of Madden Addition Subdivision (the "Covenants"), which subdivision is situated in Johnson County, Iowa.

2. The term "Subdivision" means the Subdivision known as Madden Addition Subdivision, and situated and located on the following described real estate situated in Johnson County, Iowa, to-wit:

THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION THIRTY-FOUR (34), IN TOWNSHIP EIGHTY (80) NORTH, RANGE SEVEN (7) WEST OF THE 5TH P.M., EXCEPTING THEREFROM THAT PORTION CONVEYED TO THE STATE OF IOWA FOR HIGHWAY PURPOSES IN BOOK 345, PAGE 422. EXCEPTING THEREFROM AUDITOR'S PARCEL 2010025 AS DESCRIBED AND DEPICTED ON ACQUISITION PLAT RECORDS OF JOHNSON COUNTY, IOWA; RECORDED IN BOOK 55, PAGE 19, PLAT AND FURTHER EXCEPTING THE PARCEL CONVEYED TO THE STATE OF IOWA BY WARRANTY DEED RECORDED IN BOOK 5612, PAGE 696, RECORDS OF JOHNSON COUNTY, IOWA.

(Collectively referred to herein as the "Real Estate")

Madden Addition Subdivision (the "Subdivision") is located on the Real Estate and includes Lots 1-54, inclusive, (collectively Johnson, 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 any Lot (excluding Lots 55, Outlot A, Outlot B, and Outlot C) shall constitute the members of the corporation, and membership shall automatically cease when the record ownership of such Lot is terminated. A member may not resign his or her membership and at the same time maintain ownership of his or her Lot. The Developer of the Subdivision shall be a member and have the rights of membership with respect to unsold Lots that have been submitted to the Subdivision.

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. Each owner shall be entitled to cast that number of votes on each matter coming before the meeting as provided in the Covenants.

(a) For the purposes of the conducting of meetings and voting at meetings, the Developer, if an owner of one or more Lots, shall be considered included within the term "owner" for the purposes of these Bylaws. Voting rights shall be determined in accordance with the Covenants. When more than one person holds an interest in any Lot, all such persons shall be members. The votes for such Lot shall be exercised as they among themselves determine, but in no event shall the votes held for one Lot be split.

(b) Multiple Owners. Where the owner of a Lot constitutes more than one (1) person, there shall be only one (1) voting representative entitled to the votes allocable to that Lot. In the event the owners of one (1) Lot cannot agree on how votes shall be cast, they shall forfeit their voting right on such issue as fractional voting shall not be permitted.

(c) Voting by Corporation or Trust. Where a corporation or trust is an owner or is otherwise entitled to vote, the trustee may cast the vote on behalf of the trust and the agent or other representative of the corporation duly empowered by the Board of Directors of such corporation shall cast the vote to which the corporation is entitled. A mortgagee may not be entitled to vote unless the mortgagee has become an owner of a Lot.

(d) Proxy. An owner may vote either in person or by his/her duly authorized and designated attorney-in-fact. Where voting is by proxy, the owner shall duly designate his/her attorney-in-fact in writing, delivered to the Association prior to the commencement of the meeting.

(e) Quorum. Except as otherwise expressly provided in the Covenants or these Bylaws, fifty percent (50%) of the votes entitled to be cast on a matter must be represented at a meeting of members to constitute a quorum on that matter.

ARTICLE III

Membership Meetings

1. The annual meeting and any regular or special meeting shall be held within Johnson 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 Covenants 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, Covenants, 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 Developer, the President or, in the event of his absence or disability, by the Vice-President or by any one Director or by such number of members who are entitled collectively to cast at least fifty percent (50%) 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 Lot 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 Lot 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 second Tuesday of each October at 7 p.m. local time, provided the first annual meeting shall not be held until such date in the year 2022, 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 Covenants 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 Dan Sweeting. 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 so that at each annual meeting thereafter the term of office of one member of the Board shall expire and one new director shall be elected accordingly, but 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 Lot) is entitled to east one vote per Lot 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 one (1) vacancy.

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 one (1) director. 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 Lot owners no later than the last of the following to occur:

(a) one hundred twenty (120) days after one hundred (100) percent of the Lots have been sold and conveyed or at such time as Developer no longer has any right or interest in the Future Development Ground;

(b) twenty years after completion of the project/conveyance of the first Lot.

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 Subdivision.

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 Covenants), 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 Covenants 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 items set forth in the Covenants, including the storm water detention facilities, including all storm water lines, pipes, mains and conduits contained on any Lot in the Subdivisions including all common areas, elements and facilities, 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 storm water detention facilities, including all storm water lines, pipes, mains and conduits contained on any Lot in the Subdivisions as applicable after casualty or otherwise.
5. Making and amending regulations restricting the use storm water detention facilities, including all storm water lines, pipes, mains and conduits contained on any Lot in the Subdivisions, and in their discretion, permitting or forbidding an action or conduct as discretion is committed to them in the Covenants.
6. Enforcing by legal means the provisions of the Covenants, the Articles of Incorporation, the Bylaws of the corporation.
7. Contracting for management of the storm water detention facilities, including all storm water lines, pipes, mains and conduits contained on any Lot in the Subdivisions and delegating to such contractor all powers and duties of the corporation except such as are specifically required by the Covenants 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 real estate owned by the Association, other than individual Lots, and the appurtenances thereto, and assessing the same against the Lots 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 real estate owned by the Association, which is not billed directly to owners.
11. Interpreting and applying the provisions of the Covenants 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 of real estate, and on behalf of all owners, selling, leasing or mortgaging such real estate and borrowing funds for any legitimate purpose and assigning as security therefore the assessment receivables due the Association, and provided further, the authority of the Board of Directors to borrow in excess of Five Thousand Dollars (\$5,000) shall be exercised only in the event of approval of owners entitled to cast seventy-five percent (55%) of the total number

of votes outstanding and entitled to be cast. For purposes of permitted conveyance, lease, or encumbrance of Lots 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 the Articles of Incorporation, Covenants and Bylaws and as are necessary or implied in connection with the powers and duties of the Board of Directors and the provisions of Chapter 354 and 504, Code of Iowa.

2. Assessments against the Lots 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 Lot 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 Lot 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 Lot. Certain common expense for increased insurance premiums provided by the Covenants, of these Bylaws or on account of the failure of an owner to provide maintenance as provided by of the Covenants or other defaults shall be recovered by an assessment made only against a particular Lot(s) and the owner or owners thereof; which assessments are referred to in the Covenants as "special" assessments and shall be made in the necessary amounts therefore and without regard to the percentage of interest formula.

3. Where a mortgagee or purchaser of a Lot 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 Lot 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 Lot 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 Lot 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 Covenants, the Articles or any other document, 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 Lot 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 Lot 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 Lot, the assessment otherwise due and payable, reduced by the amount of income, which may be derived from the leasing of such Lot 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. 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 approval by a seventy-five percent (75%) vote shall not apply.

8. The share of all sums assessed payable by an owner but unpaid shall constitute a lien on the Lot or of such owner prior to all other liens, except tax liens on the Lot in favor of any assessing Lot or special district and all sums payable on a prior recorded first mortgage of record, which lien may be recorded and foreclosed by the Board for and on behalf of the Association as provided by law. In event of foreclosure, the owner shall be required to pay to the Association a reasonable rental for the Lot 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.

9. 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.

10. The initial regular annual assessment shall be \$200.00 per year, subject to increases or decreases by the Developer until such time and the Developer turns the Association over to the owner. The Board of Directors or Developer 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

I. Responsibility for Insurance. Insurance policies on property owned by the Association 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 Subdivision, 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 Lots 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 Lots. 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) 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.

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

(c) 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 Association property against insurable risks.

ARTICLE IX

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 (75%) of the members entitled to vote with respect to the subject matter thereof, or by the Developer until such time as the Developer turns over the Association to the owners.

ARTICLE X

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 XI

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 at least seventy-five (75.00%) of the owners entitled to cast a vote all in accordance with the Covenants and these Bylaws or by the Developer so long as the Developer owns any Lot. No amendment, alteration or action taken to repeal these Bylaws and adopt new Bylaws shall change the provisions of the Covenants and these Bylaws which equate membership with Lot ownership, define the total number of votes, and base for each Lot the number of votes, liabilities for assessments, and interests in funds on the percentage interest appurtenant to that Lot 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. These Bylaws may be amended by a vote of not less than two-thirds (66.67%) of the votes of the owners in a duly constituted meeting called for such purpose.

ARTICLE XII

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.

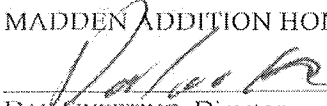
3. The Board of Directors may require fidelity bonds from all directors, officers or agents handling or responsible for Association funds, except any insurance trustee, and shall procure an audit of the accounts and financial records of the Association not less than every five (5) years, and the expense 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 Covenants as an owner, and no member shall have any power or authority to incur a mechanic's lien or other lien effective against the property in the Subdivision, 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 Lot.

Adopted by the Corporation as of this 21st day of September, 2021.

MADDEN ADDITION HOMEOWNERS ASSOCIATION


DAN SWEETING, Director