BYLAWS

OF

SMIGEL SECOND ADDITION HOMEOWNER ASSOCIATION

These are the Bylaws of Smigel Second Addition Homeowner Association (hereinafter referred to as "ASSOCIATION"), a corporation organized pursuant to Chapter 504 of the Code of Iowa (2017), for the purpose of the ownership, control, management, maintenance, upkeep and repair of the common areas of Smigel Second Addition and Smigel Third Addition subdivisions, as shown and designated on the plat of Smigel Second Addition, Johnson County, Iowa, and on the plat of Smigel Third Addition, Johnson County, Iowa, according to the recorded plats thereof.

This Association is created in conjunction with and in contemplation of the development of the Smigel Second Addition residential subdivision in Johnson County, Iowa, by Hodge Construction (the "Developer"). It is the Developer's intention to transfer all of its interest in any such common areas to the Association.

I. MEMBERS AND VOTING RIGHTS

1. Every person or entity who is a record owner of a fee or undivided fee interest, including contract vendees, in Smigel Second Addition, Johnson County, Iowa, and Smigel Third Addition, Johnson County, Iowa, shall be a member of the Association. Such membership shall automatically cease upon termination of all interests which constitute a person or entity as an Owner.

The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separate from ownership of the lot which is subject to assessment by the Association.

The Association shall have one class of voting membership. Each such lot shall be allocated one vote in the Association.

2. An Owner of record shall be recognized as a member without further action for so long as he/she/it holds an ownership interest. If ownership is acquired but not of record, or if acquired other than by way of conveyance or other formal instrument of transfer (such as by death, judicial act or dissolution), the person or entity acquiring or succeeding to ownership shall present the Board of

Directors evidence satisfactory to it of facts evidencing lawful ownership status prior to exercise of any rights of membership in the Association. (Failure to provide such evidence shall not, however, relieve an Owner of his or her ownership obligations). A fiduciary or other official acting in the representative capacity shall exercise all membership rights and privileges of the Owner which he/she/ it represents.

3. If more than one person or entity is the Owner of the same lot or zero-lot unit, all such Owners 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 lot or zero-lot unit shall be cast by the person or entity named for that purpose on a certificate signed by all such Owners or fiduciaries or other officials and filed with the Secretary, and such person shall be deemed to hold an ownership interest to such lot or zero-lot unit for purposes of voting and determining the representation of such ownership interest at any meeting or for purposes otherwise provided herein. If such certificate is not executed and filed with the Secretary, such membership shall not be in good standing and the votes for that lot shall not be considered in considering a quorum or a vote or for any other purposes until this Bylaw is complied with.

4. Each lot or zero-lot unit, as the case may be, shall be allocated/entitled to one vote on all matters to be determined by the members of the Association as contemplated by Chapter 504 of the Code of Iowa, as amended. Votes of a single lot or zero-lot unit may not be divided and in no event shall more than one vote be cast with respect to any zero-lot unit.

II. MEMBERS' MEETINGS

1. The organizational meeting of the members of the Association to elect successors of the initial Board of Directors shall be held within sixty (60) days of the date Developer shall convey title to common areas of Smigel Second Addition, Johnson County, Iowa, to the Association. Thereafter, the annual and any special meetings shall be held at a time and a place within Johnson County, Iowa, chosen by the Board of Directors, and all such meetings, annual or special, shall be held at such particular time and place as is set forth in the notice thereof.

2. A special meeting shall be held whenever called by the President or, in his or her absence or disability, the Vice President, or by any one member of the Board of Directors.

3. The Secretary or his or her designee shall give written notice to each member of the annual meeting. Whoever requests the special meeting shall give

like written notice of such special meeting. All notices shall set forth the time and place and purpose or purposes for which the meeting will be held. No action shall be taken at a special meeting which is not directly related to the purpose or purposes stated in the notice of such meeting.

4. Notice of members' meetings shall be given by mailing or delivering same not less than three (3), nor more than fourteen (14), days prior to the date of the meeting. Notice shall be deemed to be given if mailed by First Class Mail to the member at the address of his/her/its lot within the Addition, unless at the time of giving such notice such member has given written direction delivered to the Secretary specifying a different mailing address to be carried on the rolls of the Association. If more than one person or entity is the Owner of the same lot or if more than one fiduciary or one official is acting in the premises, notice to such person or entity shall be deemed to have been given, when in accordance with this paragraph to the person or entity named in the certificate filed with the Secretary in accordance with paragraph 2 of ARTICLE I. Notice of any meeting may be waived in writing by the person or entity entitled thereto.

5. A quorum at a members' meeting shall consist of the presence of members in person or by proxy representing a majority of the members entitled to vote on Association business. The acts carried or approved by a vote of a majority of the lots represented at a meeting at which a quorum is present shall constitute the acts of the membership unless a different rule is provided herein or by the Articles of Incorporation or other agreement to which the Association is a party. The President or, in his or her absence or disability, the Vice President shall preside at each members' meeting; if neither the President nor the Vice President is able to preside, a chairman shall be elected by the members present at such meeting.

6. At a membership meeting, a person holding a member's proxy to vote shall be permitted to cast such member's vote on all questions properly coming before such meeting, provided such proxy must be in writing and signed by a member or other person entitled to cast votes, and shall set forth the lot number with respect to which such rights are pertinent, and the period in which the proxy is to be in force and effect. Decision of the Board of Directors as to the sufficiency of any proxy for recognition shall be final and not subject to appeal.

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

(a) Election of Chairman, if required.
(b) Calling of roll and certification 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 Directors, if applicable.
(h) Unfinished Business.
(i) New Business.
(j) Adjournment.

III. BOARD OF DIRECTORS

1. The affairs of the Association shall be managed by an initial Board of two (2) Directors. The initial Board shall consist of such Members of the Association as Michael E. Hodge and Kevin Digmann may appoint. The initial Board shall serve until the first annual members' meeting. From and after the first annual meeting of members, the Board of Directors shall consist of three (3) directors, as determined by the Members.

2. The initial Directors, as well as any other Directors, shall serve without compensation.

3. An organizational meeting of a newly-elected Board of Directors shall be held within thirty (30) days of their election at such place and time as shall be fixed by the Directors at the meeting at which they were elected. No further notice of the organizational meeting shall be necessary.

4. By majority vote, the Directors may set the time and place for regular meetings of the Board and no notice thereof shall be required until such resolution is modified or rescinded. Special meetings of the Directors may be called by the President, Vice President or any Director, provided not less than three (3) days' notice shall be given, personally or by mail, telephone or e-mail, which notice shall state the time, place and purpose of the meeting.

5. A quorum at a Directors' meeting shall consist of two-thirds of the entire Board of Directors. The acts approved by a majority of those present at a meeting duly called at which a quorum is present shall constitute the acts of the entire Board of Directors, except where approval by a greater number of Directors is required by these Bylaws.

6. The presiding officer of a Director's meeting shall be the President or, in his or her absence, the Vice President.

7. The Board of Directors, by resolution approved by all members thereof, may designate from among its members such committees as it deems advisable and by resolution provide the extent and manner to which the same may have and exercise the authority of the Board.

IV. POWERS AND DUTIES OF THE BOARD OF DIRECTORS

All of the powers and duties of the Association shall be exercised by the Board of Directors, including those existing under the common law and statutes, the Articles of Incorporation and the documents establishing the Association. Such powers and duties of the Directors shall be exercised in accordance with the provisions of the Bylaws and, in addition to those elsewhere provided, shall include but not be limited to the following:

1. The collection of assessments against members for all common expenses.

2. Use of the proceeds of assessments in the exercise of its powers and duties.

3. The control, management, maintenance, upkeep and repair of the common areas of Smigel Second Addition and Smigel Third Addition as shown and designated on the plats of Smigel Second Addition, Johnson County, Iowa, and Smigel Third Addition, Johnson County, Iowa, and the making or providing for payment for all such work and approving or delegating to the officer's authority to approve vouchers therefor.

4. The enforcement by legal means of the provisions of the Restrictive Covenants enacted, the Articles of Incorporation, Bylaws of the Association and to take legal action in the name of the Association and on behalf of its members.

5. To employ, designate and discharge personnel to perform services required for proper operation of the Association.

6. To carry insurance on the common property committed to the Association and insurance for the protection of the Association and its members.

7. To conduct all votes or determinations of the members other than at a membership meeting.

8. To borrow money from a bank, lending institution or agency for the use and benefit of the Association and to secure the loan or loans by pledge of the assets of the Association, and from time to time renew such loan and give additional security.

9. To do such other acts as are necessary and proper to effect the purpose of the Association as stated in these Bylaws, provided such acts are not otherwise prohibited.

V. OFFICERS

1. The officers of the Association shall be the President who shall be a Director, a Vice President who shall be a Director, and a Treasurer and Secretary, which offices shall be filled by one person who must be a member. All such officers shall be elected annually by the Board of Directors and may be peremptorily removed and replaced by the vote of two-thirds (2/3rds) of the Directors at any meeting. The initial officers and their successors until the first annual meeting shall be chosen by the initial Board of Directors and shall serve until the organizational meeting of the members. 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.

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

3. The Vice President shall preside over the 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 and Treasurer, which shall constitute one office, shall keep the minutes of all proceedings of membership meetings and Directors' meetings and shall have custody and control of the Minute Book of the Association and shall keep or be in charge and control of the records of the Association, and additionally, as Treasurer, have control of the funds and other property of the Association and shall keep the financial books and records thereof.

5. Any instrument affecting an interest in real property may be executed by the President or Vice President and one (1) other officer upon authorization of the Directors or in such manner as the Directors may otherwise direct.

VI. FISCAL MANAGEMENT

1. The Board of Directors shall adopt a budget for each fiscal year (which shall be the same as the Association's fiscal year for income tax purposes) which shall include the estimated funds required to defray the common expenses and to provide and maintain funds for the following accounting categories according to good accounting practices.

(a) Current expenses which shall include all funds and expenditures to be made for the year for which the funds are budgeted, including a reasonable allowance for contingencies and working funds, except expenditures chargeable to reserves or to additional improvements. The balance of this fund at the end of each year shall 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 than annually.

(c) Reserve for replacement, which shall include funds for repair or replacement required because of damage, destruction, depreciation or obsolescence.

2. The Board of Directors shall assess against each lot, and the Owners thereof shall be liable for, a share of the items in the budget adopted pursuant to paragraph 1 equal to such lot's pro rata (equal) share of common expenses. Such share shall be assessed annually in advance for the fiscal year for which the budget was prepared, and notice of such assessments shall be mailed or delivered not less than thirty (30) days prior to the first day of such fiscal year. Such assessment shall be due and payable from the respective lot Owner or Owners in twelve (12) equal installments, each installment being due and payable the first day of each calendar month within such fiscal year. In the event the annual assessment proves to be insufficient, the budget and assessments therefor may be amended at any time by the Board of Directors. Such amended budget may be adopted at a special directors' meeting upon an affirmative unanimous vote of the Directors. The additional amount so budgeted shall be assessed to each lot in the same manner as assessments for the annual budget and shall be prorated among the remaining installments due and payable in such year.

3. Assessments for common expenses for emergencies and extraordinary expenditures which can not be paid from the annual assessments for common expenses, and maintenance funds shall be made only after notice of the need thereof to the lot Owners. After such notice and upon approval in writing by persons entitled to cast more than one-half (1/2) of the votes in the Association, the

assessments shall become effective and shall be due in such a manner as the Board of Directors may require after thirty (30) days' notice thereof. In the event any expenditure for repair or replacement of any lot or Common Elements cannot be paid from annual assessments but can be at least ninety percent (90%) paid from insurance proceeds therefor, such expenditures may be made upon approval of the Board of Directors without approval of the members, and an amended budget and assessment may be made therefor if necessary.

4. If an Owner shall be in default of a payment of an installment upon an assessment, the Board of Directors may accelerate the remaining installments of the assessment upon notice thereof to such Owner, and thereupon the unpaid balance of the assessment shall become due upon the date stated in the notice but not less than ten (10) days after delivery thereof to such Owner either personally or by registered or certified mail. Interest shall be computed and due on balances due under this paragraph but unpaid on such due date at the maximum rate of interest allowable by law from the date such balance becomes due and payable in accordance with the preceding sentences; such interest shall be in addition to any other payments for which said owner is liable.

5. All sums assessed but unpaid, including but not limited to, interest with respect to a lot or against a lot Owner shall constitute a lien on such lot prior to all other liens except:

(a) Tax liens on the lot in favor of any assessing unit and special district; and

(b) All sums unpaid on the first mortgage of record.

The Association may sue for money judgment for unpaid assessments and interest or sums due without foreclosing or waiving any lien which it holds.

6. The depository of the Association shall be such bank or banks as shall be designated from time to time by the Directors and in which the moneys of the Association shall be deposited. Withdrawal of moneys from the accounts shall only be by checks signed by such persons as are authorized by the Directors.

7. An audit of the accounts of the Association may be made annually by a Certified Public Accountant, and if such audit is made, a copy of the report shall be furnished to each member not later than sixty (60) days after the close of the fiscal year for which the report is made.

VII. AMENDMENT

1. These Bylaws may be amended, altered, repealed or new Bylaws adopted by the members at a regular or special meeting of the members upon the affirmative vote of two-thirds of the votes entitled to be cast; provided, however, no amendment effecting a substantial change in these Bylaws shall affect the rights of the holder of any mortgage recorded prior to recordation of such amendment who does not join in the execution thereof and who does not approve said amendment in writing.

2. No amendment may be adopted at either a special or regular membership meeting not included in the notice thereof, except if notice of the proposed amendment has been given, an amendment relative to the same subject may be adopted by those present, in person or by proxy and possession of the requisite percentage of membership and voting interest; provided further, no vote by proxy may be counted unless the proxy expressly provides for such contingency. Notice referred to herein shall be given in the manner prescribed in ARTICLE II, Section 3, of these Bylaws and shall be given to the persons described in ARTICLE II, Section 4, and the holder of any first mortgage of record which has notified the Association of its interest not more than fifty (50) days nor less than thirty (30) days before the date such meeting will be held. More than one proposed amendment may be included in the notice of a meeting.

VIII. MISCELLANEOUS 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 Association shall not have or employ a corporate seal.

3. The Board of Directors may require fidelity bonds from all directors, officers or agents handling or responsible for Association funds and the expense of such bonds shall be common expense of the Association.

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

5. A quorum is defined as a majority of the elected directors in the event of Board Meetings, and a majority of lot owners in the event of Member Meetings.

IX. DEFINITIONS

Unless the context otherwise requires, the terms used herein shall have the meanings stated as follows:

1. Person. The term "Person" shall include an individual, a corporation, or other legal entity or its representative.

2. Owner. The term "Owner" for the purpose of these Bylaws shall mean any person who owns or holds for himself/ herself/itself an interest in one or more lots or zero-lot units; provided that the holder of a leasehold interest in a lot shall not be an Owner; and further provided that the holder of an equitable interest shall be an Owner.

3. Common Expenses. The term "Common Expenses" shall include:

(a) Expenses of administration, expenses of maintenance, operation, repair or replacement of the common areas of Smigel Second Addition, as shown and designated on the plat of Smigel Second Addition, Johnson County, Iowa.

(b) Expenses of administration, expenses of maintenance, operation, repair or replacement of the common areas of Smigel Third Addition, as shown and designated on the plat of Smigel Third Addition, Johnson County, Iowa.

(b) Expenses declared Common Expenses by these Bylaws.

(c) Any valid charge against the Addition as a whole.

5. Singular, plural and gender. Whenever the context so permits or requires, the use of the singular shall include the plural, the plural the singular, and the use of any gender shall include all genders.

****

Secretary