# BYLAWS OF

# TRAIL RIDGE 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 Trail Ridge 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 Trail Ridge Estates – Part 1A (the "Covenants"), which subdivision is situated in Johnson County, Iowa.

2. The term "Subdivision" means the Subdivision known as Trail Ridge Estates – Part 1A, and situated and located on the following described real estate situated in Johnson County, Iowa, to-wit:

**Lots 1 through 28, both inclusive, and Lots 45 through 69, both inclusive, Trail Ridge Estates – Part 1A, Solon, Iowa according to the recorded plat thereof**

(Collectively referred to herein as "Lots")

The entire Subdivision is situated in the County of 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.

4. The "Developer" means Watts Group Development, Inc., an Iowa corporation.

## ARTICLE II

## Members and Voting Rights

1. **Notwithstanding any other provision of these Bylaws or the Articles of Incorporation of the Association, Developer (as defined in the Covenants) shall be the sole voting member of the corporation 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. After such time, subject to the qualifications set forth in paragraph 2 below, the owners of record of any Lots 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.

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) 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.

## 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 twenty-five percent (25%) of the total number of votes outstanding and entitled to be cast.

4. It shall be the duty of the Secretary or his or her designate to give written notice to members of the time and place of the annual meeting mid 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 organizational meeting of the members of the Association to elect successors of the initial Board of Directors shall be held on or before the earlier of (i) the Transfer Date, (ii) or a date set by the Developer.

11. The annual meeting of the members shall be set by the Board so as to occur no later than ninety (90) days after the close of the Association's fiscal year. Subsequent annual meetings of the Members shall be held within thirty (30) days of the same day of the same month of each year thereafter at such time as the Board of Directors determines. 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 three (3) in number and the initial director shall be Gary Watts, Adam Hahn and Tyler Todd. The term of the initial directors shall commence on the day the Articles of Incorporation are filed with the Iowa Secretary of State and shall extend until the Developer no longer owns a Lot in the Subdivision (the "Transfer Date") or shorter if the initial directors resign prior to the end of their 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 terms of the initial directors, 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 directors 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 directors, 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 directors 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.

## 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 front 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 Outlots, cluster mailboxes and storm water management facilities, 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 Subdivision 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 Subdivision 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 find 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 which may be made against one or more Lot owners as the circumstances warrant. 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, shell be apportioned and assessments therefore levied ratably among all other owners according to their percentage interests in the common elements. So long as a Lot is owned by Developer, Developer shall not be subject to assessment.

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 Board of Directors or Developer may designate the amount of the monthly assessment without approval from the members, but must provide written notice of such changes.

## ARTICLE VIII

### Insurance Provisions

1. Responsibility for Insurance. Insurance policies on 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 sixty percent (60%) 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 two-thirds (66.67%) 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 maybe 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.

4. Until such time as Developer no longer owns a Lot in the Subdivision, Developer may unilaterally amend, in part or in whole, these Bylaws to, without limitation, add additional land to the definition of "Lots".

## 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 may procure an audit of the accounts and financial records of the Association, 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 5th day of October, 2022.

GARY WATTS, Director

TYLER TODD, Director

ADAM HAHN, Director