

COPY

BY-LAWS

DEER RIDGE HOME OWNERS ASSOCIATION, INC.

ARTICLE I

NAME AND LOCATION

The name of the corporation is DEER RIDGE HOME OWNERS ASSOCIATION, INC. hereinafter referred to as the "Association." The principal office of the corporation shall be located at 617 Brady Street, Davenport, Iowa, but meetings of members and directors may be held at such places within the State of Iowa, County of Scott, as may be designated by the Board of Directors.

ARTICLE II

DEFINITIONS

SECTION 1. ASSOCIATION shall mean and refer to Deer Ridge Home Owners Association, Inc., its successors and assigns.

SECTION 2. THE PROPERTIES shall mean and refer to all such existing properties, and additions thereto, as are subject to the Declaration (as hereinafter defined) or any supplemental Declaration thereto under its terms.

SECTION 3. COMMON PROPERTIES shall mean and refer to those areas of land shown on any recorded subdivision plat of The Properties and intended to be devoted to the common use and enjoyment of the Owners.

SECTION 4. LOT shall mean and refer to any lot or separate plot of land shown upon any recorded subdivision map of The Properties with the exception of the Common Properties, which has been improved for residential purposes or which is restricted to residential use by zoning or recorded covenant.

SECTION 5. LIVING UNIT shall mean and refer to any portion of a building situated upon The Properties designated and intended for use and occupancy as a residence by a single family.

SECTION 6. OWNER shall mean and refer to the record owner, whether one or more persons or entities of the fee simple title to any Lot or Living Unit situated upon

The Properties, including contract sellers, but excluding mortgagees or others having an interest merely as security for the performance of an obligation.

Section 7. DECLARANT shall mean and refer to the Association, its successors and assigns if such successors or assigns should acquire more than one undeveloped Lot or Living Unit from the Declarant for the purpose of development.

SECTION 8. DECLARATION shall mean and refer to the Declaration of Covenants and Restrictions applicable to The Properties recorded in the Office of the Scott County, Iowa, Recorder as Document No. 786-96.

SECTION 9. MEMBER shall mean and refer to each owner who is a member of this association as provided in the Declaration.

### ARTICLE III

#### MEETING OF MEMBERS

SECTION 1. ANNUAL MEETING shall be held the third Wednesday of May at 7:00 P.M.

SECTION 2. SPECIAL MEETINGS of the members may be called at any time by the President or by the Board of Directors, or upon written request of the members who are entitled to vote one-fourth (1/4) of all of the votes of the Class A membership.

SECTION 3. NOTICE OF MEETINGS shall be written by, or at the direction of the Secretary or person authorized to call the meeting, addressed to the member's address last appearing on the books of the Association for the purpose of notice. Such notice shall specify the place, day, and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

SECTION 4. QUORUM. The presence at the meeting of members entitled to cast, including absentee ballots entitled to cast five per cent (5) of the votes of each class of membership shall constitute a quorum for any action, except as otherwise provided in the Articles of Incorporation, the Declaration, or these By-Laws. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

SECTION 5. ABSENTEE BALLOTS. At all meetings of members, each member may vote in person or by absentee ballot. All absentee ballots shall be in writing and filed prior to meeting of members with the secretary or election officer. Absentee ballots shall be obtained from the secretary or election officer.

#### ARTICLE IV

BOARD OF DIRECTORS: SELECTION: TERM OF OFFICE:

SECTION 1. NUMBER. The affairs of this Association shall be managed by a Board of Nine (9) directors, who need not be members of the Association.

SECTION 2. TERM OF OFFICE. At the first annual meeting the members shall elect Three (3) directors for a term of one year, Three (3) directors for a term of two years and Three (3) directors for a term of three years; and at each annual meeting thereafter the members shall elect three directors for a term of three years.

SECTION 3. REMOVAL. Any director may be removed from the Board, with or without cause, by a majority vote of the members of the Association. In the event of death, resignation or removal of a director, his successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor.

SECTION 4. COMPENSATION. No director shall receive compensation for any administrative service he may render to the Association. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties.

SECTION 5. ACTION TAKEN WITHOUT A MEETING. The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all directors. Any action so approved shall have the same effect as though taken by a meeting of the directors.

#### ARTICLE V

NOMINATION AND ELECTION OF DIRECTORS

SECTION 1. NOMINATION. Nomination for election of the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall

consist of a Chairman, who shall be a member of the Board of Directors, and two or more members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among members or non-members.

SECTION 2. ELECTION. Election to the Board of Directors shall be by secret written ballot. At such election the members may, in person or by absentee ballot, cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected.

## ARTICLE VI

### MEETINGS OF DIRECTORS

SECTION 1. REGULAR MEETINGS. Regular meetings of the Board of Directors shall be held monthly without notice, at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a holiday.

SECTION 2. SPECIAL MEETINGS. Special meetings of the Board of Directors shall be held when called by the President of the Association, or by any two directors after not less than three (3) days' notice of each director.

SECTION 3. QUORUM. A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

## ARTICLE VII

### POWERS AND DUTIES OF THE BOARD OF DIRECTORS

SECTION 1. POWERS. The Board of Directors shall have power to:

a. Adopt and publish rules and regulations governing the use of the Common Properties, and the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof.

b. Suspend the voting rights and right to use of the recreational facilities of a member during any period in which such member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed 60 days for infraction of published rules and regulations.

c. Exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these By-Laws, the Articles of Incorporation, or the Declaration;

d. Declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors.

e. Employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties.

SECTION 2. DUTIES. It shall be the duty of the Board of Directors to:

a. Cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members, or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the Class A members who are entitled to vote.

b. Supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

c. As more fully provided in the Declaration, to:

1.) Fix the amount of the annual assessment against each Lot or Living Unit at least thirty (30) days in advance of each annual assessment period.

2.) Send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period.

3.) Foreclose the lien against any property for which assessments are not paid within thirty (30) days after due date or to bring an action at law against the owner personally obligated to pay the same.

d. Issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment had been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment.

e. Procure and maintain adequate liability and hazard insurance on property owned by the Association.

f. Cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate.

g. Cause the Common Properties to be maintained.

## ARTICLE VIII

### OFFICERS AND THEIR DUTIES

SECTION 1. ENUMERATION OF OFFICES. The officers of this Association shall be a president and vice-president, who shall at all times be members of the Board of Directors, a secretary, and a treasurer, and such other officers as the Board may from time to time by resolution create.

SECTION 2. ELECTION OF OFFICERS. The election of officers take place at the first meeting of the Board of Directors following each annual meeting of the members.

SECTION 3. TERM. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

SECTION 4. SPECIAL APPOINTMENTS. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time determine.

SECTION 5. RESIGNATION AND REMOVAL. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time giving written notice to the Board, the president or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

SECTION 6. VACANCIES. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

SECTION 7. MULTIPLE OFFICES. The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

SECTION 8. DUTIES. The duties of the officers as follows:

a. PRESIDENT. The president shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instructions and shall co-sign all checks and promissory notes.

b. VICE-PRESIDENT. The vice-president shall act in the place and stead of the president in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.

c. SECRETARY. The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; serve notice of meetings of the Board and of the members; keep appropriate current records showing the members of the Association together with their addresses, and shall perform such other duties as required by the Board.

d. TREASURER. The treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; keep proper books of account; cause an annual audit of the

Association books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be represented to the membership at its regular annual meeting, and deliver a copy of each to the members.

## ARTICLE IX

### COMMITTEES

The Association shall appoint an Architectural Control Committee, as provided in the Declaration, and a Nominating Committee, as deemed appropriate in carrying out its purposes.

## ARTICLE X

### BOOKS AND RECORDS

The books, records and papers of the Association shall at all times during reasonable business hours, be subject to inspection by any member. The Declaration, the Articles of Incorporation and the By-Laws of the Association shall be available for inspection by any member at the principal office of the Association, where copies may be purchased at reasonable cost.

## ARTICLE XI

### ASSESSMENTS

As more fully provided in the Declaration, each member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. The assessment shall bear interest from the date of delinquency at the rate of ten (10) percent per annum, and the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property, and interest costs, and reasonable attorney's fees or any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the Common Properties or abandonment of his Lot or Living Unit.

## ARTICLE XII

### CORPORATE SEAL

The Association shall not have a seal.



ARTICLE XIII

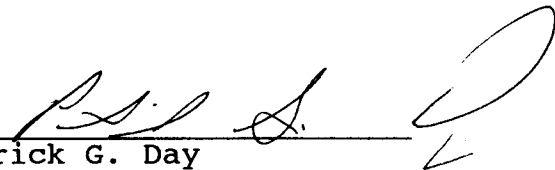
AMENDMENTS

Section 1. These By-Laws may be amended at a regular or special meeting of members, by a vote of a majority of a quorum or members present in person or by absentee ballot.

Section 2. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

The foregoing were adopted on the 17<sup>th</sup> day of April, 1997.

By

  
Patrick G. Day