

**PRAIRIE GARDENS
HOMES ASSOCIATION, INC.
BYLAWS**

**ARTICLE I
DEFINITIONS**

"Association" - Shall mean and refer to the Prairie Gardens Homes Association, Inc.

"Common Areas" - shall be defined as real property acquired by, or conveyed to, the Association, to be owned by the Association for the benefit and use of the Members of the Association.

"Declarations" - as used in these By-Laws, shall mean and refer to the Prairie Gardens Declaration of Restrictions, dated September 28, 2001 and recorded in the Office of the Leavenworth County, Kansas Register of Deeds at Book 820, Pages 0268-0288, as amended by the Supplemental Declaration of Restrictions, dated February 10, 2003 and recorded in the Office of the Leavenworth County, Kansas Register of Deeds at Book 865, Pages 0490-0495, the Second Supplemental Declaration of Restrictions dated September 17, 2003 and recorded in the Office of the Leavenworth County, Kansas Register of Deeds at Book 894, Pages 1513-1515, and the Third Supplemental Declaration of Restrictions, dated March 15, 2006 and recorded in the Office of the Leavenworth County, Kansas Register of Deeds at Book 977, Pages 2174-2176, and as such may be further amended from time to time.

"Lot" - shall mean and refer to the various tracts or parcels of ground, designated numerically, as Lots 1-42 on the Prairie Gardens, First Plat, and as Lots 1-66 on the Prairie Gardens, Second Plat, the Subdivision, and such Lots which may be subsequently made subject to the provisions of the Declarations.

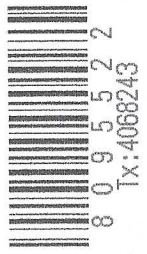
"Lot Owner" - shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot or portion thereof, which is a part of the Subdivision, but excluding those having such interest merely as a security for the performance of an obligation such as lenders and holders of mortgages. "Lot Owner" shall also mean and refer to buyers in possession under a contract for deed, or such other binding contract for purchase which results in transfer of title to the party in possession in a finite time frame approved by the Board of Directors.

"Review Committee" - shall mean and refer to a committee composed of three (3) Lot Owners to be appointed annually by the Board of Directors.

"Subdivision" - shall mean and refer to Prairie Gardens, First Plat and Prairie Gardens, Second Plat, inclusive, Prairie Gardens, a subdivision of land in the City of Basehor, Leavenworth County, Kansas.

**ARTICLE II
OFFICES**

- A. Principal Office. The principal office for the transaction of the business of the Association is hereby located at 12120 State Line Road, #170, Leawood, Kansas 66209.
- B. Registered Office. The Association, by resolution of its Board of Directors, may change the location of its registered office as designated in the Articles of Incorporation to any other place in Kansas. By like resolution the resident agent at such registered office may be changed to any other person or corporation, including itself. Upon adoption of such a resolution, a certificate certifying the change shall be executed, acknowledged and filed with the Secretary of State.
- C. Other Offices. Branch or subordinate offices may at any time be established by the Board of Directors at any place or places where the Association is qualified to do business.



ARTICLE III
MEMBERSHIP AND MEETINGS OF MEMBERS

- A. Membership. Every person or entity who is a Lot Owner, as the term is defined by these Bylaws and the Declarations shall be a member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. No Lot Owner shall have more than one membership. Membership shall not be separated from ownership of any Lot. Ownership of such Lot shall be the sole qualification for membership.
- B. Place of Meetings. All annual meetings of members and all other meetings of members shall be held at the principal office of the Association unless another place within or without the State of Kansas is designated either by the Board of Directors pursuant to authority hereinafter granted to said board, or by the written consent of all members entitled to vote there at, given either before or after the meeting and filed with the secretary of the Association.
- C. Voting Rights. Each Lot Owner shall be entitled to one vote for each Lot in which he or she holds the interest required for membership by this Article III (A). When more than one person holds such interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot. All decisions made at any meeting at which there is present a quorum as defined in this article III (G), shall be made by a majority vote of those lots or units present.
- D. Meeting of Voting Members & Other Membership Matters. The annual meetings of the members shall be held on the third Thursday in November in each year at 6:00 p.m. of said day, unless another date is subsequently chosen by a vote of the Board of Directors. At such meeting directors shall be elected, reports of the affairs of the Association shall be considered, and any other business may be transacted which is within the power of the members.

Written notice of each annual meeting shall be given to each member entitled to vote, either personally or by mail or other means of written communication, charges prepaid, addressed to such member at his address appearing on the books of the Association or given by him to the Association for the purpose of notice. If a member gives no address, notice shall be deemed to have been given if sent by mail or other means of written communication addressed to the place where the principal office of the Association is situated, or if published at least once in some newspaper of general circulation in the county in which said office is located. All such notices shall be sent to each member entitled thereto not less than ten (10) days nor more than fifty (50) days before each annual meeting, and shall specify the place, the day and the hour of such meeting, and shall state such other matters, if any, as may be expressly required by statute. If this bylaw as to the time and place of election of directors is changed, such notice shall be given to members at least twenty (20) days prior to such meeting.

- E. Special Meetings. Special meetings of the members, for any purpose or purposes whatsoever, may be called at any time by the president or by the Board of Directors, or by one or more members holding not less than one-fifth of the voting power of the Association. Except in special cases where other express provision is made by statute, notice of such special meetings shall be given in the same manner as for annual meetings of members. Notices of any special meeting shall specify in addition to the place, day and hour of such meeting, the general nature of the business to be transacted.
- F. Voting Procedures. Unless the Board of Directors has fixed in advance a record date for purposes of determining entitlement to vote at the meeting, the record date for such determination shall be as of the close of business on the day next preceding the date on which the meeting shall be held. Such vote may be by voice or by ballot; provided, however, that all elections for directors must be by ballot. Every act or decision made by a majority of the members present at a meeting duly held at which a quorum is present shall be regarded as an

act of the members, unless a greater number be required by law, these bylaws, or by the Articles of Incorporation.

- G. Quorum. At any meeting, the presence of members or proxies representing 51% of the Lots, therefore being entitled to cast 51% of all the votes of the membership, shall constitute a quorum. If the required quorum is not forthcoming at any called meeting, a subsequent meeting may be called, subject to the notice requirements set forth in Article III (D) and the quorum required on any such subsequent meeting shall be two-thirds of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.
- H. Consent of Absentees. The transactions of any meeting of members, either annual or special, however called and noticed, shall be as valid as though had at a meeting duly held after regular call and notice, if a quorum be present either in person or by proxy, and if, either before or after the meeting, each of the members entitled to vote, not present in person or by proxy, signs a written waiver of notice, or a consent to the holding of such meeting, or an approval of the minutes thereof. All such waivers, consents or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.
- I. Proxies. Every person entitled to vote or execute consents shall have the right to do so either in person or by one or more agents authorized by a written proxy executed by such person or his duly authorized agent and filed with the secretary of the Association; provided that no such proxy shall be valid after the expiration of one (1) year from the date of its execution, unless the person executing it specified therein the length of time for which such proxy is to continue in force.
- J. Inspection of Corporate Records. The membership ledger, the books of account, and minutes of proceedings of the members, the Board of Directors and of executive committees of directors shall be open to inspection upon the written demand of any member within five (5) days of such demand during ordinary business hours if for a purpose reasonably related to his interests as a member. A list of members entitled to vote shall be exhibited at any reasonable time and at meetings of the members when required by the demand of any member at least twenty (20) days prior to the meetings. Such inspection may be made in person or by an agent or attorney authorized in writing by a member, and shall include the right to make abstracts. Demand of inspection other than at a members' meeting shall be made in writing upon the president, secretary, or general manager of the Association.
- K. Inspection of Bylaws. The Association shall keep in its principal office for the transaction of business the original or a copy of these bylaws as amended or otherwise altered to date, certified by the secretary, which shall be open to inspection by the members at all reasonable times during ordinary business hours.

ARTICLE IV DIRECTORS

- A. Powers. Subject to limitations of the Articles of Incorporation, of the By-laws, and of the Kansas Corporation Code as to action which shall be authorized or approved by the members, and subject to the duties of directors as prescribed by the By-laws, all corporate powers shall be exercised by or under the authority of, and the conduct and affairs of the Association shall be controlled by, the Board of Directors. Without prejudice to such general powers but subject to the same limitations, it is hereby expressly declared that the directors shall have the following powers, to-wit:
- a. To recommend changes to the By-laws to the membership for a vote pursuant to the member's powers under Article IX (F).
 - b. To select and remove all the other officers, agents and employees of the Association, prescribe such powers and duties for them as may not be inconsistent with law, or with the Articles of Incorporation or the bylaws.

c. To conduct, manage, and control the affairs and business of the Association, and to make such rules and regulations therefore not inconsistent with the law, or with the Articles of Incorporation of the bylaws, as they may deem best.

d. To change the principal office and registered office for the transaction of the business of the Association from one location to another as provided in Article II hereof; to fix and locate from time to time one or more other offices of the Association within or without the State of Kansas, as provided in Article II (C), hereof; to designate any place within or without the State of Kansas for the holding of any members' meeting or meetings except annual meetings; to adopt, make and use a corporate seal, to prescribe the forms of certificates of membership, and to alter the forms of such seal and of such certificates from time to time, as in their judgment they may deem best, provided such seal and such certificate shall at all times comply with the provisions of law.

e. To borrow money and incur indebtedness for purposes of the Association:

i. Up to \$5,000, in the aggregate, with the affirmative vote of the majority or the members at any meeting at which a quorum has been reached;

ii. Up to \$10,000, in the aggregate, upon the ratification of a 51% majority of all the members; or

iii. Any amount over \$10,000 only upon ratification of such action by a 2/3 majority of all members;

iv. And to cause to be executed and delivered therefore, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges or other evidences of debt and securities therefore.

f. To appoint an executive committee and other committees, and to delegate to such committees, any of the powers and authority of the board in management of the conduct and affairs of the Association, except the power to adopt, amend or repeal bylaws. Any such committee shall be composed of two or more directors.

B. Duties. The duties of the Board of Directors are:

a. To 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 members who are entitled to vote;

b. To supervise all officers, agents and employees of the Association, and to see that their duties are properly performed;

c. To assess and collect dues, special assessments and maintenance assessments from Association members under guidelines set forth in the Declarations and Article VI of these by-laws, as from time to time they may be amended, and the Declarations;

d. To procure and maintain adequate liability and hazard insurance on property owned by the Association and, if the Board deems it to be appropriate, adequate directors and officers liability insurance or errors and omissions insurance covering the officers and directors of the Association; and

e. To interpret and enforce the provisions of the Declarations.

C. Number and Qualification of Directors. The authorized number of directors of the Association shall be five (5) until changed by amendment to this bylaw. Directors must be members.

D. Election and Term of Office. Three directors shall be elected at the annual meeting of voting members occurring in odd numbered years and two Directors shall be elected at the annual meeting of directors occurring in even numbered years, but if any such annual meeting is not held, or the directors are not elected thereat, the directors may be elected at a special meeting of voting members held for the purpose as soon thereafter as convenient. Five directors will be

elected at the annual meeting of members in November 2008, and they shall decide by lot immediately after that election which positions shall stand for election in the odd numbered years. All directors shall hold office until their respective successors are elected. A director can be removed from office at any time for good cause or without cause by 2/3rd vote of the voting members.

- E. Vacancies. Vacancies on the Board of Directors may be filled by a majority of the remaining directors, although less than a quorum, or by a sole remaining director. If at any time, by reason of death, resignation, or other cause, the Association should have no directors in office, then any officer or any member may apply to the District Court for a decree summarily offering election as provided for by the Kansas Corporation Code. Each director so elected shall hold office until his successor is elected at an annual or a special meeting of the members.

A vacancy or vacancies on the Board of Directors shall be deemed to exist in case of the death, resignation or removal of any director, or if the authorized number of directors be increased, or if the members fail, at any annual or special meeting of members at which any director or directors are elected, to elect the full authorized number of directors to be voted for at the meeting, or if any director or directors elected shall refuse to serve.

Members constituting at least twenty percent (20%) of the total membership may call a meeting at any time to fill any vacancy or vacancies not filled by the directors, or if the Board of Directors filling a vacancy constitutes less than a majority of the whole board as constituted immediately prior to any increase in the number of directors. If the Board of Directors accepts the resignation of a director rendered to take effect at a future time, the board or the members shall have the power to elect a successor to take office when the resignation is to become effective.

No reduction of the authorized number of directors shall have the effect of removing any director prior to the expiration of his term of office.

- F. Place of Meeting. Regular and special meetings of the Board of Directors shall be held at any place within or without the State of Kansas which has been designated from time to time by resolution of the board or by written consent of all members of the board. In the absence of such designation, all meetings shall be held at the principal office of the Association.
- G. Regular Meetings. Immediately following each annual meeting of the members, the Board of Directors shall hold a regular meeting for the purpose of organization, election of officers, and the transaction of other business. Notice of such meeting is hereby dispensed with.
- H. Other Regular Meetings. Other regular meetings of the Board of Directors shall be held without call at such time as the Board of Directors may from time to time designate in advance of such meetings; provided, however, should said day fall upon a legal holiday, then said meeting shall be held at the same time on the next day thereafter ensuing which is not a legal holiday. Notice of all such regular meetings of the Board of Directors is hereby dispensed with.
- I. Special Meetings. Special meetings of the Board of Directors for any purpose or purposes shall be called at any time by the president or, if he is absent or unable or refuses to act, by the secretary or by any other director. Notice of such special meetings, unless waived by attendance thereat or by written consent to the holding of the meeting, shall be given by written notice mailed at least twelve (12) days before the date of such meeting or be hand delivered or notified by telegram, or by electronic mail at least ten (10) days before the date such meeting is to be held. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail with postage thereon addressed to the director at his residence or usual place of business. If notice is given by telegraph, such notice shall be deemed to be delivered when the same is delivered to the telegraph company. If such notice is given by electronic mail, such notice shall be deemed to be delivered when the same is accepted by the Internet Service Provider.
- J. Notice of Adjournment. Notice of the time and place of holding an adjourned meeting need not be given to absent directors if the time and place be fixed at the meeting adjourned.
- K. Waiver of Notice. The transactions of any meeting of the Board of Directors, however called, wherever held, shall be as valid as though had at a meeting duly held after regular call and

notice, if a quorum be present, and if, either before or after the meeting, each of the directors not present signs a written waiver of notice, or a consent to holding such meeting, or an approval of the minutes thereof. All such waivers, consents or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

- L. Quorum. A majority of the total number of directors shall be necessary to constitute a quorum for the transaction of business, except to adjourn as hereinafter provided. Every act or decision done or made by a majority of the directors present at a meeting duly held at which a quorum is present shall be regarded as the act of the Board of Directors, unless a greater number be required by law or by the Articles of Incorporation.
- M. Meetings by Telephone. Members of the Board of Directors of the Association, or any committee designated by such board, may participate in a meeting of the Board of Directors by means of conference telephone or similar communications equipment, by means of which all persons participating in the meeting can hear one another, and such participation in a meeting shall constitute presence in person at the meeting.
- N. Adjournment. A majority of the directors present may adjourn any directors' meeting to meet again at a stated day and hour or until the time fixed for the next regular meeting of the board.
- O. Fees and Compensation. Directors shall not receive any payment for their services as Directors. Directors shall be entitled to reimbursement for expenses made on behalf on the Association.

ARTICLE V OFFICERS

- A. Officers. The officers of the Association shall be president, vice-president, a secretary, and a treasurer. The Association may also have such other officers as may be appointed in accordance with the provisions of Article V (C). Any number of offices may be held by the same person.
- B. Election. The officers of the Association, except such officers as may be appointed in accordance with the provisions of (C) or (E) of this Article V shall be chosen annually by the Board of Directors, and each shall hold his office until he shall resign or shall be removed or otherwise disqualified to serve, or his successor shall be elected and qualified.
- C. Subordinate Officers, Etc. The Board of Directors may appoint such other officers as the conduct of the Association may require, each of whom shall have authority and perform such duties as are provided in these bylaws or as the Board of Directors may from time to time specify, and shall hold office until he shall resign or shall be removed or otherwise disqualified to serve.
- D. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or any other cause shall be filled in the manner prescribed in these bylaws for regular appointments to such office.
- E. Removal and Resignation. Any officer may be removed, either with or without cause, by a majority of the directors at the time in office, at any regular or special meeting of the board, or, except in case of an officer chosen by the Board of Directors, by any officer upon whom such power of removal may be conferred by the Board of Directors. Any officer may resign at any time by giving a written notice to the Board of Directors, or to the President or the Secretary of the Association. Any such resignation shall take effect at 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.
- F. President. The president shall be the chief executive officer of the Association and shall, subject to the control of the Board of Directors, have general supervision, direction and control of the business and officers of the Association. He shall preside at all meetings of the members and at all meetings of the Board of Directors. He shall be ex officio a member of all the standing

committees, including the executive committee, if any, and shall have the general powers and duties of management usually vested in the office of president of an Association, and shall have such other powers and duties as may be prescribed by the Board of Directors or these bylaws.

- G. Vice-President. In the absence or disability of the president, the vice-president or vice-presidents, if there be such an officer or officers, in order of their rank as fixed by the Board of Directors, or if not ranked, the vice-president designated by the Board of Directors, shall perform all the duties of the president, and when so acting shall have all the powers of, and be subject to all the restrictions upon, the president. The vice-presidents shall have such other powers and perform such other duties as from time to time may be prescribed for them respectively by the Board of Directors or these bylaws.
- H. Secretary. The secretary shall keep, or cause to be kept, a book of minutes at the principal office or such other place as the Board of Directors may order, of all meetings of directors and members, with the time and place of holding, whether regular or special, and if special, how authorized, the notice thereof given, the names of those present at directors' meetings, the number of shares present or represented at members' meetings and the proceedings thereof. The secretary shall keep, or cause to be kept, at the principal office, a membership list, showing the names of the members and their addresses, the number and dates of membership. The secretary shall give, or cause to be given, a notice of all the meetings of the members and of the Board of Directors required by these bylaws or by law to be given, and he shall keep the seal of the Association in safe custody, and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or these bylaws.
- I. Treasurer. The treasurer shall keep and maintain or cause to be kept and maintained, adequate and correct accounts of the properties and business transactions of the Association, including accounts of its assets, liabilities, receipts and disbursements. The books of account shall at all reasonable times be open to inspection by any director. The treasurer shall deposit all monies and other valuables in the name and to the credit of the Association with such depositories as may be designated by the Board of Directors. He shall disburse the funds of the Association as may be ordered by the Board of Directors, shall render to the president and directors, whenever they request it, an account of all of his transactions as treasurer and of the financial condition of the Association, and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or these bylaws. He shall be bonded, if required by the Board of Directors.

ARTICLE VI ASSESSMENTS

- A. Board of Directors Power to Assess. The Board of Directors shall have the authority to assess and collect dues pursuant to Section 4 of the Declarations, and the by-laws as they may, from time to time, be amended.
- B. Requirement of a Budget. Prior to the beginning of each fiscal year, the Board of Directors shall adopt a budget for the fiscal year, which shall estimate all of the Common Area expenses to be incurred by the Association during the fiscal year for the cost of maintenance, management, operating, repair and replacement of all areas and facilities within the Development that are owned, leased, maintained or operated by the Association, including utilities that may be provided directly by the Association. The Board of Directors shall then establish the Annual Assessment for Common Area expenses per lot, which shall be equal to the total amount to be assessed for Common Area expenses pursuant to the budget, divided by the total number of lots within the Subdivision. The Board of Directors shall then notify all the members, in writing, of the proposed budget.

The proposed budget and annual assessments will become final upon the passing of 30 days from the date notice was mailed to the members, unless the members, by a 51% majority vote, vote to reject the budget and the Annual Assessment. If such action is taken by the members, the Annual Assessment shall be in the same amount and due in the same timeframe as the Annual Assessment of the current fiscal year.

- C. Creation of the Lien and Personal Obligation of Assessments. Each Member, as such designated under the requirements of Article III (A), shall be required to pay the association annual assessments or charges necessary for the upkeep and maintenance of any common areas, and any special assessments for capital improvements, maintenance and enforcement, such assessments to be fixed, established, and collected from time to time as hereinafter provided, or as provided by a vote and resolution of the Board of Directors. The assessments and interest, costs and reasonable attorney's fees to collect same, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment shall also be the personal obligation of the person who was the owner of such property at the time when the assessment fell due. The personal obligation shall not pass to his successors in title unless expressly assumed by them, but shall remain a lien upon the subject lot until paid.
- D. Annual Assessments. The amount of the Annual Assessment, and the due date thereof, may be set by the Board of Directors, provided, however, in no event shall any Annual Assessment exceed 120% of the previous Annual Assessment, unless such increase is approved by a majority of members attending a meeting duly called in accordance with these bylaws. Increases exceeding 150% of the previous annual assessment shall require the approval of 51% of the members of the association.
- E. Special Assessments. In addition to the Annual Assessments authorized above, and the Special Assessments specifically authorized in the Declarations, the Association may, by the affirmative vote of 51% of the voting members, levy in any assessment year, a Special Assessment applicable to that year only, for the purpose of defraying, in whole or in part, the costs of any maintenance, repairs, construction or improvements related to any Common Area or any facilities constructed thereon, or any costs associated with the enforcement of the Declarations or these By-Laws, provided that written notice shall be sent to all members not less than 30 days nor more than 60 days in advance of the meeting setting forth the purpose of the meeting.
- F. Annual Maintenance Assessment. The Board of Directors shall have the authority granted it pursuant to the Declarations, as amended, to assess separate Maintenance Assessments to Prairie Gardens, First Plat and Prairie Gardens, Second Plat to offset the costs and expenses of providing services and maintenance as listed in the Declarations.
- G. Maintenance Assessment-General. If the Association shall be required to maintain the property of any Lot Owner within the Association, the Board of Directors shall have the authority to assess the cost of such maintenance, including a penalty equal to 25% of the cost of such maintenance, against the lot and the lot owner. Said Maintenance Assessment shall have the full effect of a Special or Annual Assessment as set forth herein.
- H. Assessments: Due Dates. The assessments provided for herein shall be due and payable within thirty (30) days of the levy unless otherwise changed by the board of directors, or upon a vote of the members. Written notice of any annual, special or maintenance assessment shall be sent to the member subject thereto. The Association shall upon demand at any time furnish a certificate in writing signed by a representative of the association setting forth whether the assessments on a specified Lot have been paid.
- I. Effect of Nonpayment of Assessments: Remedies of the Association. Any assessment not paid by the due date shall incur a penalty from the due date at the rate of 15% per annum or \$15.00 per month whichever is greater. The Association may bring an action at law against the member personally obligated to pay the same, or foreclose the lien against the property. No member may waive or otherwise escape liability for the assessments provided for herein by non-use of any common area or abandonment of his interest in the Association.

- J. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any mortgage or mortgages. However, such subordination shall apply only to the assessments or installments thereof which have become due prior to the sale of such property pursuant to a foreclosure of such mortgage. No such sale shall relieve such lot from liability for any assessments thereafter becoming due or from the lien thereof.

ARTICLE VII REVIEW COMMITTEE

- A. Review Committee-Appointment. After the annual election of the Board of Directors, the Board shall convene and appoint a Review Committee comprised of three (3) Lot Owners. The appointment shall be for an annual term. The operations of the Review Committee shall be governed by the By-laws, the Declarations, and any rules and regulations the Association may choose to enact by a 51% affirmative vote of the voting members.
- B. Review Committee Function. It is the purpose and function of the Review Committee to insure the best use and most appropriate development and improvement of the lands located within the Subdivision; to protect the Association and its members against such improper use of surrounding Lots as will depreciate the value of their property; to preserve, so far as practicable, the natural beauty of and provide for proper landscaping of the Subdivision; to guard against the erection thereon of poorly designed and proportioned structures and structures built of improper or unsuitable materials; to encourage and secure the erection of attractive homes thereon with appropriate locations thereof on the Lots; to secure and maintain proper setbacks from streets and adequate free spaces between structures; and in general to provide for a high quality and aesthetically pleasing type of improvements to the Subdivision, and thereby to enhance the value of investments made by Lot Owners within the Subdivision.

The Review Committee is specifically charged with plan review and approval as outlined in the Declarations, and interpretation and enforcement of the specific Development, Use and Building Standards established in and pursuant to the Declarations.

In the event any Lot Owner shall attempt to construct or alter any improvements, except in compliance herewith, the Review Committee, the Association, or any Lot Owner shall have the authority to seek injunctive or other appropriate relief to enforce compliance with these Declarations.

ARTICLE VIII COMMON AREAS

- A. Common Areas shall be governed by the following provisions:
- a. The Board of Directors may limit the number of guests of members or occupants, and may promulgate and establish rules and regulations for the use of any "common area" or any facilities located thereon.
 - b. The Board of Directors may suspend the voting rights and right to use any recreational facilities by a member or occupant for any period during which any assessment against his lot remains unpaid; and for a period not to exceed 90 days for any infraction of its published rules and regulations.
 - c. The Board of Directors may dedicate or transfer any or part of the common areas to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument

signed by members entitled to cast two-thirds of the votes has been recorded, agreeing to such dedication or transfer, and unless written notice of such proposed action is sent to every member not less than 30 days nor more than 60 days in advance of the vote.

d. Any member may delegate his right of enjoyment to the common areas and facilities to the members of his family or contract purchasers who reside on the Lot.

ARTICLE IX

MISCELLANEOUS PROVISIONS

- A. Rules of Order. The Board of Directors may adopt such rules of order it deems appropriate for the conduct of all members' and directors' meetings except as otherwise provided hereunder or in the Articles of Incorporation.
- B. Indemnification of Directors and Officers. When a person is sued, either alone or with others, because he is or was a director or officer of the Association, or of another Association serving at the request of this Association, in any proceeding arising out of his alleged misfeasance in the performance of his duties or out of any alleged wrongful act against the Association or by the Association, he shall be indemnified for his reasonable expenses, including attorneys' fees incurred in the defense of the proceedings, if both of the following conditions exist:
- a. The person sued is successful in whole or in part, or the proceeding against him is settled with the approval of the Court.
- b. The Court finds that his conduct fairly and equitably merits such indemnity.
- The amount of such indemnity which may be assessed against the Association, its receiver, or its trustee, by the court in the same or in a separate proceeding shall be so much of the expenses, including attorneys' fees incurred in the defense of the proceedings, as the court determines and finds to be reasonable. Application for such indemnity may be made either by the person sued or by the attorney or other person rendering services to him in connection with the defense and the court may order the fees and expenses to be paid directly to the attorney or other person, although he is not a party to the proceeding. Notice of the application for such indemnity shall be served upon the Association, its receiver, or its trustee, and upon the plaintiff and other parties to the proceeding. The court may order notice to be given also to the members in the manner provided in Article III (B), for giving notice to the members' meetings, in such form as the court directs.
- C. Checks, Drafts Etc. All checks, drafts or other orders for payment of money, notes or other evidences of indebtedness, issued in the name of or payable to the Association, shall be signed or endorsed by such person or persons and in such manner as, from time to time, shall be determined by resolution of the Board of Directors.
- D. Annual Report. No annual report to members shall be required, but the Board of Directors may cause to be sent to the members reports in such form and at such times as may be deemed appropriate by the Board of Directors.
- E. Contracts, Deeds, Etc., How Executed. The Board of Directors, except as in these bylaws otherwise provided, may authorize any officer or officers, agent or agents, to enter into any contract or execute any instrument in the name of and on behalf of the Association, and such authority may be general or confined to specific instances; and unless so authorized by the Board of Directors, no officer, agent or employee shall have any power or authority to bind the Association by any contract or engagement or to pledge its credit or to render it liable for any purpose in any amount, provided, however, that any deeds or other instruments conveying lands or any interest therein shall be executed on behalf of the Association by the president or vice-president, if there be one, or by any agent or attorney so authorized under letter of attorney or other written power which was executed on behalf of the Association by the president or vice-president.

- F. Amendment/ By-laws. These By-laws shall take effect upon the affirmative vote of a majority of the Lot Owners present at a meeting at which a quorum is present, or without any meeting if all Lot Owners have been duly notified and if a majority of all of the Lot Owners entitled to vote at such a meeting, if held, consent in writing to such enactment. Once enacted under this section, the By-laws may be amended at a meeting of the Association members upon the approval thereof of sixty percent (60%) of all of the Lot Owners entitled to vote, or without any meeting if all Lot Owners have been duly notified and if sixty percent (60%) of all of the Lot Owners entitled to vote at such a meeting, if held, consent in writing to such amendment. Before it may take effect, any amendment must be properly recorded in the corporate minute book.
- G. Fiscal Year. The Association's Fiscal Year shall be the calendar year.
- H. Inconsistent Terms. Should any term or terms of these By-laws be interpreted to be in conflict with the terms of the Declarations, as they may be amended from time to time, then the terms of the Declarations shall control.

ARTICLE X

FINE STRUCTURE FOR BYLAW VIOLATIONS

Failure to comply with any previously listed bylaws or restrictions defined by the PGHOA Declaration of Restrictions and Bylaws may result in the following penalties:

- A. First Offense – Upon **first offense**, PGHOA member shall be **given a warning** that their residence, property, or behavior is not in compliance with the PGHOA declaration of restrictions or bylaws. The PGHOA member must take immediate action to remedy their non-compliance as defined by the PGHOA declaration of restrictions and bylaws. If violation is not remedied within seven (7) days, the PGHOA member may receive a notice of a second offense.
- B. Second Offense – If a PGHOA member's violation is not remedied within seven (7) days from notification of their violation, they may receive a notice of second offense. A second offense shall include a fine of \$100.00. The PGHOA member must take immediate action to remedy their non-compliance as defined by the PGHOA declaration of restrictions and bylaws. If violation is not remedied within seven (7) days, the PGHOA member may receive a notice of a third offense.
- C. Third Offense – If a PGHOA member's violation is not remedied within seven (7) days from notification of their violation, they may receive a notice of third offense. A third offense shall include an additional fine of \$250.00. This \$250.00 is in addition to the \$100.00 fine already issued for a second offense. The PGHOA member must take immediate action to remedy their non-compliance as defined by the PGHOA declaration of restrictions and bylaws. If violation is not remedied within seven (7) days, the PGHOA member may receive a notice of a fourth offense.
- D. Fourth Offense – If a PGHOA member's violation is not remedied within seven (7) days from notification of their violation, they may receive a notice of fourth offense. A fourth offense shall include an additional fine of \$500.00. This \$500.00 is in addition to the \$100.00 fine already issued for a second offense and \$250.00 fine for the third offense. The PGHOA member must take immediate action to remedy their non-compliance as defined by the PGHOA declaration of restrictions and bylaws. If violation is not remedied within seven (7) days, the PGHOA Board may take legal action to enforce the Declaration of Restrictions and Bylaws, as well as recoup any unpaid fines.
- E. If a PGHOA member is unable to bring their violation into compliance within the seven (7) day period, it is the responsibility of the PGHOA member to notify the PGHOA Board that they will need additional time. Upon a case-by-case basis, a reasonable amount of additional time may be granted to bring the violation into compliance based upon the decision of the PGHOA Board.

CERTIFICATE OF FILING

I, the undersigned, do hereby certify:

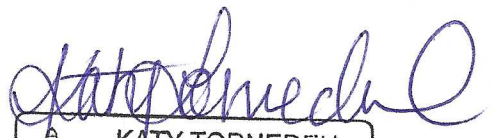
- (1) I am currently acting as the attorney for Prairie Gardens Homes Association, Inc., a Kansas Nonprofit Corporation; and
- (2) That the foregoing bylaws, comprising twelve (12) pages, including this page, shall be filed with the Register of Deeds in Leavenworth County, KS.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name this 27th day of _____ August _____, 2021.



_____, Attorney for the Prairie Gardens Homeowners Association.

JOHNATHAN GRUBE



KATY TORNEDEN
Notary Public - State of Kansas
My Appt. Expires 1/27/2025

Katy Torneden, Notary Public

THIS INSTRUMENT WAS ACKNOWLEDGED BEFORE ME ON AUGUST, 27,
2021, BY JOHNATHAN GRUBE.