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Polk County Iowa
JULIE M. HAGGERTY RECORDER
File# 2016-00108791

BK **16542** PG **469-501**

**First Amended and Restated Declaration of Covenants, Conditions, and Restrictions
Recorder's Cover Sheet**

Preparer Information:

Christopher S. Talcott, 215 10th St. Suite 1300, Des Moines, IA 50309; (515)288-2500

Taxpayer Information: N/A

Return Address:

Conlin Properties, Inc., 319 7th Street Suite 500, Des Moines, IA 50309

Grantors:

Tradition Townhomes Association

Grantees:

N/A

Legal Description: See Page 2

Document or instrument number if applicable:

- Original Declaration: Book 12123, Page 511
- First Amendment: Book 13203, Page 154
- Second Amendment: Book 13526, Page 457
- Third Amendment: Book 14062, Page 454
- Fourth Amendment: Book 14835, Page 904
- Fifth Amendment: Book 15513, Page 463

FIRST AMENDED AND RESTATED
BY-LAWS OF
TRADITION TOWNHOMES ASSOCIATION

The within First Amended and Restated By-Laws (“By-Laws”) of Tradition Townhomes Association (the “Association”) are entered into in connection with the **Declaration of Townhome Ownership For Tradition Townhomes**, as amended (the “Declaration”) pursuant to Chapter 504, Iowa Revised Code. Their purpose is to provide for the establishment and operation of an Owners’ Association for the government of the Properties in the manner provided by the Declaration and by these By-Laws. All present or future owners or tenants or their employees, or any other person who might enter upon or use the Properties in any manner shall be subject to the covenants, provisions or regulations contained in the Declaration and these By-Laws and shall be subject to any restriction, condition or regulation hereafter adopted by the Board of Directors of the Association. The mere acquisition or rental of any of the Lots, or the mere act of occupancy of any of the Living Units will constitute acceptance and ratification of the Declaration and of these By-Laws. Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Declaration.

ARTICLE I

THE ASSOCIATION

Section 1.1. Name and Nature of Association. The Association shall be an Iowa Corporation not for profit and shall be called Tradition Townhomes Association.

Section 1.2. Membership. Ownership of a Lot shall be the sole qualification for membership. Each Owner of a Lot, upon acquisition of title to a Lot, shall automatically become a Member of the Association. Such membership shall terminate upon the sale or other disposition by such Member of the Lot, at which time the new Owner of such Lot shall automatically become a Member of the Association. The Board of Directors shall suspend the voting rights of a Member for any period during which any assessment hereunder against the Member’s Lot remains unpaid and, for a period not to exceed sixty (60) days, for any infraction of the published rules and regulations of the Association.

Section 1.3. Voting Rights. There shall be one vote for each Lot. When more than one person holds an interest in any Lot, all such persons shall be Members . The vote for such Lot shall be exercised as such persons, among themselves, determine, but in no event shall more than one vote be cast with respect to any Lot, and such vote may not be further divided among such persons. Whenever these By-Laws require or permit a vote of the Owners or Members, such provision shall require or permit only a single, undivided vote per Lot as outlined in this section.

Section 1.4. Proxies. Members may vote or act in person or by proxy. The person appointed as proxy need not be a Member of the Association. Designation by a Member of a proxy to vote or act on the Member’s behalf shall be made in writing to the Board of Directors of the Association and shall be revocable at any time by actual notice to the Board of Directors by the Member making such designation. Notice to the Board of Directors in writing or in open meeting of the revocation of the designation proxy shall not affect any vote or act previously taken or authorized.

Section 1.5. Meeting of Members.

A. Annual Meeting. The annual meeting of the Members of the Association for the election of members of the Board of Directors, the consideration of reports to be laid before such meetings, and the transaction of such other business as may properly be brought before such meeting shall be held at the office of the Association or at such other place upon the Properties or elsewhere as may be designated by the Board of Directors and specified in the notice of such meeting, at such time as may be designated by the Board of Directors and specified in the notice of the meeting. Unless otherwise specified in the notice of the meeting for good cause, the annual meeting of the Association shall be held each year on the first Monday of May, at the Association clubhouse at 7:00 p.m.

B. Special Meetings. Special meetings of the Members of the Association may be held on any business day when called by the President of the Association or by the Board of Directors of the Association or by Members entitled to cast at least forty percent (40%) of the votes of the Association. Upon request in writing delivered either in person or by certified mail to the President or the Secretary of the Association by any persons entitled to call a meeting of Members, such officer shall forthwith cause to be given to the Members entitled thereto notice of a meeting to be held on a date not less than five (5) nor more than fifty (50) days after receipt of such request as such officer may fix. If such notice is not given within twenty (20) days after delivery or mailing of such request, the persons calling the meeting may fix the time of the meeting and give notice thereof. Each special meeting shall be called to convene at 7:00 p.m. and shall be held at the office of the Association clubhouse.

C. Notice of Meetings. Not less than five (5) nor more than fifty (50) days before the day fixed for a meeting of the Members of the Association, written notice stating the time, place and purpose of such meeting shall be given by or at the direction of the Secretary of the Association or any other person or persons required or permitted by these By-Laws to give such notice. The notice shall be given by personal delivery, by mail or email, or by such other means as permitted by Chapter 504 of the Iowa Code, to each Member as of the day preceding the day on which notice is given. If mailed, the notice shall be addressed to the Members at their respective addresses as they appear on the records of the Association. Notice of the time, place and purpose of any meeting of Members of the Association may be waived in writing, either before or after the holding of such meeting, by any Members, which writing shall be filed with or entered upon the records of the meeting. The attendance of any Member at any such meeting without protesting, prior to or at the commencement of the meeting, the lack of proper notice, shall be deemed to be a waiver by such Member of notice of such meeting.

D. Quorum; Adjournment. Except as may be otherwise provided by law or by the Declaration, at any meeting of the Members of the Association, the Members entitled to exercise a majority of the voting power of the Association present in person or by proxy shall constitute a quorum for such meeting. No action may be authorized or taken by a lesser percentage than required by law, by the Declaration or by these By-Laws. The Members entitled to exercise a majority of the voting power represented at a meeting of Members, whether or not a quorum is present, may adjourn such meeting from time to time. If any meeting is adjourned, notice of such adjournment need not be given if the time and place to which such meeting is adjourned are fixed and announced at such meeting.

E. Order of Business. The order of business at all meetings of Members of the Association shall be as follows, unless otherwise specified in the notice of the meeting:

- (1) Calling of meeting to order;
- (2) Proof of notice of meeting or waiver of notice, certification of proxies;
- (3) Reading of minutes of preceding meetings;
- (4) Reports of Officers;
- (5) Reports of Committees;
- (6) Election of Inspectors of election;

- (7) Election of Directors;
- (8) Unfinished and/or old business;
- (9) New Business;
- (10) Adjournment.

Roberts' s rules of order shall be enforced during all meetings.

F. Actions without a Meeting. All actions, except removal of a Director, which may be taken at a meeting of the Association, may be taken without a meeting in writing or writings signed by Members having a percentage of voting power required to take such action if same were taken at a meeting. Such writings shall be filed with the Secretary of the Association.

ARTICLE II

BOARD OF DIRECTORS

Section 2.1. Number and Qualification. The Board of Directors shall consist of (5) persons, except as otherwise provided, all of whom must be Owners and occupiers of a Lot.

Section 2.2. Nomination of Directors. Nomination for Election to 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 Chairperson and such number of additional persons as fixed by the Board of Directors, all of whom shall be Members of the Association. The Nominating Committee shall be appointed by the Board of Directors at least sixty (60) days prior to each annual meeting of the Members, to serve until the close of the 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 no less than the number of vacancies on the Board of Directors.

Section 2.3. Election of Directors; Vacancies. The required Directors shall be elected at each annual meeting of Members of the Association. Only persons nominated as candidates shall be eligible for election and the candidates receiving the greatest number of votes shall be elected. Each Owner may vote for as many candidates as there are vacancies in the Board of Directors however caused. In the event of a vacancy on the Board of Directors, the remaining Directors, though less than the authorized number, may, by the vote of a majority of their number, fill any vacancy for the unexpired term.

Section 2.4. Term of Office; Resignations. Directors' terms shall be for three (3) years. Initially, first terms shall be one (1) Director for one (1) year, two (2) Directors for two (2) years, and two (2) Directors for three (3) years so that the terms can be staggered. Each Director shall hold office until the next annual meeting of Members of the Association in which the Director's term expires, until the Director's successor is elected, or until the Director's earlier resignation, removal from office, or death. No individual Director shall hold office for more than six (6) consecutive years. Any Director may resign at any time by oral statement to that effect made at a meeting of the Board of Directors or in writing to that effect delivered to the Secretary of the Association; such resignation shall take effect immediately or at such other time as may be specified. The staggered terms shall be determined by the number of votes received: the two highest vote counts shall fill the two (2) three (3) year terms, third and fourth vote counts shall fill the two (2) two (2) year terms and the fifth vote count shall fill the one (1) one (1) year term. Members of the Board shall serve without compensation. The staggered terms shall be as follows:

- One Director – 1 year term 2015-2016; next term 2016-2019, and so on.
- Two Directors – 2 year terms 2015-2017; next term 2017-2020, and so on.

Two Directors – 3 year terms 2015-2018; next term 2018-2021, and so on.

Section 2.5. Organization Meeting. Immediately after each annual meeting of Members of the Association, the newly elected Board of Directors shall hold an organization meeting for the purpose of electing officers and transacting any other business. Notice of such meeting need not be given.

Section 2.6. Regular Meetings. Regular meetings of the Board of Directors shall be held at such times and places as shall be determined by a majority of the Directors but at least four (4) such meetings shall be held during each fiscal year. Directors are required to attend at least three-fourths of all meetings of the Board of Directors per year.

Section 2.7. Special Meetings. Special meetings of the Board of Directors may be held at any time upon call by the President or any two Directors. Written notice of the time and place of each such meeting shall be given to each Director either by personal delivery or by email, mail, facsimile or telephone, or by such other means permitted under Chapter 504 of the Iowa Code, at least three (3) days before the meeting, which notice shall specify the primary purpose of the meeting; provided, however, that attendance of any Director at such meeting without protesting, prior to or at the commencement of the meeting, the lack of proper notice shall be deemed to be a waiver by such Director of notice of such meeting and such notice may be waived in writing either before or after the holding of such meeting, by any Director, which writing shall be filed with or entered upon the records of the meeting. Unless otherwise indicated in the notice thereof, any business may be transacted at any organizational, regular or special meeting.

Section 2.8. Quorum; Adjournment. A quorum of the Board of Directors shall consist of a majority of the Directors then in office; provided that a majority of the Directors present at a meeting duly held whether or not a quorum is present, may adjourn such meeting from time to time. If any meeting is adjourned, notice of such adjournment need not be given if the time and place to which such meeting is adjourned are fixed and announced at such meeting. At each meeting of the Board of Directors at which a quorum is present, all questions and business shall be determined by a majority vote of those Directors present, except as may be otherwise expressly provided in the Declaration or in these By-Laws.

Section 2.9. Removal of Directors. At any regular or special meeting of Members of the Association duly called, at which a quorum shall be present, any one or more of the Directors may be removed with or without cause by a vote of Members entitled to exercise at least sixty-six and two-thirds percent (66 2/3%) of the voting power of the Association, and a successor or successors to such Director so removed shall then and there be elected to fill the vacancy or vacancies thus created. Any Director whose removal has been proposed by the Members of the Association shall be given an opportunity to be heard at such meeting.

Section 2.10. Fidelity Bonds. The Board of Directors shall obtain fidelity bond coverage with respect to any person who either handles or is responsible for funds held or administered by the Association, in an amount no less than the maximum funds that will be in the custody of the Association or its management agent at any time while the bond is in force. Provided, however, the fidelity bond coverage must at least equal the sum of three months' assessments on all Lots, plus the Association's reserve funds. A management agent handling funds for the Association shall also be covered by its own fidelity bond, at the sole cost of said agent, naming the Association as an additional obligee. All bonds shall provide for at least ten (10) days written notice to the Association before the same may be canceled or substantially modified for any reason.

Section 2.11. Actions without a Meeting. Subject to Section 2.6 of this Article, all actions which may be taken at a meeting of the Board of Directors, may be taken without a meeting in writing or writings

signed by Directors having a percentage of voting power required to take such action if same were taken at a meeting. Such writings shall be filed with the Secretary of the Association.

ARTICLE III

OFFICERS

Section 3.1. Election and Designation of Officers. The Board of Directors shall elect a President, a Vice President, a Secretary and a Treasurer, each of whom shall be a member of the Board of Directors. The Board of Directors may designate committees and appoint Members to said committees from time to time, with such tasks and duration as designated by the Board of Directors.

Section 3.2. Term of Office; Vacancies. The officers of the Association shall hold office until the next organizational meeting of the Board of Directors and until their successors are elected, except in the case of resignation, removal from office or death. The Board of Directors may remove any officer at any time with or without cause by a majority vote of the Directors in office. Any vacancy in any office may be filled by the Board of Directors.

Section 3.3. President. The President shall be the chief executive officer of the Association. The President shall preside at all meetings of Members of the Association and shall preside at all meetings of the Board of Directors. Subject to direction of the Board of Directors, the President shall have general executive supervision over the business and affairs of the Association. The President may execute all authorized deeds, contracts and other obligations of the Association and shall have such other authority and shall perform such other duties as may be determined by the Board of Directors or otherwise provided for in the Declaration or in these By-Laws.

Section 3.4. Vice-President. The Vice-President shall perform the duties of the President whenever the President is unable to act and shall have such other authority and perform such other duties as may be determined by the Board of Directors.

Section 3.5. Secretary. The Secretary shall keep the minutes of meetings of the Members of the Association and of the Board of Directors. The Secretary shall keep such books as may be required by the Board of Directors and shall give notices of meetings of Members of the Association and of the Board of Directors as required by law, or by these By-Laws or otherwise, and shall have such authority and shall perform such other duties as may be determined by the Board of Directors. The Secretary shall keep appropriate records showing the Members with contact information.

Section 3.6. Treasurer. The Treasurer shall receive and have charge of all money, bills, notes and similar property belonging to the Association, and shall do with the same as may be directed by the Board of Directors. The Treasurer shall keep accurate financial accounts and hold the same open for the inspection and examination and shall have such authority and shall perform such other duties as may be determined by the Board of Directors. Two (2) signers of all checks on behalf of the Association shall be required. The Treasurer and/or President shall sign all checks with the Secretary or Vice-President as co-signer when both the Treasurer and President do not sign. Board of Directors may authorize a management company to collect and disperse funds.

Section 3.7. Delegation of Authority and Duties. The Board of Directors is authorized to delegate the authority and duties of any officer to any other officer and generally to control the actions of the officers and to require the performance of duties in addition to those mentioned herein.

ARTICLE IV

GENERAL POWERS OF THE ASSOCIATION

Section 4.1. Payments from Maintenance Funds. The Association, for the benefit of all of the Members, shall acquire, and shall pay for out of the general fund hereinafter provided for, the following:

A. Utility Services. The cost of water, waste removal, electricity, telephone, heat, power or any other necessary Utility service for the Association Responsibility Elements; and the cost of waterlines, waste removal or any utilities which are not separately metered or otherwise directly charged to individual owners. However, the Association may discontinue such payments at any time, in which case each Owner shall be responsible for direct payment of the Owner's share of such expenses as shall be determined by the Board of Directors. Any Owner shall reimburse the Association for excessive use, as shall be determined by the Board of Directors, by such Owner of any utility service having been charged against the maintenance fund.

B. Casualty Insurance. The premium upon a policy or policies of fire insurance, with extended coverage, vandalism and malicious mischief endorsements, as provided in the Declaration, the amount of which insurance shall be reviewed annually.

C. Liability Insurance. The premium upon a policy or policies insuring the Association, the members of the Board of Directors, the officers, and the Owners against any liability to the public or the owners of the Association Responsibility Elements, and their invitees, or tenants, incident to the ownership and/or use of the Association Responsibility Elements, as provided in the Declaration, the limits of which policy shall be reviewed annually;

D. Workers'ers and Unemployment Compensation. The costs of workers' and unemployment compensation insurance to the extent necessary to comply with any applicable laws;

E. Wages and Fees for Services. The fees for services of any person or firm employed by the Association, including, without limitation, the services of a person or firm to act as a manager or managing agent for the Association, the services of any person or persons required for the maintenance or operation of the Association Responsibility Elements, and legal and / or accounting services necessary or proper in the operation of the Association or the enforcement of the Declaration and these By-Laws and for the organization, operation and enforcement of the rights of the Association.

F. Care of Association Responsibility Elements. The cost of landscaping, gardening, snow removal, road maintenance, painting, cleaning, tuck pointing, maintenance, decorating, repair and replacements of the Association Responsibility Elements (but not including the interior surfaces of the Living Units which the Owner shall paint, clean, decorate, maintain and repair), the painting, cleaning and decoration of the exterior surfaces of the Buildings, the operation of the pool, and any other recreational facilities situated on the Association Responsibility Elements or on any property leased to the Association and such furnishings and equipment for the Association Responsibility Elements as the Board of Directors shall determine are necessary and proper, and the Association shall have the exclusive right and duty to acquire the same for the Association Responsibility Elements as to road maintenance.

G. Certain Maintenance of Living Units. The cost of the maintenance and repair of any Living Unit or Common Elements if such maintenance or repair is necessary, in the discretion of the Board of Directors, to protect the Association Responsibility Elements, or any portion of a Building, and the Owner or Owners of said Living Unit have failed or refused to perform said maintenance or repair within a

reasonable time after written notice of the necessity of said maintenance or repair, the Board of Directors shall levy special assessment against such Living Unit Owner or Owners for the cost of said maintenance or repair.

H. Discharge of Mechanic's Liens. Any amount necessary to discharge any mechanic's lien or other encumbrance levied against the entire Association Responsibility Elements or any part thereof which may in the opinion of the Board of Directors constitute a lien against the entire Association Responsibility Elements rather than merely against the interest therein of particular Owners; it being understood, however, that the foregoing authority shall not be in limitation of any statutory provisions relating to the same subject matter. Where one or more Owners are responsible for the existence of such lien, they shall be jointly and severally liable for the cost of discharging it and any costs incurred by the Association by reason of said lien or liens shall be specifically assessed to said Owners;

I. Additional Expenses. The cost of any other materials, supplies, furniture, labor, services, maintenance, repairs, structural alterations, insurance, "common expenses" or assessments which the Association is required to secure or pay for pursuant to the terms of the Declaration and these By-Laws or by law or which in the opinion of the Board of Directors will be necessary or proper for the maintenance and operation of the Association Responsibility Elements as a first class townhouse project or for the enforcement of the Declaration and these By-Laws.

Section 4.2. Capital Additions and Improvements. The Association's power herein above enumerated shall be limited in that the Association shall have no authority to acquire and pay for out of the maintenance fund any capital additions and improvements (other than for the purposes of replacing or restoring portions of the Association Responsibility Elements, subject to all of the provisions of the Declaration and these By-Laws) having a total cost in excess of Two Thousand Dollars (\$2,000.00), nor shall the Association authorize any structural alterations, capital additions to, or capital improvements of the Association Responsibility Elements requiring an expenditure in excess of Two Thousand Dollars (\$2,000.00) without in each case obtaining the prior approval of the Members.

Section 4.3. Rules and Regulations. The Board of Directors may adopt such reasonable rules and regulations and from time to time amend the same, supplementing the rules and regulations set forth in the Declaration and these By-Laws as it may deem advisable for the maintenance, conservation and beautification of the Properties, and for the health, comfort, safety and general welfare of the Members. Written notice of such rules and regulations shall be given to all Members and the Properties shall at all times be maintained subject to such rules and regulations. In the event such supplemental rules and regulations shall conflict with any provisions of the Declaration or these By-Laws, the rules and regulations of the Declaration and of these By-Laws shall govern.

Section 4.4. No Active Business to be conducted for Profit. Nothing herein contained shall be construed to give the Association authority to conduct an active business for profit on behalf of all the Owners or any of them.

Section 4.5. Special Services. The Association may arrange for the provision of any special services and facilities for the benefit of such Members as may desire to pay for the same, including, without limitation, cleaning, repair and maintenance of Living Units. Fees for such special services and facilities shall be determined by the Board of Directors and may be charged directly to participating Members, or paid from the maintenance fund and levied as a special assessment due the participants.

Section 4.6. Delegation of Duties. Nothing herein contained shall be construed so as to preclude the Association, through its Board of Directors and officers, from delegating to persons, firms or corporations of

its choice, including any manager or managing agent, such duties and responsibilities of the Association as the Board of Directors shall from time to time specify, and to provide for reasonable compensation for the performance of such duties and responsibilities.

Section 4.7. Applicable Laws. The Association shall be subject to and governed by the provisions of any statute adopted at any time and applicable to the Properties (including, without limitation, Chapter 504, Iowa Revised Code); provided, however, that all inconsistencies between or among the permissive provisions of any applicable statute and any provision of the Declaration and these By-Laws, shall be resolved in favor of the Declaration and By-Laws, and any inconsistencies between or among the mandatory provisions of any applicable statute, shall be resolved in favor of the latter statute. In the event of any conflict or inconsistency between the Declaration and the Articles or By-Laws of the Association, the terms and provisions of the Declaration shall prevail, and the Owners and all persons claiming under them covenant to vote in favor of such amendments to the Articles or By-Laws as will remove such conflicts or inconsistencies.

ARTICLE V

DETERMINATION AND PAYMENT OF ASSESSMENTS

Section 5.1. Obligations of Owners to Pay Assessments. It shall be the duty of every Owner to pay the Owner's proportionate share of the expenses of administration, maintenance and repair of the Association Responsibility Elements and of the other expenses provided for herein. Payment thereof shall be in such amounts and at such times as may be determined by the Board of Directors, as hereinafter provided.

Section 5.2. Preparation of Estimated Budget. Each year on or before December 1st the Board of Directors shall estimate the total amount necessary to pay the cost of wages, materials, insurance, services, supplies, and other expenses provided herein which will be required during the ensuing calendar year for the rendering of all services, together with a reasonable amount considered by the Board of Directors to be necessary for a reserve for contingencies and replacements, and shall on or before December 15 notify each owner in writing as to the amount of such estimate, with reasonable itemization thereof. Said "estimated cash requirement" shall be assessed equally to each Lot. On or before January 1 of the ensuing year, and on the 1st day of every successive month of said year, each owner shall be obligated to pay to the Association or as it may direct one-twelfth (1/12th) of the assessment made pursuant to this paragraph. Between December 15 and January 1, a special budget meeting of the Members of the Association shall be called for the purposes of soliciting Member feedback regarding the ensuing calendar year's budget and assessments and considering amendments to the same prior to their taking effect on January 1. In each calendar year, the Association shall supply to all Owners an itemized accounting of the maintenance expenses actually incurred in the preceding calendar year, together with a tabulation of the amounts collected pursuant to the estimates provided, and showing the net amount over or short of the actual expenditures plus reserves.

Section 5.3. Reserve for Contingencies and Replacements. The Association shall build up and maintain a reasonable reserve for contingencies and replacements. Extraordinary expenditures not originally included in the annual estimate which may be necessary for the year shall be charged first against such reserve. If said "estimated cash requirement" proves inadequate for any reason, including non-payment of any Owner's assessment, the same shall be assessed to the Owners. The Association shall serve notice of such further assessment on all Owners by a statement in writing giving the amount and reasons therefor, and such further assessment shall become effective with the first monthly maintenance payment which occurs more than ten (10) days after the delivery or mailing of such notice of further assessment. All Owners shall be obligated to pay the adjusted monthly amount.

Section 5.4. Failure to Prepare Annual Budget. The failure or delay of the Board of Directors to prepare or serve the annual or adjusted estimate on an Owner shall not constitute a waiver or release in any manner of such Owner's obligation to pay the maintenance costs and necessary reserves, as herein provided, whenever the same shall be determined. In the absence of any annual estimate or adjusted estimate, the Owners shall continue to pay the monthly maintenance charge at the existing monthly rate established for the previous period until the first monthly maintenance payment which occurs more than fifteen (15) days after such new annual or adjusted estimate shall have been mailed or delivered.

Section 5.5 Books and Records of Association. The Association shall keep full and correct books of account and the same shall be open for inspection by an Owner or any representative of an Owner duly authorized in writing, at reasonable times and upon request by an Owner. Upon five (5) days' notice to the Board of Directors and upon payment of a reasonable fee, any unit Owner shall be furnished a statement of his account setting the amount of any unpaid assessments or other charges due and owing from such Owner.

Section 5.6. Status of Funds Collected by Association. All funds collected hereunder shall be held and expended solely for the purposes designated herein, and (except for such special assessments as may be levied hereunder against less than all of the Owners and for such adjustments as may be required to reflect delinquent or prepaid assessments) shall be deemed to be held for the use, benefit and account of all Owners as provided in the Declaration.

Section 5.7. Annual Audit. The Books of the Association shall be audited once a year by the Board of Directors and such audits shall be completed prior to each annual meeting of the Members. If requested by three members of the Board of Directors such audit shall be made by a Certified Public Accountant. In addition and at any time, if approved by the Members, the Board of Directors shall cause an additional audit to be made.

Section 5.8. Remedies for Failure to Pay Assessments. If an Owner is in default in the payment of the aforesaid charges or assessments, or in the payment of the transfer assessment provided under the Declaration, for thirty (30) days, the Board of Directors may bring suit for and on behalf of Association and as representative of all Owners, to enforce collection thereof or to foreclose the lien therefor as provided in the Declaration. There shall be added to the amount due the costs of said suit, together with legal interest and reasonable attorney's fees to be fixed by the Court. To the extent permitted by the Declaration, any decision or any statute or law now or hereafter effective, the amount of any delinquent and unpaid charges or assessments, and interest, costs and fees as above provided, shall be a lien or charge against the membership interest of the Owner involved when payable, and may be foreclosed by an action brought in the name of the Board of Directors of the Association as in the case of foreclosure of liens against real estate, as provided in the Declaration. The Board of Directors acting on behalf of the Association shall have the power to bid in the interest so foreclosed at foreclosure sale, and to acquire and to hold, lease, mortgage and convey the same. Any holder of an encumbrance against a Lot may from time to time request in writing a written statement from the Board of Directors setting forth the unpaid common expenses with respect to the Lot covered by the encumbrance and unless the request shall be complied with within ten (10) days following receipt by the Board of Directors of the written notice, all unpaid common expenses which became due prior to the date of the receipt of such request shall be subordinate to the lien of such encumbrancer. Any encumbrancer holding a lien against a Lot may pay any unpaid common expenses payable with respect to such Lot and upon such payment such encumbrancer shall have a lien on such Lot for the amounts paid at the same rank as the lien of his encumbrance.

ARTICLE VI

GENERAL PROVISIONS

Section 6.1. Copies of Notice to Mortgage Lenders. Upon written request to the Board of Directors the holder of any duly recorded mortgage or trust deed against any Lot shall be given a copy of any and all notices permitted or required by the Declaration or these By-Laws to be given to the Owner whose Lot is subject to such mortgage or trust deed.

Section 6.2. Service of Notice on the Board of Directors. Notices required to be given to the Board of Directors or to the Association may be delivered to any member of the Board of Directors or officer of the Association either personally or by mail addressed to such Director or officer at the Director's or officer's Lot.

Section 6.3. Service of Notices on Devisees and Personal Representatives. Notices required to be given any devisee or personal representative of a deceased Owner may be delivered either personally or by mail to such party at the party's address appearing on the records of the Court wherein the estate of such deceased owner is being administered.

Section 6.4. Non-Waiver of Covenants. No covenants, restrictions, conditions, obligations or provisions contained in the Declaration or these By-Laws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

Section 6.5. Agreements Binding. All agreements and determinations lawfully made by the Association in accordance with the procedure established in the Declaration and these By-Laws shall be deemed to be binding on all Owners, their heirs, successors, and assigns.

Section 6.6. Severability. The invalidity of any covenant, restriction, condition, limitation or any other provision of these By-Laws, or any part of the same, shall not impair or affect in any manner the validity, enforceability or effect of the rest of these By-Laws.

ARTICLE VII

DEFINITIONS

Section 7.1. "Association" shall mean and refer to Tradition Townhomes Association, its successors and assigns, a non-profit corporation organized pursuant to Chapter 504 of the Code of Iowa, 2005.

Section 7.2. "Association Responsibility Elements" shall mean the following:

- (a) The exterior surface of the Building upon a Lot, excluding windows, doors, stoops, patios, decks, unattached personal property and any additions made to the Living Units whether or not approved by the Association (for example, flags or barbeque grills).
- (b) The structural portion of the Building upon a Lot.
- (c) The roof, gutters, downspouts, and foundations of the Building upon a Lot.
- (d) Any common wall between residential structures upon Lots, except the interior surfaces thereof.

- (e) The yard surrounding the residential structure upon a Lot, excluding any gardens, plants or flowers installed by any Owner.
- (f) Private streets, driveways, sidewalks, and streetlights.
- (g) The Common Elements, including conduits, ducts, plumbing, wiring, pipes and other facilities within the attic or basement of a residential structure which are carrying any service to more than one Lot or more than one Living Unit.
- (h) Irrigation system.
- (i) Entrance sign.
- (j) Common Area, including Pool and Clubhouse.
- (k) Aerators and landscaping.

Section 7.3. “Board of Directors” shall mean and refer to the Board of Directors of the Association.

Section 7.4. “Building” shall mean and refer to any structure containing one or more single-family dwelling units that may be constructed on a Lot or on several Lots.

Section 7.5. “City” shall mean the city of Ankeny, Iowa.

Section 7.6. “Common Area” shall mean and refer to Outlot “X” in TRADITION PLAT 3, an Official Plat, now included in and forming a part of the City of Ankeny, Polk County, Iowa as shown on the Official Plat thereof, including Pool and Clubhouse, Outlot “X” in Villas at Stonewater, an Official Plat, now included in and forming a part of the City of Ankeny, Polk County, Iowa, and Parcel FF in the Plat of Survey recorded February 6, 2013 in Book 14648 at Page 606 in the office of the Polk County Recorder, Polk County, Iowa.

Section 7.7. “Common Elements” shall mean all common water lines, sewers, gas lines, electric lines and other utility service facilities located within the Properties that serve more than one Lot or Living Unit.

Section 7.8. Intentionally Deleted.

Section 7.9. “Declaration” shall mean and refer to this First Amended and Restated Declaration of Covenants, Conditions and Restrictions to which the Properties are subject.

Section 7.10. “Federal Mortgage Agencies” shall mean and refer to those federal agencies who have or may come to have an interest in the Properties, or any portion thereof, such as the Federal Housing Administration, the Veterans Administration, the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation, or successors to their interests.

Section 7.11. “Living Unit” shall mean and refer to any portion of a building situated upon a Lot and designed and intended for use and occupancy as a residence by a single family.

Section 7.12. “Lot” shall mean and refer to any of the lots in Lots 1 - 44 in TRADITION PLAT 3, an Official Plat, now included in and forming a part of the City of Ankeny, Polk County, Iowa as shown on the

Official Plat thereof, or any of the lots in Lots 1 - 24 in Villas at Stonewater, an Official Plat, now included in and forming a part of the City of Ankeny, Polk County, Iowa, and any Lots created by the division of such Lots. The rights and obligations under this Declaration relating to ownership of the Lots shall apply equally to each Lot regardless of the size or design of the Living Unit situated thereon.

Section 7.13. "Member" shall mean and refer to those persons entitled to membership as provided in the Declaration and the Association's By-Laws.

Section 7.14. "Owner" shall mean and refer to the record Owner, whether one or more persons or entities, of fee simple title to any Lot, including contract sellers and vendees (deemed Co-owners), but excluding those having such interest merely as security for the performance of an obligation, and excluding those having a lien upon the property by provision or operation of law.

Section 7.15. "Properties" shall mean the following described real property:

Lots 1 - 44 and Outlot 'X' in TRADITION PLAT 3, an Official Plat, now included in and forming a part of the City of Ankeny, Polk County, Iowa
and

Lots 1 - 24 and Outlot 'X' in Villas at Stonewater, an Official Plat, now included in and forming a part of the City of Ankeny, Polk County, Iowa
and

A part of the Northwest Quarter of Section 35, Township 80 North, Range 24 West of the Fifth Principal Meridian, in the City of Ankeny, Polk County, Iowa, more particularly described as Parcel FF in the Plat of Survey recorded February 6, 2013 in Book 14648 at Page 606 in the office of the Polk County Recorder, Polk County, Iowa.

**FIRST AMENDED AND RESTATED
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS**

KNOW ALL PERSONS BY THESE PRESENTS that this First Amended and Restated Declaration of Covenants, Conditions and Restrictions relates to the following described real property:

Lots 1 – 44 and Outlot ‘X’ in TRADITION PLAT 3, an Official Plat, now included in and forming a part of the City of Ankeny, Polk County, Iowa
and

Lots 1 - 24 and Outlot ‘X’ in Villas at Stonewater, an Official Plat, now included in and forming a part of the City of Ankeny, Polk County, Iowa
and

A part of the Northwest Quarter of Section 35, Township 80 North, Range 24 West of the Fifth Principal Meridian, in the City of Ankeny, Polk County, Iowa, more particularly described as Parcel FF in the Plat of Survey recorded February 6, 2013 in Book 14648 at Page 606 in the office of the Polk County Recorder, Polk County, Iowa,

(hereinafter the “Properties”).

WHEREAS, reference is made to the Declaration of Covenants, Conditions and Restrictions for Lots 1 - 44 in Tradition Plat 3, an Official Plat, now included in and forming a part of the City of Ankeny, Polk County, Iowa, for Tradition Townhomes in the City of Ankeny, Polk County, Iowa, filed March 28, 2007, in Book 12123, Page 511 of the Polk County Recorder’s Office (the “Original Declaration”); and

WHEREAS, the Original Declaration was previously amended by the First Amendment to Declaration of Covenants, Conditions and Restrictions filed September 14, 2009 in Book 13203, Page 154 of the Polk County Recorder’s Office; the Second Amendment to Declaration of Covenants, Conditions and Restrictions filed August 3, 2010 in Book 13526, Page 457 of the Polk County Recorder’s Office; the Third Amendment to Declaration of Covenants, Conditions and Restrictions filed November 23, 2011 in Book 14062, Page 454 of the Polk County Recorder’s Office; the Fourth Amendment to Declaration of Covenants, Conditions and Restrictions, filed June 18, 2013 in Book 14835, Page 904 of the Polk County Recorder’s Office; and the Fifth Amendment to Declaration of Covenants, Conditions and Restrictions, filed March 27, 2015 in Book 15513, Page 463 of the Polk County Recorder’s Office (the Original Declaration as so amended, the “Existing Declaration”); and

WHEREAS, the Existing Declaration reserved certain rights to the Declarant (as defined therein) and its successors and assigns, which reserved rights as Declarant were last assigned to HZB Enterprises, L.L.C. (“HZB”); and

WHEREAS, pursuant to Article II, Section 2 of the Existing Declaration, HZB has waived its right to be the sole voting member of the Association together with all other reserved rights as Declarant, retaining only those rights as it may have as the Owner of any Lot hereunder; and

WHEREAS, this First Amended and Restated Declaration of Covenants, Conditions and Restrictions has been approved by at least two-thirds of the Owners pursuant to Article XIV, Section 2 of the Existing Declaration.

NOW, THEREFORE, the Existing Declaration is hereby amended and restated to declare that the Properties shall be held, sold and conveyed subject to the following easements, restrictions, covenants, and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with the real property and be binding on all parties having any rights, title or interest in the Properties or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each Owner thereof.

ARTICLE I
DEFINITIONS

Section 1. “Association” shall mean and refer to Tradition Townhomes Association, its successors and assigns, a non-profit corporation organized pursuant to Chapter 504 of the Code of Iowa, 2005.

Section 2. “Association Responsibility Elements” shall mean the following:

- (a) The exterior surface of the Building upon a Lot, excluding windows, doors, stoops, patios, decks, unattached personal property and any additions made to the Living Units whether or not approved by the Association (for example, flags or barbeque grills).
- (b) The structural portion of the Building upon a Lot.
- (c) The roof, gutters, downspouts, and foundations of the Building upon a Lot.
- (d) Any common wall between residential structures upon Lots, except the interior surfaces thereof.
- (e) The yard surrounding the residential structure upon a Lot, excluding any gardens, plants or flowers installed by any Owner.
- (f) Private streets, driveways, sidewalks, and streetlights.
- (g) The Common Elements, including conduits, ducts, plumbing, wiring, pipes and other facilities within the attic or basement of a residential structure which are carrying any service to more than one Lot or more than one Living Unit.

- (h) Irrigation system.
- (i) Entrance sign.
- (j) Common Area, including Pool and Clubhouse.
- (k) Aerators and landscaping.

Section 3. “Board of Directors” shall mean and refer to the Board of Directors of the Association.

Section 4. “Building” shall mean and refer to any structure containing one or more single-family dwelling units that may be constructed on a Lot or on several Lots.

Section 5. “City” shall mean the city of Ankeny, Iowa.

Section 6. “Common Area” shall mean and refer to Outlot “X” in TRADITION PLAT 3, an Official Plat, now included in and forming a part of the City of Ankeny, Polk County, Iowa as shown on the Official Plat thereof, including Pool and Clubhouse, Outlot “X” in Villas at Stonewater, an Official Plat, now included in and forming a part of the City of Ankeny, Polk County, Iowa, and Parcel FF in the Plat of Survey recorded February 6, 2013 in Book 14648 at Page 606 in the office of the Polk County Recorder, Polk County, Iowa.

Section 7. “Common Elements” shall mean all common water lines, sewers, gas lines, electric lines and other utility service facilities located within the Properties that serve more than one Lot or Living Unit.

Section 8. Intentionally Deleted.

Section 9. “Declaration” shall mean and refer to this First Amended and Restated Declaration of Covenants, Conditions and Restrictions to which the Properties are subject.

Section 10. “Federal Mortgage Agencies” shall mean and refer to those federal agencies who have or may come to have an interest in the Properties, or any portion thereof, such as the Federal Housing Administration, the Veterans Administration, the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation, or successors to their interests.

Section 11. “Living Unit” shall mean and refer to any portion of a building situated upon a Lot and designed and intended for use and occupancy as a residence by a single family.

Section 12. “Lot” shall mean and refer to any of the lots in Lots 1 - 44 in TRADITION PLAT 3, an Official Plat, now included in and forming a part of the City of Ankeny, Polk County, Iowa as shown on the Official Plat thereof, or any of the lots in Lots 1 - 24 in Villas at Stonewater, an Official Plat, now included in and forming a part of the City of Ankeny, Polk County, Iowa, and any Lots created by the division of such Lots. The rights and obligations

under this Declaration relating to ownership of the Lots shall apply equally to each Lot regardless of the size or design of the Living Unit situated thereon.

Section 13. “Member” shall mean and refer to those persons entitled to membership as provided in the Declaration and the Association’s By-Laws.

Section 14. “Owner” shall mean and refer to the record Owner, whether one or more persons or entities, of fee simple title to any Lot, including contract sellers and vendees (deemed Co-owners), but excluding those having such interest merely as security for the performance of an obligation, and excluding those having a lien upon the property by provision or operation of law.

Section 15. “Properties” shall have the meaning set forth on Page 1 hereof.

ARTICLE II

MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

Section 1. Membership and Voting. Every Owner of a Lot shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot that is subject to assessment hereunder. Ownership of a Lot shall be the sole qualification for membership. The Owner of a Lot shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be Members. The vote for such Lot shall be exercised as such persons, among themselves, determine, but in no event shall more than one vote be cast with respect to any Lot, and such vote may not be further divided among such persons. Whenever this Declaration or the Bylaws of the Association require or permit a vote of the Owners or Members, such provision shall require or permit only a single, undivided vote per Lot as outlined in this Section.

Section 2. Intentionally Deleted.

Section 3. Board of Directors. The Members shall elect a Board of Directors of the Association as prescribed by the By-Laws of the Association. The Board of Directors shall manage the affairs of the Association.

Section 4. Suspension of Voting Rights. The Association shall suspend the voting rights of a Member for any period during which any assessment hereunder against the Member’s Lot remains unpaid and, for a period not to exceed sixty (60) days, for any infraction of the published rules and regulations of the Association.

Section 5. Notice of Meetings of Members. Unless the Articles of Incorporation or the Bylaws otherwise provide, written notice stating the place, day and hour of the meeting and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered no less than five (5) nor more than fifty (50) days before the date of the meeting, either personally or by mail, or by such other means as permitted by Chapter 504 of the Iowa Code including but not limited to delivery to a Member’s electronic mail address noted in the

Association's records, by or at the direction of the President or Secretary, or the officer or persons calling the meetings, to each Member entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States Mail addressed to the Member at the Member's address as it appears on the records of the Association, with postage thereon prepaid.

Section 6. Duration. No dissolution of the Association shall occur without the prior approval and consent of the City.

ARTICLE III **COVENANT FOR MAINTENANCE ASSESSMENTS**

Section 1. Creation of the Lien and Personal Obligation of Assessments. Each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) monthly assessments or charges, (2) special assessments for capital improvements and operating deficits, (3) special assessments as provided in this Article III, Article V and Article VI; (4) a transfer assessment; and such assessments to be established and collected as hereinafter provided. The monthly, special and transfer assessments, together with late fees, interest, costs and reasonable attorney's fees incurred in connection with enforcement, 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, together with interest, costs, and reasonable attorney's fees incurred in connection with enforcement, shall also be the joint and several personal obligation of each person who was the Owner of such property at the time when the assessment became due. The Association may, but need not, file an affidavit in the Polk County Recorder's Office to place third parties on notice of any specific delinquency.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the health, safety, and welfare of the residents in the Properties and for the insurance, improvement, maintenance, repair, replacement, removal, and demolition of the Association Responsibility Elements and for other purposes specifically provided herein.

Section 3. Transfer Assessment. Prior to the transfer of any Lot, a transfer assessment in the amount of \$495.00 shall be paid to the Association by the initial and any subsequent purchaser of any Lot. By including this notice of a transfer assessment in this Declaration all third parties are put on notice that upon conveyance of title to such purchasers, unless paid to the Association at the closing, a lien for the transfer assessment shall immediately attach to such Lot. No transfer assessment will be due upon the transfer of a Lot by an Owner to an Owner's trust or other entity controlled by the Owner.

A portion of such monthly and transfer assessments as determined by the Board of Directors shall be set aside or otherwise allocated in a reserve fund for the purpose of providing repair, replacement, removal and demolition of the Common Elements, the Association Responsibility Elements and any capital improvement that the Association is required to maintain. Notwithstanding the foregoing, the Board of Directors may use any reserve funds, if established, to defray operating costs as it deems appropriate.

A Lot shall not be subject to monthly or special assessments until the first day of the month following the date of first occupancy as a residence or date of closing on the original purchase from the developer of the Properties, whichever comes first.

The Association is not required to submit statements for assessments to any Owner, provided such assessments have been duly established pursuant to this Declaration and the Bylaws of the Association. All monthly payments shall be due on the first of each month.

Section 4. Special Assessments for Capital Improvements and Operating Deficits.

In addition to the monthly assessments authorized above, the Association may levy a special assessment for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair, replacement, removal or demolition of a capital improvement that the Association is required to maintain or for operating deficits that the Association may from time to time incur, provided that any such assessment shall have the assent of a majority of the Members who are voting in person or by proxy at a meeting duly called for this purpose.

Section 5. Notice and Quorum for Any Action Authorized Under Sections 3 and 4.

Written notice of any meeting called for the purpose of taking any action authorized under Section 3 or 4 shall be sent to all Members not less than five (5) days nor more than fifty (50) days in advance of the meeting. At the first such meeting called, the presence of twenty-five percent (25%) of the Members or proxies entitled to cast votes shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be fifty percent (50%) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 6. Uniform Rate of Assessment. Both monthly and special assessments must be fixed at a uniform rate for all Lots and may be collected on a monthly basis.

Section 7. Date of Commencement of Monthly Assessments: Due Dates. The monthly assessments provided for herein shall commence as to each respective Lot on the first day of the month following the date of first occupancy as a residence or date of closing on the original purchase from the developer of the Properties, whichever comes first. The maintenance responsibilities of the Association as to each Lot shall commence concurrently with the commencement of monthly assessments. The insurance assessment provided for in Article VI shall commence as to each Lot on the first day of the first month following the date of conveyance of the Lot to an Owner (See Article VI, Section 3). The Board of Directors shall fix any increase in the amount of the monthly assessment at least thirty (30) days in advance of the effective date of such increase. Written notice of special assessments and such other assessment notices as the Board of Directors shall deem appropriate shall be sent to every Owner subject thereto. The due dates for all assessments shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate in a recordable form signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate from the Association regarding the status of assessments on a Lot shall be binding upon the Association as of the date of its issuance.

Section 8. Effect of Nonpayment of Assessments: Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of 15% per annum or at the highest rate allowed by Iowa law, whichever is lower. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the Lot in the manner provided for foreclosure of a mortgage, or both, and there shall be added to the amount of said assessment all cost and expenses incurred by the Association in collecting said assessments, including reasonable attorney's fees, whether or not legal action is required in connection therewith. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Elements or abandonment of the Owner's Lot.

Section 9. Subordination of Assessments Liens. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage on any Lot. The assessment shall be paid prior to or at the closing of sale or transfer of any Lot. Provided, however, the sale or transfer of any Lot pursuant to the foreclosure of any first mortgage on such Lot (without the necessity of joining the Association in any such foreclosure action) or any similar proceedings or deed in lieu thereof shall extinguish the lien as to all assessments becoming due prior to the date of such sale or transfer. The failure of an Owner to pay assessments as provided in this Article III shall not constitute a default under a mortgage insured by the Federal Mortgage Agencies.

ARTICLE IV
INTENTIONALLY DELETED

ARTICLE V
MAINTENANCE

Section 1. Maintenance by Owners. The Owner of each Lot shall furnish and be responsible for, at the Owner's own expense, all maintenance and repairs of the Owner's Lot and all structures, improvements, and equipment located thereon including decorating and replacements within the Owner's Living Unit, the heating and air conditioning systems and any partitions and interior walls appurtenant to the Living Unit, but excluding the Association Responsibility Elements. The Owner shall be responsible for the maintenance, repair, and replacement of all windows in the Owner's Living Unit, the doors leading into the Living Unit, all electrical fixtures located on the exterior of the Living Unit, and any and all other maintenance, repair, and replacements of the improvements, including decks, patios and stoops, including snow removal therefrom, shrubs, flowers, trees, plantings, gardens, and other landscaping, on the Owner's Lot unless otherwise provided herein. The Owner shall also be responsible for the maintenance, repair and replacement of all electrical wiring from the main electrical box to the Owner's Living Unit, notwithstanding the fact that such wiring crosses a Common Element or is located off-premises from the Owner's Lot. The Owner shall be responsible for maintaining exterior light fixtures of the Living Unit.

To the extent that equipment, facilities and fixtures (including fences) within any Lot shall be connected to similar equipment, facilities, or fixtures affecting or serving other Lots,

then the use thereof by the Owner of such Lot shall be subject to the rules and regulations of the Association. The authorized representatives of the Association or Board of Directors or the manager or managing agent for the Association shall be entitled to reasonable access to any Lot as may be required in connection with maintenance, repairs or replacements of or to any equipment, facilities or fixtures affecting or serving other Lots.

Any repair or replacement of an exterior structure, improvement or equipment (including, without limitation, electrical fixtures) shall match the original item that it repairs or replaces. All exterior structures, improvements and equipment (including, without limitation, decks and fences) shall be constructed in accordance with local ordinances and building codes.

Section 2. Maintenance of Private Streets and Driveways. The Association shall be responsible for the maintenance, including snow removal, repair and repaving of all private streets and driveways and for the maintenance and repair of any pedestrian walkways or sidewalks, excluding the stoops located at entrances of any Living Unit, constructed or to be constructed within the Properties for the benefit of all Owners of Lots. Private streets and driveways shall be maintained at all times in such manner as to provide ingress and egress, both pedestrian and vehicular, from each Lot to and from a public street or highway. The specification for replacement of any private streets, driveways, walkways or sidewalks shall be determined by the Board of Directors, or by an architectural committee composed of three (3) or more representatives appointed by the Board of Directors.

Section 3. Maintenance Obligations of Association. In addition to maintenance upon the private streets, driveways and sidewalks, the Association shall provide all maintenance, repair, replacement, removal and demolition of the Association Responsibility Elements, including but not limited to, maintenance upon each Lot that is subject to assessment hereunder as follows: paint, repair, replace and care for roofs, gutters, downspouts, exterior building surfaces and other exterior improvements, lawns, shrubs and decks and excluding any lawns, shrubs, etc. within any fenced area, trees and snow removal (but excluding the stoops located at the entrances of any Living Unit). In the case of lawns, shrubs, trees, and other elements of landscaping, the Association shall perform all necessary repairs, replacements and maintenance thereof in a manner similar to and in accordance with the appearance of the existing landscaping, taking into account determining factors such as availability, age, and reasonableness in regard to the level of maturity and development of the landscaping at the time of the repair, replacement, or maintenance activity.

ARTICLE VI **INSURANCE**

Section 1. Casualty Insurance. The Association shall obtain a master casualty insurance policy or policies affording fire and extended coverage insurance for the Association Responsibility Elements in an amount equal to the full replacement value thereof. The Association may obtain "all risk" coverage for the Association Responsibility Elements. The Association shall be responsible for reviewing at least annually the amount and type of such insurance and shall purchase such additional insurance as is necessary to provide the insurance required above. The Association may cause such full replacement value to be determined by a

qualified appraiser and the cost of any such appraisal shall be included in the monthly maintenance assessment for each Lot on a pro rata basis. Such insurance coverage shall be for the benefit of the Association, each Owner, and, if applicable, the first Mortgagee of each Lot.

The master casualty insurance policy, and "all risk" coverage if obtained, shall (to the extent the same are obtainable) contain provision that the insurer (a) waives its right to subrogation as to any claim against the Association, its Board of Directors, its officers, agents and employees, the Owners and their respective agents and guests, and (b) waives any defense based on invalidity based upon the acts of the insured; and providing further that the insurer shall not be entitled to contribution against casualty insurance which may be purchased by any Owner as hereinafter permitted.

Section 2. Liability Insurance. The Association shall also purchase a master comprehensive public liability insurance policy in such amount or amounts as the Board of Directors shall deem appropriate from time to time. Such comprehensive public liability insurance policy shall cover the Association, its Board of Directors, the officers, any committee or organization of the Association or Board of Directors, its agents and employees, the Owners and all other persons entitled to occupy any Lot. The Association shall also obtain any other insurance required by law to be maintained, including but not limited to, worker's compensation insurance, and such other insurance as the Board of Directors shall from time to time deem necessary, advisable or appropriate. Such insurance coverage shall also provide for and cover cross liability claims of one insured party against another insured party. Such insurance shall inure to the benefit of each Owner, the Association, its Board of Directors, its officers, and any managing agent acting on behalf to the Association. Each Owner shall be deemed to have delegated to the Board of Directors the Owner's right to adjust with the insurance companies all losses under policies purchased by the Association.

Section 3. Monthly Assessment for Insurance. The premiums for all such insurance hereinabove described shall be paid by the Association and the pro rata cost thereof shall become a part of the monthly assessment (over and above the assessments described in Article III, Sections 3 and 4 herein) to which each Lot shall be subject under the terms and provisions of Article III, Section 7. Each Owner shall prepay to the Association at the time a Lot is conveyed to such Owner an amount equal to twelve (12) monthly insurance assessments and shall maintain such prepayment account at all times. When any such policy of insurance hereinabove described has been obtained by or on behalf of the Association, written notice of the obtainment thereof and of any subsequent changes therein or termination thereof shall be promptly furnished to each Owner, mortgagee, the City of whose interest may be affected thereby, which notice shall be furnished by the officer of the Association who is required to send notices of meetings of the Association.

Section 4. Distribution to Mortgagee. In no event shall any distribution of proceeds be made by the Board of Directors directly to an Owner where there is a mortgagee endorsement on the certificate of insurance. In such event, any remittances shall be to the Owner and the mortgagee jointly, or in accordance with the terms of any endorsement in favor of the mortgagee.

Section 5. Additional Insurance. Each Owner shall obtain additional insurance at the Owner's expense, affording coverage upon the Owner's personal property, the contents of the Owner's Living Unit, and all components of the Owner's Living Unit not included in the Association Responsibility Elements (including, but not limited to, all floor, ceiling, and wall coverings and fixtures, betterments and improvements) in an amount equal to the full replacement value therefor. Such insurance shall contain the same provisions for waiver of subrogation as referred to in the foregoing provisions for the master casualty insurance policy to be obtained by the Association. Each Owner shall obtain comprehensive public casualty insurance, at the Owner's expense, affording coverage upon the Owner's Lot with a combined single limit of not less than \$300,000 per occurrence. Such insurance shall provide that it shall be without contribution as against the casualty insurance purchased by the Association. If a casualty loss is sustained and there is a reduction in the amount of the proceeds which would otherwise be payable on the insurance purchased by the Association pursuant to this paragraph due to proration of insurance purchased by an Owner under this paragraph, the Owner agrees to assign the proceeds of this latter insurance, to the extent of the amount of such reduction, to the Association to be distributed as herein provided.

Section 6. Casualty and Restoration. Damage to or destruction of any Building due to fire or any other casualty or disaster shall be promptly repaired and reconstructed by the Association and the proceeds of insurance, if any, shall be applied for that purpose. If for any reason the Association chooses not to repair or reconstruct any Building damaged or destroyed by fire or other casualty, the Owner(s) of the affected Lots shall have the right, but not the obligation, to perform such repair or reconstruction and to collect the cost thereof from the Association.

Section 7. Insufficiency of Insurance Proceeds. If the insurance proceeds received by the Association as a result of any such fire or any other casualty or disaster are not adequate to cover the cost of repair and reconstruction, or in the event there are no insurance proceeds, the cost for restoring the damage and repairing and reconstructing the Common Area or any Building or Buildings so damaged or destroyed (or the costs thereof in excess of insurance proceeds received, if any) shall be paid by the Association, which shall then have the right to levy a special assessment against all Lots for the amount of such deficiency.

For the purposes of Section 6 above, repair, reconstruction and restoration shall mean construction or rebuilding of any Building or Buildings to as near as possible the same condition as it existed immediately prior to the damage or destruction and with the same or similar type of architecture.

Section 8. Surplus of Insurance Proceeds. In the event that there is any surplus of insurance proceeds after the reconstruction or repair of the damage has been fully completed and all costs paid, such sums may be retained by the Association as a reserve or may be used in the maintenance and operation of the Properties, or, in the discretion of the Board of Directors, may be distributed to the Owners of the Building affected and their mortgagees who are the beneficial owners of the fund. The action of the Board of Directors in proceeding to repair or reconstruct damages shall not constitute a waiver of any rights against Owner for committing willful or malicious damage.

ARTICLE VII **EASEMENTS**

Section 1. Drainage, Utility, and Sewer Easements. As noted on the recorded Plat of the Properties, certain areas of the Lots have been reserved for public utility and sewer easements. In doing so, it is the intention to provide the needed flexibility, for the benefit of all Lots and Owners, to properly install and allow to be maintained all electrical, telephone, water, gas, sewer, and other utility service (including all lines, pipes, wires, cables, ducts, etc.) to the Living Units constructed on the Lots. No other improvements or permanent structures (excluding walkways, driveways and fences) shall be placed within such easements and any fences installed shall be subject to the rights (including the right to remove where reasonably necessary without duty of replacement or reimbursement) of any public or private utility to construct, maintain, repair, or remove any necessary facilities and the right of Declarant and the Association to provide for and maintain appropriate drainage. Regardless of whether shown on the recorded plat, each Lot shall accept surface water drainage from adjacent properties whether or not located within the Properties and each Lot shall have the right to drain its surface water to the adjacent Lots located within the Properties.

Section 2. Additional Easement Rights. There is reserved to the Association for the benefit of all Lots and Owners, an easement right, title, and authority to relocate, alter or otherwise change the location of any drainage, utility or sewer easement and to grant such further easements, licenses, and rights of way, temporary or permanent, exclusive or non-exclusive, surface or otherwise, as the Association may deem necessary or appropriate, for ingress, egress, utility and similar purposes on or within any Lot or Lots or any portion of the Properties. The Association further reserves the right to more specifically describe or to change the description of any such drainage, utility and sewer easement, or other easement, license or right-of-way by written instrument, or amendment to the Plat recorded in the Office of the Recorder of Polk County, Iowa. Each Owner shall take title subject to the right and easements reserved herein; provided, however, the rights reserved in this Section 2 shall not be exercised in a manner which unreasonably and adversely affects any Building or portion thereof located upon any Lot or any Owner's use or enjoyment thereof or which unreasonably restricts the rights of ingress or egress to any Lot. The rights and easements reserved to the Association in this Section 2 shall run with the land.

Section 3. Easement for Access and Maintenance. The Association, its agents, and contractors and each Owner shall have an easement and license to, in and over each Lot for the purpose of performing its maintenance obligations and for access to the rear of the Lot owned by such Owner.

Section 4. Easement for Water Usage. The Association, its agents, and contractors shall have an easement and license to use hoses, bibs and water from all Lots for the purpose of performing its maintenance obligations provided the Association shall reimburse the Owner for any water costs relating thereto in excess of \$50.00 per month.

Section 5. Easement for Emergency Purposes. An easement is hereby dedicated and granted for use in the case of an emergency by emergency vehicles such as fire trucks, police cars, ambulances, etc., and emergency personnel, public and private, over and upon all Lots and any pedestrian walkways or sidewalks.

Section 6. Easement for Signs. There is reserved and granted to the Owners by and through the Association, the right and easement to erect and maintain an entryway sign or signs.

Section 7. Driveways and Entrances. An easement is hereby reserved and granted for the use of all Lots served by one driveway over such driveway. To the extent that a driveway serving a Living Unit is located partially or wholly on another Lot or Lots, the Owner of the Living Unit served by such driveway shall have the benefit of any easement over that portion of the other Lot or Lots covered by the driveway. This driveway easement shall be for ingress and egress purposes and no Owner shall park or allow to be parked any vehicular or other obstruction within the driveway area so as to prevent access to the Living Units that such driveway serves. Further, there is hereby reserved and granted an easement for the benefit of each Lot served by a sidewalk and pedestrian walkway located partially or wholly on another Lot or Lots. In the event Living Units are served by a shared front entry stoop and to the extent of such shared stoops a reciprocal easement is granted for the benefit of each served by such shared entry stoop. No Owner shall obstruct or allow obstructions on any sidewalk or pedestrian walk or shared entry stoop which would impair use and access to the Living Unit which such sidewalk or entry stoop serves.

Section 8. General Easements. Each Lot shall be subject to the following easements in favor of the Association and the other Owners:

- (a) Every portion of a structure upon a Lot which contributes to the support of any structure not on the same Lot is burdened with an easement of such support.
- (b) Each Lot is burdened with an easement through the Lot and through the attic and basement of any structure thereon for conduits, ducts, plumbing, wiring, pipes, and other facilities for the furnishing of utilities, heating and air conditioning systems and similar services to other Lots, including the location of utility meters and equipment on one Lot for service to other Lots.
- (c) Each Lot is burdened with an easement of ingress and egress for maintenance, repair and replacement of Association Responsibility Elements by the Association.
- (d) Each Lot is burdened with an encroachment easement for minor encroachments of common walls due to settling, shifting or inexact location during construction.
- (e) Each Lot is burdened with easements for public utilities and sidewalks as may be shown upon any recorded subdivision plat.

ARTICLE VIII
PARKING RIGHTS

Section 1. Use of Parking Spaces, Guest Parking and Parking on Public Streets.

Subject to the provisions of Article VII, Section 7, above, the paved driveway in front of each Owner's garage shall be for the exclusive use of such Owner and the Owner's guests. However, no one, including the Owner and the Owner's guests, shall use these parking spaces, the designated guest parking or the public streets located within the Properties, for the parking or storage of any watercraft, snowmobiles, commercial vehicles, trailers, camping vehicles or other recreational vehicles. Automobiles of the Owner and the Owner's guests may be parked in the paved driveway in front of the Owner's garage, or in the designated guest parking for a maximum of seven (7) consecutive days for a total of fourteen (14) days per year. To park an automobile in such areas for a period of time longer than seven (7) consecutive days, for a total of fourteen (14) days per year, the Owner must notify the Association and obtain the Association's consent. In the event of a violation of this provision, the Association may, after reasonable notice, remove any such snowmobiles, watercrafts, commercial vehicles, trailers, recreational or camping vehicles or any other vehicle.

Section 2. Storage and Access. Bicycles, toys or other personal property shall not be allowed to obstruct any driveway, nor shall the same be stored alongside building walls or in any other location open to public view. No vehicles shall be parked so as to impede access from or to any Lot or public street. No fence, barrier or other obstruction of any kind shall be placed or constructed so as to impede access from or to any Lot or public street.

Section 3. Temporary Parking. Notwithstanding the foregoing, the temporary or incidental parking of trucks or other commercial vehicles shall be allowed for the making of pickup and deliveries to neighboring Lots.

ARTICLE IX
PARTY WALLS

Section 1. General Rules of Law to Apply. Each wall which is built as a part of the original construction of the building upon the Properties and placed on the dividing lines between the Lots shall constitute a party wall, and, to the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

Section 2. Sharing of Repair and Maintenance. The costs of repair and maintenance of a party wall shall be shared by the Owners who make use of the wall in proportion to such use.

Section 3. Destruction by Fire or Other Casualty. If a party wall is destroyed or damaged by fire or other casualty, any Owner who has used the wall may restore it, and if the other Owners thereafter make use of the wall, they shall contribute to the cost of restoration thereof in proportion to such use without prejudice, however, to the right of any such Owners to

call for a larger contribution from the others under any rule of law regarding liability for negligent or willful acts or omissions.

Section 4. Weatherproofing. Notwithstanding any other provision of this Article, any Owner who by the Owner's negligent or willful act causes the patty wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

Section 5. Right of Contribution Runs With Land. The right of any Owner to contribution from any other Owner under this Article shall be appurtenant to the land and shall pass to such Owner's successors in title.

ARTICLE X **ARCHITECTURAL CONTROL**

No building, fence, wall or other structure shall hereafter be commenced, erected, altered or maintained upon the Properties, nor shall any exterior addition to or change or alteration thereof be made (including screen door, satellite dishes and similar fixtures) until the plans and specifications showing the nature, kind, shape, height, materials and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Board of Directors, or by an architectural committee composed of three (3) or more representatives appointed by the Board of Directors. Any change in the appearance or the color of any part of the exterior of a building (including the exterior items for which the Owner is responsible for maintenance pursuant to Article V, Section 1, hereof) shall be deemed a change thereto and shall require the approval therefor as above provided.

ARTICLE XI **SIGNS AND HOME OCCUPATIONS**

Section 1. Signs. No signs of any kind including rental signs (other than interior window signs) and further including signs of any nature, kind, or description that identify, advertise, or in any way describe the existence or conduct of a home occupation, shall be displayed on any Lot without the prior written approval of the Board of Directors; provided, however, that an Owner shall be entitled to display one (1) "for sale" sign of standard and customary size and materials in connection with attempts by the Owner to market a Lot.

Section 2. Home Occupations. No home occupation shall be conducted or maintained on any Lot other than one which is incident to a business, profession or occupation of the Owner or occupant of any such Lot and which is generally or regularly conducted in another location away from such Lot. No child-care service or activity shall be regularly conducted on any Lot, except for incidental childcare activities for the sole benefit of the Owner of a Lot.

ARTICLE XII
ENCROACHMENTS AND EASEMENTS FOR BUILDINGS

Section 1. Encroachment. If, by reason of the location, construction, settling or shifting of a Building, any part of a Building consisting of a Living Unit appurtenant to a Lot (hereinafter in this Article XII referred to as the "Encroaching Unit") encroaches upon any minor portion of any other adjacent Lot, then in such event, an exclusive easement shall be deemed to exist and run to the Owner of the Encroaching Unit for the maintenance, use, and enjoyment of the Encroaching Unit and all appurtenances thereto, for the period during which the encroachment exists.

Section 2. Easements. Each Owner shall have an easement in common with each other Owner to use all pipes, wires, ducts, cables, conduits, utility lines and other common facilities located in or on any other Lot or Living Unit and serving such Owner's Lot.

ARTICLE XIII
ADDITIONAL RESTRICTIONS

Section 1. No Lot shall be used except for residential purposes, as defined in the Ankeny Zoning Ordinance. No buildings, structures or sheds shall be erected on any Lot other than the Living Units or replacements thereof.

Section 2. No animals, livestock or poultry of any kind shall be raised, bred or kept on any Lot, except that no more than a total of two (2) dogs; or one (1) dog and one (1) cat or two (2) cats, for a combined weight of not more than 60 pounds total at full growth, may be kept, provided that they are not kept, bred or maintained for any commercial purposes. No dogs or cats shall be permitted outside of the Living Unit unless leashed and attended by the Owner. No dog runs, doghouses or unattended chains shall be permitted. The Owner shall be responsible for prompt removal and disposal of all waste from their dogs or cats. The Association may, by rules and regulations, prohibit or further limit the raising, breeding or keeping of any pet on any Lot.

Section 3. No noxious or offensive activities not involving the maintenance of Lots shall be carried on upon any Lot nor shall anything be done thereon that may be or may become an annoyance or a nuisance to the neighborhood. Nor shall any Lot be used for any unlawful purpose. Nor shall any Owner cause, or suffer or harbor the source of, any noise or activity that disturbs the peace, comfort and quiet enjoyment of other Owners or those claiming under or through other Owners.

Section 4. The Owner of each Lot shall keep the same free of weeds and debris.

Section 5. No trash receptacles and garbage cans shall be permitted to be placed outside of a Building or a structure on any Lot. This restriction shall not preclude the placement of waste containers outside of such area on a temporary basis, if so required by governmental regulation or by any private removal service, on trash pickup days only and not more than twenty-four (24) hours in advance of pickup. The Owners, individually or collectively, shall contract with only one (1) private removal service for trash removal.

Section 6. No temporary structure, trailer, basement, tent, shack, garage, barn, or other building shall be used on any Lot at any time as a residence, either temporarily or permanently.

Section 7. No exterior transmission tower, antenna or television transmission dish of any kind shall be constructed, installed, modified, or permitted on the ground, on Buildings, on Living Units, on Common Areas or on garages without written consent from the Board of Directors. Owners must submit a request to install said services in writing to the Board of Directors prior to such installation. Requests should include type, size and location of the tower, antenna, dish, or other device the Owner seeks permission to construct, install, modify, or attach. Notwithstanding the foregoing, an exterior tower, antenna or receiver dish which is twenty-four (24) inches or less in diameter shall be permitted on the back one-half of Owner's Building, porch or deck. Further, no Board of Directors consent is required if all of the following conditions are satisfied: (a) the tower, antenna or receiver dish is one meter (39.37 inches) or less in diameter; (b) installation satisfies all applicable building codes, fire codes, and other local laws related to safety; (c) installation is wholly contained within an area of the Owner's exclusive use, such as the Living Unit's interior, balcony, terrace, deck or patio, and no portion of the tower, antenna or receiver dish or its appurtenances protrudes, penetrates, or encroaches into any common area or area of exclusive Association control; and (d) no holes are drilled through outside walls, roofs, balcony railings, or glass. Owner must submit notification to the Board of Directors in writing of Owner's intent to install said services. No more than one (1) such exterior tower, antenna or receiver dish shall be permitted on each Lot. No more than one (1) penetration in the dwelling shall be permitted for the cable from such exterior tower, antenna or receiver dish. The Association shall collect a fully refundable deposit, to be determined by the Board of Directors from time to time, from the Owner upon installation of the tower, antenna or receiver dish for purposes of repairing any damage caused to the Building, Living Unit, porch or deck by the installation or removal of such tower, antenna or receiver dish.

Section 8. No basketball goal (whether attached to the exterior of a Living Unit or affixed to a free standing pole), soccer goal, baseball backstop or other similar sporting equipment shall be constructed upon any Lot.

Section 9. All unattached sporting equipment, toys, outdoor cooking equipment, and other equipment and supplies necessary or convenient to residential living shall be stored on the patio or deck of the Living Unit. The storage or collection of rubbish of any character whatsoever, any material that emits foul or obnoxious odors, the growing of any noxious weed or other noxious substance, and the harboring of the source of any noise or activity which disturbs the peace, comfort and serenity of Owners is prohibited.

Section 10. The Owners shall be individually responsible for utility charges which they incur for water, trash removal (if contracted for or provided by the City) and sewer services in the same manner as persons occupying single-family detached houses.

Section 11. No fence shall be allowed to be constructed on any Lot without prior written approval from the Board of Directors or from an architectural committee composed of three (3)

or more representatives appointed by the Board of Directors. Any fence so approved shall be limited to privacy or decorative fences located around the decks or patios of the Living Units.

Section 12. No personal property shall be stored or left upon a Lot except within the Living Unit or garage located upon the Lot. Garage doors shall be kept closed except during times of access to the garage.

Section 13. Nothing shall be altered in, constructed in, or removed from the Common Area, except upon written consent of the Board of Directors.

Section 14. No activity shall be allowed which unduly interferes with the peaceful possession and use of the Properties by the Owners nor shall any fire hazard or unsightly accumulation of refuse be allowed.

Section 15. Nothing shall be done or kept in any Lot or in the Common Area which will increase the rate of insurance on the Common Area or the Association Responsibility Elements without prior written consent of the Board of Directors. No Owner shall permit anything to be done or kept in the Owner's Lot or in the Common Area which will result in the cancellation of insurance on any Lot or any part of the Common Area or the Association Responsibility Elements, which would be in violation of any law, or which may be or become a nuisance or annoyance to the other Owners.

Section 16. All valid laws, zoning ordinances, and regulations of all governmental bodies having jurisdiction shall be observed. The responsibility of meeting the requirements of governmental bodies that require maintenance modification or repair of property shall be the same as the responsibility for the maintenance and repair of the property concerned.

Section 17. The Board of Directors shall have the authority to adopt rules and regulations governing the use of Lots, the Common Area and the Association Responsibility Elements. Such rules shall be observed and obeyed by the Owners, their guests, lessees, assigns, and licensees.

Section 18. Agents or contractors of the Association may enter any Lot when necessary in connection with any maintenance, landscaping or construction for which the Association is responsible, provided such entry shall be made with as little inconvenience to the Owners as practicable.

Section 19. Intentionally Deleted.

Section 20. Failure of the Association or any Owner to enforce any covenant, condition or restriction of this Declaration, the Articles of Incorporation or Bylaws of the Association, or the rules and regulations adopted pursuant thereto shall not constitute a waiver of the right to enforce the same thereafter.

ARTICLE XIV
GENERAL PROVISIONS

Section 1. Right of Enforcement. In the event of a violation, or threatened violation, of any of the covenants, conditions, and restrictions herein enumerated, the Association, the Owners and all parties claiming under them, and the City (if it so elects by approval of its City Council) shall have the right to enforce the covenants, conditions, and restrictions contained herein, and shall be entitled to recover reasonable attorneys' fees and the costs and expenses incurred as a result thereof.

Section 2. Amendment. This Declaration may be amended or changed by an instrument recorded in the Office of the Recorder of Polk County, Iowa, signed or approved by at least two-thirds of the then Owners.

Section 3. Duration. This Declaration shall run with the land and shall be binding upon all parties claiming under them for a period of twenty-one (21) years from the date of recordation in the Office of the Recorder of Polk County, Iowa, and shall automatically extend for successive periods of ten (10) years each unless prior to the expiration of any such ten-year period it is amended or changed in whole or in part as hereinabove provided. Invalidation of any of the covenants, conditions, and restrictions of this Declaration by judgment or decree shall in no way affect any of the provisions hereof, but the same shall remain in full force and effect.

Section 4. Notice to Mortgagees. The Association, upon request, shall provide written notification to any lender holding a first mortgage upon any Lot specifying the defaults of the Owner of such Lot, if any, in the performance of such Owner's obligations under this Declaration, the Articles of Incorporation or Bylaws of the Association or any other applicable documents which default has not been cured within sixty (60) days.

Section 5. Restriction on Rental. In order to protect the integrity of this subdivision and to insure that those persons residing therein have similar proprietary interests in their Lots and Living Units, no Lot and the Living Unit located thereon shall be leased or rented for a period of time of less than one (1) year and no lease or rental agreement to any such tenants or lessee shall be extended or renewed for a period of time longer than two (2) years. No Owner shall lease the Owner's Living Unit more than one (1) time during the Owner's ownership thereof. All leases must be approved by the Board of Directors to confirm compliance with this section.

ARTICLE XV
ADDITION AND REMOVAL OF PROPERTY

Section 1. Additional Common Areas. The Association, upon approval of two-thirds of the then Owners, shall have the right at any time to convey additional Common Areas to the Association from time to time within the Properties. Nothing in this Section, however, shall be deemed to be an obligation on the part of Association to convey additional Common Areas to the Association in the future.

ARTICLE XVI
LIMITATION OF LIABILITY

Section 1. The Association shall not be liable, except to the extent caused by the Association's grossly negligent act or omission, to any Owner for damages or repairs to:

- (a) Any private street, sidewalk, driveway, curb, stoop or other concrete improvement located within the Properties, including (but not limited to) cracking or chipping that may occur due to weather conditions; or
- (b) Any Living Unit; or
- (c) Any appliances within any Living Unit, including (but not limited to) the furnace, air-conditioner, stove, oven, dishwasher and garbage disposal.

IN WITNESS WHEREOF, the undersigned officer hereby certifies that this First Amended and Restated Declaration of Covenants, Conditions and Restrictions was duly approved by at least two-thirds of the then Owners on the 11 day of MAY, 2015, 2015.

TRADITION TOWNHOMES, L.C.

By: Perry A. Wehrle
Perry A. Wehrle, Secretary

STATE OF IOWA)
)ss:
COUNTY OF POLK)

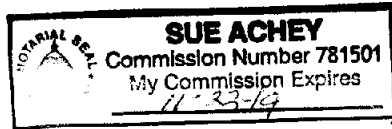
This record was acknowledged before me by Perry Wehrle, as Secretary of Tradition Townhomes Association, an Iowa nonprofit corporation, on the 11 day of May, 2015.

By: Misty Bengel
Notary Public in and for said State
My commission expires: 6/29/18



STATE OF IOWA)
)ss:
COUNTY OF POLK)

This record was acknowledged before me by Kim Cass-Graves Secretary of Tradition Townhomes Association, an Iowa nonprofit corporation, on the 27 day of June, 2015.



By: Sue Achey
Notary Public in and for said State
My commission expires: 11-23-19