

# VISTA DEL VERDE COMMUNITY ASSOCIATION BYLAWS

## ARTICLE I NAME AND LOCATION

The name of the corporation is Vista del Verde Community Association, hereafter referred to as the "**Association**." The principal office of the Association shall be located at Suite 414, 4901 Main, Kansas City, MO 64112, but meetings of members and directors may be held at such places within the State of Missouri, County of Jackson, as may be determined by the Board of Directors.

## ARTICLE II DEFINITIONS

Section 1. "**Association**" shall mean and refer to Vista del Verde Community Association, its successors and assigns.

Section 2. "**Properties**" shall mean and refer to all of Lots 315 through 399 inclusive, and Lots 402 through 427 inclusive, Vista del Verde, Eleventh Plat, and such additions thereto as may hereafter be made from time to time.

Section 3. "**Owner**" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 4. "**Common Area**" shall mean all real property (including the improvements thereto) owned by the Declarant or the Association for the common use and enjoyment of the Owners and shown as Tract A and Tract B on the recorded plat.

Section 5. "**Lot**" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties with the exception of the Common Area.

Section 6. "**Member**" shall mean and refer to those persons entitled to membership as provided in the Declaration.

Section 7. "**Declarants**" shall mean and refer to Blue Valley Ventures, Inc. and the other Owners of the lots or tracts in the Properties who have executed the Declaration and each and every one of their respective successors and assigns. Upon adoption of the Declaration thereafter by the owner of any other properties, lots or tracts in the Properties, the said Owner shall thereupon become a Declarant.

Section 10. "**Declaration**" shall mean and refer to the Declaration of Covenants, Conditions and Restrictions applicable to the properties recorded in the Office of the Recorder of Deeds of Jackson County, Missouri, at Book I-1342, Page 514 as Document No. I-584969.

## ARTICLE III MEMBERSHIP

Section 1. CLASS A Membership. Class A members shall be all Owners, except as provided in Section 2 of this Article with respect to Blue Valley Ventures, Inc., its successors and assigns. Each Class A member shall be entitled to one (1) vote for each Lot owned. When more than one person holds an interest in any such lot, all such persons shall be members. The vote for such lot shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any lot, except that if separate living units of a duplex lot are under separate ownership, the Owner of each living unit shall be entitled to one (1) vote.

Section 2. CLASS B Membership. The Class B members shall be Blue Valley Ventures, Inc. which shall be entitled to four (4) votes for each lot owned. The Class B membership shall cease and the membership of Blue Valley Ventures, Inc. and its successors and assigns shall be converted to Class A membership with respect to Lots then owned by it on the happening of either of the following events, whichever occurs earlier:

- (a) when the total votes outstanding of the Class A membership equal the total votes outstanding of the Class B membership, or
- (b) on July 1, 2005.

Section 3. Termination of Membership. Membership in this Association shall lapse and terminate with respect to any Lot when any member shall cease to be the owner of record of such Lot, or shall cease to be the contract Seller of such Lot under Section 3 of Article II.

Section 4. Suspension of Membership. During any period in which a member shall be in default in the payment of any annual or special assessment levied by the Association, the voting rights of and the right to use the recreational facilities by such member may be suspended by the Board of Directors until such assessment has been paid. Such rights of a member may also be suspended, after notice and hearing, for a period not to exceed 60 days, for violation of any rules and regulations published by the Board of Directors governing the use of the Common Area and facilities.

## **ARTICLE IV PROPERTY RIGHTS: RIGHTS OF ENJOYMENT**

Section 1. Each member shall be entitled to the use and enjoyment of the Common Area and facilities as provided in these Bylaws. Any member may delegate his rights of enjoyment of the Common Area and facilities to the members of his family, contract purchasers, or tenants who reside on the property. Such member shall notify the secretary in writing of the name of any such person to whom the member delegates his rights. The rights and privileges of such delegate are subject to suspension to the same extent as those of the member.

## **ARTICLE V BOARD OF DIRECTORS: SELECTION: TERM OF OFFICE**

Section 1. Number. The affairs of the Association shall be managed by a Board of five directors, who need not be members of the Association.

Section 2. Removal. Any director may be removed from the Board, with or without cause, by a majority vote of the members of the Association. In the event of death, resignation or removal of a director, his successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor.

Section 3. Compensation. No director shall receive compensation for any service he may render to the Association. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 4. Action taken without a Meeting. The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

## **ARTICLE VI MEETING OF DIRECTORS**

Section 1. Regular Meeting. A regular meeting of the Board of Directors shall be held without other notice than this bylaw, immediately after, and at the same place as, the annual meeting of shareholders. The Board of Directors may provide, by resolution, the time and place, within or without the State of Missouri, for the holding of additional regular meetings without other notice than such resolution recorded in the minutes of the meeting where adopted.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the President of the Association, or by any three directors, or by twenty percent of the members.

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

## **ARTICLE VII NOMINATION AND ELECTION OF DIRECTORS**

Section 1. Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations also may be made from the floor at the annual meeting of the members. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the members to serve from the time of appointment until the close of such 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 it shall not make less nominations than the number of vacancies that are to be filled. Such nominations may be made from among members or non-members.

Section 2. Election. The Directors shall be elected for three-year terms at the annual meeting of members. Election to the Board of Directors shall be by secret written ballot. At such election the members or their proxies may cast, with respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

## **SECTION VIII POWERS AND DUTIES OF THE BOARD OF DIRECTORS**

Section 1. Powers. The Board of Directors shall have power:

- (a) To adopt and publish rules and regulations governing the use of the Common Area and facilities and the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof;
- (b) To exercise for the Association all powers, duties and authority vested in or delegated to this Association not reserved to the membership by other provisions of these Bylaws and the Articles of Incorporation;
- (c) To declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three consecutive regular meetings of the Board of Directors;
- (d) To employ a manager, independent contractors, or such employees as the Board deems necessary and to prescribe their duties; and
- (e) To enforce restrictive covenants imposed upon the Properties.

Section 2. Duties. It shall be the duty of the Board of Directors:

- (a) To cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members or at any special meeting when such statement is requested in writing by 1/4 of the Class A members;
- (b) To supervise all officers, agents and employees of this Association and to see that their duties are properly performed;
- (c) As more fully provided herein:
  - (1) To fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period, as hereafter provided in Article XII, and
  - (2) To send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period;
- (d) To issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate in writing signed by an officer of the Association setting forth whether the regular and special assessments on a specified Lot have been paid and the amount of the delinquency, if any. A reasonable charge may be made by the Board for the issuance of these certificates. Such certificates shall be conclusive evidence of any assessment therein stated to have been paid;

- (e) To procure and maintain adequate liability insurance and to procure adequate hazard insurance on property owned by the Association;
- (f) To cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;
- (g) To cause the Common Area to be maintained;
- (h) To cause the exterior of the dwellings to be maintained; and
- (i) To do all other things reasonably required to manage the property and business of the Association and to accomplish the corporate purposes set forth in the Articles of Incorporation.

## **ARTICLE IX COMMITTEES**

Section 1. Nominating Committee. The Board shall appoint a Nominating Committee as provided in these Bylaws.

Section 2. Architectural Control Committee. The Board shall appoint an Architectural Control Committee which shall consist of three members who shall serve for a term of three years. A majority of the Architectural Control Committee may designate a single representative to act for it, or any individual member of the Committee may designate a representative to act for him. In the event of the death or resignation of any member of the Committee, the remaining members shall have authority to designate a successor to fill such vacancy. The Committee shall perform the functions described in the Declarations. Wherever approval of the Architectural Control Committee is required by the Declaration, approval or disapproval shall be issued in writing within 30 days after plans and locations have been submitted to the Committee; and if the Committee shall not have acted within such time, such failure to act shall constitute or be the equivalent of approval of such plans and locations. The Architectural Control Committee, by a majority vote of its members or their duly authorized representatives, may waive any of the covenants and restrictions contained in the Declaration to allow any public, recreational or civic facility to be included in the area affected by the Declaration. Such waiver must be in writing and in an instrument executed and recorded in the County Recorder's office of the County wherein said property is located. Actions of the Architectural Control Committee are not reviewable by the Board. If the Board shall fail to appoint such a committee, the Board itself shall be the Architectural Control Committee.

Section 3. Other Committees. In addition, the Board of Directors may appoint such other committees as it deems appropriate to carry out its purposes, such as:

1. A Recreation Committee which shall advise the Board of Directors on all matters pertaining to the recreational program and activities of the Association and shall perform such other functions as the Board, in its discretion, determines;
2. A Maintenance Committee which shall advise the Board of Directors on all matters pertaining to the maintenance, repair or improvement of the Properties and shall perform such other functions as the Board, in its discretion, determines;
3. A Publicity Committee which shall inform the members of all activities and functions of the Association and shall, after consulting with the Board of Directors, make such public release and announcements as are in the best interests of the Association; and
4. An Audit Committee which shall supervise the annual audit of the Association's books and approve the annual budget and statement of income and expenditures to be presented to the membership at its regular annual meeting as provided in Article XI, Section 7(d). The Treasurer shall be an ex officio member of the Audit Committee.

Section 4. It shall be the duty of each committee to receive complaints from members on any matter involving Association functions, duties, and activities pertaining to that committee's area of responsibility. Such committee shall dispose of such complaints as it deems appropriate or refer them to such other committee, director or officer of the Association as is further concerned with the matter presented.

## **ARTICLE X MEETINGS OF MEMBERS**

Section 1. Annual Meetings. The annual meeting of the members shall be held on the first Wednesday in the month of September of each year, beginning with the year 1985, at the hour of 7:30pm. If the day for the annual meeting of the members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the members may be called at any time by the President or by the Board of Directors, or upon written request of the members who are entitled to vote 1/4 of all the votes of the Class A membership.

Section 3. Notice of Meetings. Written notice of each special meeting of the members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing of a copy of such notice, postage prepaid, at least ten days prior to such meeting to each member entitled to vote thereat, addressed to the member's address last appearing on the books of the Association, or supplied by such member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting and the purpose of the meeting. No further notice of annual meetings, other than the adoption of these Bylaws, shall be required for annual meetings, although the secretary should use reasonable efforts to give further notice to members.

Section 4. Quorum. The presence at the meeting of members entitled to cast, or of proxies entitled to cast, one-tenth (1/10) of the votes of each class of membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation of these Bylaws. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as required herein shall be present or be represented.

Section 5. Multiplicity of Owners. When a Lot is owned of record in joint tenancy or tenancy in common, there shall be but one (1) voting right arising from the full ownership of each Lot. The voting power arising therefrom shall be exercised as such owners shall determine and may be exercised on behalf of all owners of record of such Lot by any one of such owners. Where only one such owner shall attempt to exercise the voting or other right for such members, he shall be deemed to act on behalf of all record owners of such property; provided, however, if more than one such record owner for any Lot shall cast a vote, the vote for such Lot shall be divided equally among all persons voting and each shall have an equal fractional vote.

Section 6. Proxies. At all meeting of members, each member may vote in person or by proxy. All proxies shall be in writing, filed with the secretary, and shall have been granted within 11 months prior to their use. Every proxy shall be revocable upon notice in writing to the secretary and shall automatically cease upon conveyance by the member of his Lot.

## **ARTICLE XI OFFICERS AND THEIR DUTIES**

Section 1. Enumeration of Offices. The offices of this Association shall be a President and Vice-President, who shall at all times be members of the Board of Directors, a Secretary, a Treasurer, and such other offices as the Board may from time to time, by resolution, create.

Section 2. Election of Officers. The election of officers shall take place the the first meeting of the Board of Directors following each annual meeting of the members.

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

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

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein. Unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Multiple Offices. The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant

to Section 4 of this Article.

Section 7. Duties. The duties of the officers are as follows:

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

(b) Vice-President. The Vice-President shall act in the place and stead of the President in the event of the President's absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.

(c) Secretary. The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; keep the corporate seal of the Association and affix it to all papers requiring said seal; serve notice of meetings of the Board and of the members; keep appropriate current records showing the members of the Association together with their addresses; and perform such other duties as required by the Board.

(d) Treasurer. The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; sign all checks and promissory notes of the Association; keep proper books of account; cause an annual audit of the Association's books to be made by a public accountant at the completion of each fiscal year; and prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each such report to the members.

## **ARTICLE XII ASSESSMENTS**

Section 1. Creation of the Lien and Personal Obligation of Assessment. By virtue of ownership of property within the described subdivision, each member is deemed to covenant and agrees to pay to the Association (1) regular assessments or charges, and (2) special assessments for capital improvements, such assessments to be fixed, established and collected from time to time as hereafter provided. The regular and special assessments, together with such interest thereon and costs of collection thereof, including reasonable attorneys' fees, as hereafter provided, shall be a charge on the land and shall be a continuing lien upon the lot against which each such assessment is made. Each such assessment, together with such interest, costs and reasonable attorneys' fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety and welfare of the members of the Association and, in particular, for the improvements and maintenance of the properties, services and facilities devoted to this purpose and related to the use and enjoyment of the Common Area.

Section 3. Basic and maximum of Annual Assessments. Until December 31, 1985, the maximum annual assessment shall be zero (0) dollars per Lot.

(a) From and after December 31, 1985, the maximum annual assessment may be increased effective January 1 of each year without a vote of the membership in conformance with the rise, if any, of the Consumer Price Index described below for the preceding month of July.

(b) From and after December 31, 1986, the maximum annual assessment may be increased above that established by the Consumer Price Index formula by a vote of the members for the next succeeding five (5) years and at the end of such period of five years, for each succeeding period of five years, provided that any such charges shall have the assent of two-thirds (2/3) of the vote of members who are voting in person or by proxy, at a meeting duly called for that purpose, written notice of which shall be sent to all members not less than 30 days nor more than 60 days in advance of the meeting setting forth the purpose of the meeting.

(c) After consideration of current maintenance costs and future needs of the Association, the Board of Directors may fix the annual assessment at an amount not in excess of the maximum annual assessment.

Section 4. Method of Computation when using the Consumer Price Index. The Consumer Price Index establishing the United States City Average numerical rating for the month of July 1984 shall be the base rating. To determine the percentage to be applied to the maximum annual assessment for each subsequent year, divide the base rating into the numerical rating established by the Consumer Price Index for the month of July preceding the proposed

assessment year. This adjustment percentage, if in excess of 100 percentum, is multiplied by the original maximum annual assessment to obtain the maximum assessment for the subsequent year.

Section 5. Uniform Rate. Assessments must be fixed at a uniform rate for all Lots except as provided otherwise in the Declaration.

Section 6. Quorum for any action authorized under Section 3. At any meeting called, as provided in Section 3(b) of this Article, the presence at the meeting of Class A members or of proxies entitled to cast sixty percent (60%) of all the votes of Class A membership shall constitute a quorum. If the required quorum is not forthcoming at such meeting, another meeting may be called, subject to the notice requirement set forth in Section 3, to vote upon the identical proposition, and the required quorum at such subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. If no quorum is yet obtained, further meetings may be called, and at each such meeting, the quorum requirement shall be further reduced by one-half until a meeting occurs at which a quorum is present. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 7. Annual Assessments: Due Dates. The Board of Directors shall fix the amount of the annual assessment against each Lot at least ninety (90) days in advance of the due date for such year's assessment. Written notice of the amount of any assessment, regular or special, shall be sent to every Owner subject thereto, and the due date for the payment of any assessment shall be set forth in said notice. The due date shall be established by the Board of Directors. Nothing herein shall prohibit the Board from the annual assessment for any calendar year after the start of such year but before the end of the year. The Association shall, upon demand at any time, furnish a certificate in writing signed by an officer of the Association setting forth whether the regular and special assessments on a specified Lot have been paid and the amount of delinquency, if any. A reasonable charge may be made by the Board for the issuance of these certificates. Such certificates shall be conclusive evidence of payment of any assessment therein stated to have been paid.

Section 8. Special Assessments. In addition to the regular assessments, the Association may levy in any calendar year, a special assessment applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement upon the area, including the necessary fixtures and personal property related thereto, provided that any such assessment shall have the consent of fifty-one percent (51%) of the votes cast by each of the members who are voting in person or by proxy, at a meeting duly called for that purpose, written notice of which shall be sent to all members not less than 15 days nor more than 45 day in advance of the meeting setting forth the purpose of such meeting.

Section 9. Effect of Non-Payment of Assessments: Remedies of the Association. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within 30 days after the due date, the assessment shall bear interest from the date of delinquency at the judgment rate of interest as from time to time altered by court decision or legislative enactment (as of the date hereof 9%, per annum under Section 408.040 RSMo.), and the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property, and interest, costs and reasonable attorneys' fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the Common Area or abandonment of his Lot.

Section 10. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any mortgage or mortgages. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot which is subject to any mortgage, pursuant to a decree of a foreclosure under such mortgage or any proceeding in lieu of foreclosure thereof, shall extinguish the lien of such assessments as to payments thereof which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

Section 11. Exempt Property. The following property subject to these Bylaws shall be exempt from the assessments discussed in this Article XII: (1) all properties dedicated to and accepted by a local public authority; and (2) the Common Area; and (3) all lots owned by Blue Valley Ventures, Inc. However, no land or improvements devoted to dwelling use shall be exempt from said assessments, except those lots owned by Blue Valley Ventures..

**ARTICLE XIII  
BOOKS AND RECORDS**

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

**ARTICLE XIV  
CORPORATE SEAL**

The Association shall have a seal in a circular form having within its circumference the words: **Vista del Verde Community Association.**

**ARTICLE XV  
AMENDMENTS**

Section 1. These Bylaws may be amended, at a regular or special meeting of the members, by a vote of two-thirds majority of a quorum of members present in person or by proxy.

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

**ARTICLE XVI  
MISCELLANEOUS**

The fiscal year of the Association shall begin on the first day of January, and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

**IN WITNESS WHEREOF**, we being all of the directors of the Vista del Verde Community Association, have hereunto set our hands this 3rd day of December, 1984.

**BLUE VALLEY VENTURES, INC.,**  
A Missouri Corporation