

ARTICLES OF INCORPORATION
OF
SOUTH HALL TOWNHOMES HOMEOWNERS ASSOCIATION

The undersigned, as fee simple owner of the Property (defined below), and as "Declarant" under the Declaration (defined below), for the purpose of incorporating a not-for-profit corporation under the Nebraska Nonprofit Corporation Act, does hereby certify and adopt the following Articles of Incorporation.

ARTICLE I.

Name

The name of the Corporation is South Hall Townhomes Homeowners Association, hereinafter referred to as the "Association".

ARTICLE II.

Designation

The Association is a mutual benefit corporation.

ARTICLE III.

Duration

The Association shall have perpetual duration.

ARTICLE IV.

Purposes of the Association

The purpose of the Association shall be to act as the Association under the Declaration of Covenants, Conditions, Easements and Restrictions for South Hall Townhomes, a Subdivision in Brown County, Nebraska, dated April 4, 2023, filed with the Brown County Register of Deeds on April 10, 2023, as Instrument No. 2023-00191, as may be amended from time to time (herein collectively referred to as the "Declaration"), for the health, safety, recreation, welfare and enjoyment of the residents of South Hall Townhomes, a subdivision, as surveyed, platted and recorded in Brown County, Nebraska (herein the "Property").

ARTICLE V.

Membership and Voting

The Association shall have members. The Property has presently been divided into residential lots all of which are being regulated by the Association (referred to as the "Lots"). For purposes of these Articles and the Declaration, the term "Owner" of a Lot means and refers to the record owner, whether one or more persons or entities, of fee simple title to a Lot, but excluding, however, those parties having any interest in any of such Lots merely as security for the performance of an obligation (such as a contract seller, the trustee or beneficiary of a deed of trust, or a mortgagee). The purchaser of a Lot under a land contract or similar instrument shall be considered to be the "Owner" of the Lot for purposes of these Articles. Membership shall be appurtenant to ownership of each Lot. The Owner of each Lot, whether one or more persons and entities, shall be a Member and shall be entitled to one (1) vote on each matter properly coming before the Members of the Association; provided that, such voting rights shall be attendant to Residential Lots (as defined in the Declaration) only.

ARTICLE VI.

Powers and Dissolution

The Association shall have all of the powers conferred upon not-for-profit corporations under the Nebraska Nonprofit Corporation Act. Without limitation of the foregoing, the Association shall have the powers and authority described in the Declaration, as amended from time to time, including the power to fix, charge and collect charges, dues and assessments to members of the Association. No part of the net earnings of the Association shall inure to the benefit of any private member, trustee, director, or officer of the Association, or any private individual, except that the Association shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article IV above. The Association is irrevocably dedicated to operate exclusively for the purposes stated in Article IV above, and upon dissolution of the Association, the Board of Directors shall, after paying or making provisions for the payment of all liabilities of the Association, dispose of all the assets of the Association exclusively for the purposes of the Association in such a manner as shall at that time qualify under the Internal Revenue Code, as amended, and on the terms and in the manner as the Board of Directors shall determine at that time.

ARTICLE VII.

Registered Agent

The initial registered office of the Association is located at 9802 Nicholas Street; Suite 105; Omaha NE 68114, and the initial registered agent at such address is Joseph Schmidt.

ARTICLE VIII.

Officers and Directors

The affairs of the Association shall be managed by a Board of three (3) directors, as permitted by applicable law and from time to time as may be set forth in the Bylaws, and by its President, Vice President, Secretary and Treasurer and one or more officers or assistants thereto as from time to time may be authorized by the Bylaws. Until expiration of the "Period of Declarant Control", as defined in the Declaration, or until their successor(s) are duly elected and qualified in conformance with the Declaration and the Bylaws, the initial Board of Directors of the Association are three (3) in number, whose names and respective street addresses are:

Rebecca Wernli
13575 Lynam Drive
Omaha, NE 68138

Connor Cochran
13575 Lynam Drive
Omaha, NE 68138

Chris Kriegler
13575 Lynam Drive
Omaha, NE 68138

ARTICLE IX.

Incorporator

The name and street address of the incorporator is as follows:

H&S Partnership, LLP, a Nebraska limited partnership
c/o Jared Hollinger
13575 Lynam Drive
Omaha, NE 68138

ARTICLE X.

Bylaws

The Directors of the Association shall adopt its initial Bylaws with any provisions found to be appropriate, convenient or necessary for the management and affairs of the Association not inconsistent with law and these Articles of Incorporation, and from time to time, in the manner set out therein, to amend, alter, or revoke all or any part of the Bylaws.

ARTICLE XI.

Abatement of Dues and Assessments

The Board of Directors may abate all or part of the dues and assessments due in respect of any Lot. All dues and assessments due in respect of any Lot shall be abated during the period such Lot is owned by the Declarant under the Declaration.

ARTICLE XII.

Indemnification

The Corporation shall, to the extent permitted by the Nebraska Nonprofit Corporation Act, as amended from time to time, indemnify and reimburse all persons whom it may indemnify and reimburse pursuant thereto. Notwithstanding the foregoing, the indemnification provided for in this Article shall not be deemed exclusive of any other right to which those entitled to receive indemnification or reimbursement hereunder may be entitled under any Bylaws of this Association, agreement, vote or consent of shareholders or disinterested directors or otherwise.

ARTICLE XIII.

Amendment


These Articles of Incorporation may be amended or modified in accordance with the requirements of the Business Corporation Act, provided, however, that alteration, amendment, or revocation of Article XII of these Articles of Incorporation shall require approval by not less than ninety-seven percent (97%) of the Members of the Association.

(Signatures follow)

DATE: April 25, 2023.

INCORPORATOR:

H&S Partnership, LLP,
a Nebraska limited partnership

By: DocuSigned by:

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Name: Jared Hollinger

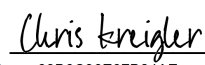
Title: General Partner

DIRECTORS:

DocuSigned by:

51AC15305F2947D
Rebecca Wernli

DocuSigned by:

0B99E67010087A8
Connor Cochran

DocuSigned by:

183B6C10F587B240E
Chris Krieger

**CONSENT IN LIEU OF ORGANIZATIONAL MEETING
OF THE BOARD OF DIRECTORS
OF
SOUTH HALL TOWNHOMES HOMEOWNERS ASSOCIATION**

The undersigned directors of the South Hall Townhomes Homeowners Association, a Nebraska nonprofit corporation (the “Association”), hereby consent, pursuant to Section 21-1981 of the Nebraska Nonprofit Corporation Act, to the adoption hereof and do hereby adopt the following resolutions and declare them to be in full force and effect as if adopted at a regularly- or specially-held meeting of the directors of the Association.

RESOLVED, that the Bylaws attached hereto as Addendum 1 be, and hereby are, in all respects approved and adopted as and for the Bylaws of the Association.

RESOLVED, that the Declaration of Covenants, Conditions, Easements and Restrictions for South Hall Townhomes Homeowners Association, a subdivision in Brown County, Nebraska, dated April 4, 2023, filed with the Brown County Register of Deeds on April 10, 2023, as Instrument No. 2023-00191, be, and hereby are, in all respects approved and adopted as and for the Declaration of Covenants, Conditions, Easements and Restrictions of the Association (the “Declaration”).

RESOLVED, that the initial number of directors of the Association during the Period of Declarant Control (as defined in the Declaration) is hereby established at three (3) pursuant to Article VIII of the Articles of Incorporation for the Association and Article III of the Bylaws.

RESOLVED, that the following persons be, and hereby are, appointed as directors of the Association during the Period of Declarant Control, to hold the offices set opposite their names, until their successor(s) are elected and qualified in accordance with the Bylaws of the Association:

<u>Name</u>	<u>Office</u>
Rebecca Wernli	President
Connor Cochran	Vice President and Treasurer
Chris Kriegler	Secretary

RESOLVED, that the President of the Association is hereby authorized to undertake such duties provided in the Bylaws.

RESOLVED, that the Vice President of the Association is hereby authorized to undertake such duties provided in the Bylaws.

RESOLVED, that the Secretary of the Association is hereby authorized to undertake such duties provided in the Bylaws.

RESOLVED, that all duties of the Treasurer of the Association is hereby authorized to undertake such duties provided in the Bylaws.

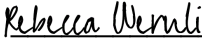
RESOLVED, that the acts and deeds of the incorporator of the Association, including such acts and deeds occurring prior to incorporation of the Association, are hereby approved and ratified in all respects and particulars.

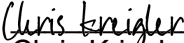
RESOLVED, that, pursuant to Section 21-1997 of the Nebraska Nonprofit Corporation Act, the Association hereby indemnifies the incorporator of the Association with respect to all prior acts and deeds, and finds that the incorporator acted in good faith and that the incorporator acted in the best interest of the Association with respect to such prior acts and deeds.


RESOLVED, that these resolutions may be executed in any number of counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument. Each of the undersigned need not sign the same counterpart hereof for the same to be binding on those persons executing a counterpart hereof. Facsimile copies of original signed counterparts hereof shall have the same binding effect as hand delivered originals hereof.

[Signatures on following page]

Effective Date: May 5, 2023

DocuSigned by:

Rebecca Wernli, Director

DocuSigned by:

Chris Kriegler, Director

DocuSigned by:

Connor Cochran, Director

Addendum 1

Bylaws

(See Attached)

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**BYLAWS
OF
SOUTH HALL TOWNHOMES HOMEOWNERS ASSOCIATION**

Article I

Plan of Ownership

Section 1. Name and Location. The name of the corporation is South Hall Townhomes Homeowners Association (hereinafter referred to as the "**Association**"). The initial office of the Association shall be located at 9802 Nicholas Street; Suite 105; Omaha, NE 68114 (c/o Joseph Schmidt, as initial registered agent), but meetings of members and directors may be held at such places within Ainsworth, Nebraska as may be designated by the Board of Directors.

Section 2. Application. All present and future owners, mortgagees, lessees and occupants of the Lots and their employees, and any other persons who may use the facilities of the Association in any manner are subject to these Bylaws and rules and regulations pertaining to the use and operation thereof. The acceptance of a deed or conveyance, or the execution of a lease, or the act of occupancy of any Lot in the Property shall constitute an acceptance of and agreement to comply with the provisions of these Bylaws.

Article II

Definitions

Section 1. Lot. "**Lot**" or "**Lots**" shall mean and refer to each or all of the following parcels:

Lots 1 through 18, inclusive, and Outlot "A", of Morrison Replat One, a Subdivision in Ainsworth, Brown County, Nebraska.

Section 2. Residential Lot. "**Residential Lot**" or "**Residential Lots**" shall mean and refer to each or all of the following parcels:

Lots 1 through 12, inclusive, of Morrison Replat One, a Subdivision in Ainsworth, Brown County, Nebraska.

Section 3. Maintenance Area. "**Maintenance Area**" and "**Maintenance Areas**" shall have the meaning set forth in the Declaration (defined below).

Section 3. Declaration. "**Declaration**" shall collectively mean and refer to: (i) the Declaration of Covenants, Conditions, Easements and Restrictions of South Hall Townhomes Homeowners Association, a subdivision in Brown County, Nebraska, dated April 4, 2023, filed with the Brown County Register of Deeds on April 10, 2023, as Instrument No. 2023-00191, as may be amended from time to time.

Section 4. Owner. "**Owner**" of a Lot shall mean and refer to the record owner, whether one or more persons or entities, of fee simple title to a Lot, but excluding however those parties having any interest in any of such Lots merely as security for the performance of an obligation (such as a contract seller, the Trustee or Beneficiary of a deed of trust, or a mortgagee). A purchaser of a Lot under a land contract or similar instrument shall be deemed to be the Owner of the Lot for purposes of the Declaration and these Bylaws.

Section 5. Association. "**Association**" shall mean and refer to South Hall Townhomes Homeowners Association, a Nebraska not-for-profit corporation, its successors and assigns.

Section 6. Members. "**Member**" shall mean and refer to each Owner of a Residential Lot.

Article III

Board of Directors

Section 1. Initial Number and Qualification. The initial board of directors for the Association (individually, a "**Director**", and collectively, the "**Board**") shall consist of those individuals designated in the Articles of Incorporation of the Association. Such Directors and their successors elected in accordance with Section 4 of this Article shall serve until expiration of the "Period of Declarant Control", as defined in the Declaration, or until their successor are duly elected and qualified in conformance with the Declaration and these Bylaws. During the Period of Declarant Control, a person appointed to the Board need not be an Owner or Member.

Section 2. Number and Qualification After Annual Election. After the first annual election, the Board shall be composed of three (3) Directors, and commencing with the election held in the year following the Period of Declarant Control, each of whom shall be a Member or an Owner, an executive officer of a corporate Owner, or a partner of a partnership Owner. The foregoing qualifications shall not apply to the initial Board, as specified under Section 1 of Article III, above.

Section 3. Powers and Duties. The Board shall have the powers conferred upon not-for-profit corporations by the Nebraska Nonprofit Corporation Act, and all powers and duties necessary and appropriate to accomplish the purposes and administer the affairs of the Association. The powers and duties to be exercised by the Board, and upon authorization of the Board by the officers, shall include but shall not be limited to, the following:

- (a) The maintenance and upkeep of Maintenance Areas, and the enforcement of the rules and regulations relating to the Maintenance Areas, in conformance with the Declaration.

(b) The fixing, levying, collecting, abatement, and enforcement of all charges, dues, or assessments made pursuant to the terms of the Declaration.

(c) The expenditure, commitment and payment of Association funds to accomplish the purposes of the Association including, but not limited to, purchase of insurance covering any Maintenance Areas against property damage and casualty, and purchase of liability insurance coverages for the Association, the Board of the Association and the Members.

(d) The exercise of all of the powers and privileges and performance of all of the duties and obligations of the Association as set forth in the Declaration, as the same may be amended from time to time.

(e) The acquisition by purchase or otherwise, holding, or disposition of any right, title or interest in real or personal property, wherever located, in connection with the affairs of the Association.

(f) The deposit, investment and reinvestment of Association funds in bank accounts, securities, money market funds or accounts, mutual funds, pooled funds, certificates of deposit or the like.

(g) The employment of professionals and consultants to advise and assist the officers and Board in the performance of their duties and responsibilities for the Association.

(h) General administration and management of the Association, and execution of such documents and doing and performance of such acts as may be necessary or appropriate to accomplish such administration and management.

(i) The doing and performing of such acts, and the execution of such instruments and documents, as may be necessary or appropriate to accomplish the purposes of the Association.

Section 4. Election and Term of Office. Commencing with the first annual meeting of the Association, the Members entitled to vote shall elect one-third (1/3) of the total number of Directors for a term of one (1) year, one-third (1/3) for a term of two (2) years, and one-third (1/3) for a term of three (3) years; and at each annual election thereafter, the Members entitled to vote shall elect Director(s), for a term of three (3) years, to replace the total number of Directors whose term is then expiring.

Section 5. Removal of Directors. At any regular or special meeting of Member, any one or more of the Directors may be removed with or without cause by two-thirds of the Members entitled to vote and a successor may then and there or thereafter be elected to fill the vacancy

thus created. Any Director whose removal has been proposed by the voting Members shall be given an opportunity to be heard at the meeting.

Section 6. Vacancies. Vacancies in the Board caused by any reason other than the removal by a vote of the Members entitled to vote, shall be filled by a vote of a majority of the remaining Directors at a special meeting held for that purpose, even though the Directors present at such meeting may constitute less than a quorum. Each person so elected shall be a Director for the remainder of the term of the Director so removed and until a successor shall be elected at an annual meeting of the Members.

Section 7. Annual Meeting. The annual meeting of the Board shall be held within ten (10) days following the annual meeting of the Members, at such time and place as shall be fixed by the Members at the meeting. No notice shall be necessary to the newly elected Directors in order legally to constitute such meeting, provided a majority of the Board shall be present at such meeting.

Section 8. Regular Meetings. Regular meetings of the Board may be held at such time and place as shall be determined from time to time by a majority of the Directors, but at least one such meeting shall be held during each fiscal year. Notice of regular meetings of the Board shall be given to each Director, by mail or hand delivered, at least three (3) business days prior to the day named for such meeting.

Section 9. Special Meetings. Special meetings of the Board may be called by the President on three business days' notice to each Director, given by mail or hand delivered, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board shall be called by the President or Secretary in like manner and on like notice on the written request of at least thirty-three percent (33%) of the Directors then in office.

Section 10. Waiver of Notice and Consents in Lieu of Meetings. Any Director may, at any time, waive notice of any meeting of the Board in writing, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board shall constitute a waiver of notice by him or her of the time and place thereof. If all the Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting. Business may be transacted and approved by the Board in the form of a written consent in lieu of a regular or special meeting provided all of the Directors shall have executed such written consent.

Section 11. Quorum of Board. At all meetings of the Board, a majority of the Directors shall constitute a quorum for the transaction of business, and the votes of a majority of the Directors present at a meeting at which a quorum is present shall constitute the decision of the Board. If at any meeting of the Board, there shall be less than a quorum present, a majority of those present may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called, may be transacted without further notice.

Section 12. Fidelity Bonds. The Board may obtain fidelity bonds for all officers and employees of the Association handling or responsible for Association funds. The premiums for such bonds shall constitute a common expense.

Section 13. Compensation. No Director shall receive any compensation for acting as such; provided, however, the Directors may be reimbursed for any reasonable expenses incurred on behalf of the Association at the direction of the Board.

Section 14. Liability of the Board. The Directors shall not be liable to the Members for any mistake of judgment, or otherwise, except for their own individual willful misconduct. The Association shall, to the extent permitted by the Nebraska Nonprofit Corporation Act, as amended from time to time, indemnify and reimburse to the greatest extent permitted by law, all persons whom it may indemnify and reimburse pursuant thereto. Notwithstanding the foregoing, the indemnification provided for in this Section shall not be deemed exclusive of any other rights to which those entitled to receive indemnification or reimbursement hereunder may be entitled under any Bylaw of this Association, agreement, vote or consent of Members or disinterested Directors or otherwise. It is intended that the Directors shall have no personal liability with respect to any contract made by them on behalf of the Association. It is also intended that the liability of any Member arising out of any contract made by the Board or out of the indemnify in favor of the Directors shall be limited to a proportion of the total liability thereunder, which proportion shall be equivalent to the proportional rate of assessment of the Member's Lot under the Declaration. Agreements made by the Board or by the managing agent or by the manager on behalf of the Association may provide that the Directors or the managing agent, or the manager, as the case may be, are acting only as agents for the Member and shall have no personal liability thereunder (except as Members), and that each Member's liability thereunder shall be limited to a proportion of the total liability thereunder, which proportion shall be equivalent to the proportional rate of assessment of the Member's Lot under the Declaration.

Article IV

Meetings and Voting Rights

Section 1. Annual Meetings. The annual meetings of the Members shall be held on the 3rd Monday of January of each year, beginning in the January following expiration or termination of the Period of Declarant Control, unless such date shall occur on a holiday, in which event the meeting shall be held on the succeeding Monday, or such other date designated by the Board. The Members may transact such other business at such meetings as may properly come before them.

Section 2. Place of Meetings. Meetings of the Members shall be held at the principal office of the Association or at such other suitable place convenient to such Members as may be designated by the Board.

Section 3. Special Meetings. It shall be the duty of the President to call a special meeting of the Members. Additionally, it shall be the duty of the President to call a special meeting of the Members if so directed by resolution of the Board or upon a petition signed and presented to the Secretary by at least seventy-five percent (75%) of all Members entitled to vote. Special meetings of the Members may not otherwise be called. The notice of any special meeting shall state the time, place, and purpose of the meeting. No business shall be transacted at a special meeting except as stated in the notice.

Section 4. Notice of Meetings. The Secretary shall mail or personally deliver, at least ten (10) but not more than sixty (60) days prior to such meeting, stating the purpose thereof as well as the time and place where it is to be held, to each Member of record a notice of each annual or special meeting of the Members at the address of the Residential Lot or at such other address as such Members shall have designated by notice in writing to the Secretary. The mailing of a notice of meeting in the manner provided in this Section shall be considered service of notice.

Section 5. Adjournment of Meetings. If any meeting of Members cannot be held because a quorum has not attended, a majority of the Members who are present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than forty-eight (48) hours from the time the original meeting was called.

Section 6. Order of Business. The order of business at all meetings of the Members shall be as follows:

- (a) Roll call;
- (b) Proof of notice of meeting;
- (c) Reading of minutes of preceding meeting;
- (d) Reports of officers;
- (e) Report of Board;
- (f) Election of members of the Board (when so required);
- (g) Unfinished business; and
- (h) New business.

Section 7. Voting. The Members, or some person designated by such Member or Members to act as proxy on his or their behalf and who need not be an Owner, shall be entitled to cast the vote appurtenant to a Residential Lot, if any, at all meetings of Members. The designation of any such proxy shall be made in writing to the Secretary and shall be revocable at any time by written notice to the Secretary by the Member or Members so designating. A fiduciary

shall be the voting Member with respect to any Residential Lot owned in a fiduciary capacity. No vote may be cast on behalf of any Residential Lot unless all dues, charges or assessments of the Association have been paid current to the date of any election or to the time of casting such vote. Further, in the event of the lack of an agreement among common owners of a Residential Lot as to voting rights, the current payor of Association dues or charges shall be preferred with the ultimate decision of voting rights to be made by the Association's Board.

Section 8. Quorum. Except as otherwise provided in these Bylaws, the presence in person or by proxy of Members holding at least one-half (1/2) of the votes entitled to be cast shall constitute a quorum at all meetings of the Members.

Section 9. Majority Vote. The vote of a majority of Members at a meeting at which a quorum shall be present shall be binding upon all Members for all purposes except where a higher percentage vote is required by law, the Declaration or by these Bylaws.

Article V Officers

Section 1. Designation. The principal officers of the Association shall be the President, the Vice President, the Secretary, and the Treasurer, all of whom shall be elected by the Board. The Board may appoint such other officers as in its judgment may be necessary. The President and Treasurer must be members of the Board.

Section 2. Election of Officers. Officers shall be elected annually by the Board at the organization meeting of each new Board and shall hold office at the pleasure of the Board.

Section 3. Removal of Officers. Upon the affirmative vote of a majority of the Directors, any officer may be removed, either with or without cause, and his or her successor may be elected at any regular meeting of the Board, or at any special meeting of the Board called for such purpose.

Section 4. President. The President shall be the chief executive officer of the Association. He or she shall preside at all meetings of the Members and of the Board. He or she shall have all of the general powers and duties which are normally incident to the office of president of a corporation organized under the laws of the State of Nebraska, including, but not limited to the power of appointment from among the Members of any committee which he or she decides is appropriate to assist in the conduct of the affairs of the Association.

Section 5. Vice President. The Vice President shall take the place of the President and perform his or her duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Board shall appoint some other Director to act in the place of the President, on an interim basis. The Vice President shall also perform such

other duties as shall from time to time be imposed upon him or her by the Board or by the President.

Section 6. Secretary. The Secretary shall keep the minutes of all meetings of the Members and of the Board; he or she shall have charge of such books and papers as the Board may direct; and he or she shall, in general, perform all the duties normally incident to the office of secretary of a corporation organized under the law of the State of Nebraska.

Section 7. Treasurer. The Treasurer shall have the responsibility for Association funds and securities and shall be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements, and for the preparation of all required financial statements. He or she shall be responsible for the deposit of all moneys and other valuable effects in the name of the Board, or the managing agent, in such depositories as may from time to time be designated by the Board, and he or she shall, in general, perform all duties normally incident to the office of treasurer of a corporation organized under the law of the State of Nebraska.

Section 8. Agreement, Contracts, Deeds, Checks, Etc. All agreements, contracts, deeds, leases, mortgages, checks, and other instruments of the Association shall be executed by the President or by any two of the other officers of the Association.

Section 9. Compensation of Officers; Multiple Roles. No officer of the Association shall receive any compensation for acting as such. To the extent the same does not conflict with the laws of the State of Nebraska, the Board, in its discretion, may appoint a Member to more than one (1), but no more than two (2), officer positions.

Article VI Oversight and Obligations

Section 1. Determination of Dues and Assessments. The Board shall, from time to time, and at least annually, prepare a budget for the Association and establish the amount of dues and assessments. The amount of the dues and assessment and the expenditure of funds by the Association shall be governed by applicable provisions of the Declaration. The Board shall advise each Owner in writing of the amount of dues and assessments payable, and shall furnish copies of each budget on which such dues and assessments are based to all Owners and to their mortgagees who request a copy in writing.

Section 2. Abatement and Enjoining of Violations. The violation of the Declaration or any rule or regulation adopted by the Board, or the breach of any Bylaw contained herein shall give the Board the right, in addition to any other rights set forth in these Bylaws or the Declaration:

- (a) To suspend the voting rights of the Lot in question; and/or

(b) To take such actions as are deemed appropriate by the Board, including enjoining, abating, or election to remedy such thing or condition by appropriate legal proceedings.

Section 3. Maintenance and Repair. Maintenance, repairs, and replacements to the Maintenance Areas (unless necessitated by the negligence, misuse, or neglect of an Owner, in which case such expense shall be charged to such Owner), shall be made by the Association and be charged to all the Owners as provided in the Declaration.

Article VII Mortgages

Section 1. Notice of Unpaid Dues or Assessments. The Board, whenever so requested in writing by a mortgagee of a Lot, shall promptly report any then unpaid dues or assessments, or other default by the Owner of the mortgaged Lot.

Section 2. Notice of Default. The Board, when giving notice to an Owner of a default in paying dues or assessments or other default, shall send a copy of such notice to each holder of a mortgage covering such Lot whose name and address has been furnished to the Board.

Section 3. Examination of Books. Each Owner and each mortgagee of a Lot shall be permitted to examine the books of account of the Association at reasonable times, on business days, but not more often than once a quarter.

Article VIII Records

Section 1. Records and Audits. The Board shall keep reasonably detailed records of the actions of the Board, minutes of the meetings of the Board, minutes of the meetings of the Members, and financial records and books of account of the Association, including a chronological listing of receipts and expenditures, as well as a separate account for each Lot which, among other things, shall contain the amount of dues and assessments against such Lot, the date when due, the amounts paid thereon, and the balance remaining unpaid. A written report summarizing all receipts and expenditures of the Association shall be rendered by the Board to all Members at least annually.

Article IX Miscellaneous

Section 1. Notices. All notices to the Board shall be sent by mail or hand delivered, in care of the President, or to such other address as the Board may hereafter designate from time to time. All notices to any Owner or Member shall be sent by mail. All notices to mortgagees of

Lots, shall be sent by mail to their respective addresses, as designated by them from time to time, in writing to the Board. All notices shall be deemed to have been given when mailed or hand delivered, except notices of change of address which shall be deemed to have been given when received.

Section 2. Invalidity. The invalidity of any part of these Bylaws shall not impair or affect in any manner the validity or enforceability of the remaining provisions.

Section 3. Captions. The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit, or describe the scope of these Bylaws, or the intent of any provisions thereof.

Section 4. Gender. The use of gender pronouns in these Bylaws shall be deemed to include all genders and the use of the singular shall be deemed to include the plural, whenever the context so requires.

Section 5. Waiver. No restriction, condition, obligation, or provision contained in these Bylaws 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 thereof which may occur.

Section 6. Payment of Assessments. No Owner shall be permitted to convey, mortgage, pledge, hypothecate, sell, or lease his or her Lot unless and until he or she shall have paid in full to the Board all unpaid standard dues and special assessments theretofore assessed by the Board against his or her Lot and unless and until he or she shall have satisfied all unpaid liens against such Lot, except permitted mortgages.

Article X Amendments to Bylaws

Section 1. Amendment to Bylaws. Except as otherwise provided, these Bylaws may be modified or amended by the Board or by the majority vote of the Members at any annual, regular or special meeting.