

Doc ID: 033785470002 Type: GEN Doc ID: 033785470002 Type: GEN
Kind: RESTRICTIVE COVENANT
Recorded: 03/08/2019 at 01:42:51 PM
Fee Amt: \$12.00 Page 1 of 2
Revenue Tax: \$0.00
Polk County Iowa
JULIE M. HAGGERTY RECORDER
FILE# 2018-00064092

BK 17255 № 954-955

RETURN TO: AFTER RECORDING RETURN TO: Brent R. Zimmerman 4940 Pleasant Street West Des Moines, Iowa 50266

Prepared by: Brent R. Zimmerman, 4940 Pleasant Street, West Des Moines, IA 50266, 515/276-8224.

## AMENDMENT TO **DECLARATION OF COVENANTS, CONDITIONS AND** RESTRICTIONS FOR HERITAGE REVIEW COMMITTEE

THIS AMENDMENT is made on this \_\_\_\_\_ day of August, 2018, by Heritage at Grimes, LLC, an Iowa Limited Liability Corporation, the Declarant of the Declaration of Covenants, Conditions and Restrictions for Heritage Review Committee dated December 7, 2016, and recorded January 9, 2017, in Book 16338 at Page 400 in the Office of the Recorder of Polk County, Iowa, as amended from time to time (hereinafter collectively called the "Declaration").

WHEREAS, Article 7 of the Declaration grants the Declarant the right to subject certain Property described in the Declaration to the terms of the Declaration as Additional Land at any time without approval or consent of any other person.

WHEREAS, Declarant now wishes to add the Additional Land described below to the Declaration, which real estate will be subject to all of the terms and conditions of the Declaration upon the filing of this Amendment.

NOW, THEREFORE, pursuant to the authority described in the Declaration, Declarant hereby adds the following Additional Land to the terms and conditions of the Declaration, which real estate shall be subject to all of the terms and conditions of the Declaration and the Owners of Lots within the Additional Land shall be hereby subjected to the same terms, conditions and duties as described in the Declaration:

Heritage at Grimes Plat 7

Except as expressly amended hereby, all of the terms and conditions of the Declaration shall continue in full force and effect and are hereby ratified and confirmed.

| IN WITNESS WHEREOF,                          | we have hereunto set out hands this August,  |
|--|--|
| 2018.  | HERITAGE AT CRIMES, LLC  |
|  | Steve Jordan, Controller   |
|  | Declarant  |
| STATE OF IOWA                                |  |
| Ss   |  |
| COUNTY OF POLK                               |  |
|  | dged before me on this day of August, 2018, by at Grimes, LLC on behalf of Heritage at Grimes, LLC |
|  |  |
| JEMIFER J LINDEMANN Commission Number 738817 | Notary Public  |



Doc ID: 031545490006 Type: GEN Kind: RESTRICTIVE COVENANT Recorded: 01/09/2017 at 11:16:24 AM POLK COUNTY IOWA JULIE M. HAGGERTY RECORDER FILE# 2016-00060221

BK 16338 PG 400-405

THIS DOCUMENT PREPARED BY AND AFTER RECORDING RETURN TO: Brent R. Zimmerman, 4940 Pleasant Street, West Des Moines, IA 50266.

# DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR HERITAGE REVIEW COMMITTEE

THIS DECLARATION (The Declaration) is made on this day of <u>December</u>, 2016, by Heritage at Grimes, L.L.C. (hereinafter referred to as "Declarant"), an Iowa Limited Liability Corporation, with its principal place of business located in Polk County, Iowa.

WHEREAS, Declarant is the owner of certain property (hereinafter referred to as the "Property") situated in Dallas County, Iowa, which is now legally described as:

Heritage at Grimes Plat 2 Heritage at Grimes Plat 3 Heritage at Grimes Plat 4 and Heritage Lakeside Townhomes, all in Grimes Polk County, Iowa;

WHEREAS, said property is referred to herein as "Heritage at Grimes".

**WHEREAS**, Declarant is desirous of protecting the value and desirability of the Heritage at Grimes property.

NOW, THEREFORE, Declarant hereby declares that the Heritage at Grimes property shall be held, sold and conveyed subject to the following covenants, conditions and restrictions which are for the purpose of protecting the value and desirability of the Heritage at Grimes property and which shall run with the land and shall be binding on all parties having any right, title or interest therein or any part thereof; their heirs, successors and assigns, and shall inure to the benefit of each Owner thereof.

## 1. ARTICLE 1: DEFINITIONS

- 1.1. <u>Additional Land</u>. "Additional Land" shall mean and refer to any portion of the Benefited Property annexed and subject to this Declaration pursuant to Article 7 hereof.
- 1.2. <u>Architectural Review Committee</u>. "Architectural Review Committee" shall mean and refer to the **Heritage Review Committee** (HRC),
  - 1.2.1. <u>Single Family Residence</u>. HRC for single family residences shall consist of representatives of Declarant having one (1) vote and representatives of Civil Engineer/Landscape Architect having one (1) vote, in the event of a tie, Declarant gets two votes; and
  - 1.2.2. <u>Commercial and Multi-Family Residences</u>. HRC for commercial or multi-family residences consist of representatives of Declarant having one (1) vote and representatives of Civil Engineer/Landscape Architect having one (1) vote and representatives of Architect having one (1) vote; and
  - 1.2.3. At such time as Declarant has sold all of the Lots in the Heritage at Grimes development, or sooner at Declarant's sole discretion, the review committee shall be comprised of three (3) Owners to be elected annually by the Owners with the Owner of each Lot (or the joint owners of a single Lot in the aggregate) entitled to cast one (1) vote on account of each Lot owned.
  - 1.2.4. The City of Grimes will not have a vote, but will participate in meetings of the Architectural Review Committee for commercial and multi-family residences and keep minutes of the meetings.
  - 1.2.5. All plan submittals and correspondence shall be addressed to the offices of the City of Grimes.
- 1.3. City. "City" shall mean and refer to the City of Grimes, Iowa.
- 1.4. <u>Declarant</u>. "Declarant" shall mean and refer to Heritage at Grimes, L.L.C., an Iowa limited liability company, its successors or assigns.
- 1.5. <u>Lot</u>. "Lot" shall mean and refer to an individual parcel of land within the Property or within a Plat of Survey.
- 1.6. Owner. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the legal or equitable title to any Lot that is a part of the Property.

## 2. ARTICLE 2: ARCHITECTURAL CONTROL

- 2.1. In order to preserve the general design for the development of the whole of Heritage at Grimes, no building of any kind, nor any addition thereto, shall be erected upon any Lot, no building permit shall be issued and no site plan shall be submitted to Planning and Zoning or the City Council unless and until the plan, design, building materials and location thereof shall have been approved in writing by the Architectural Review Committee or such person or persons or corporate entity designated by it for this purpose. Approval of a plan shall not be unreasonably withheld. The plan shall be submitted to the Architectural Review Committee addressed to the City of Grimes for approval along with the applicable plan review fee in effect at the time the plan is submitted.
  - 2.1.1. Residential Plans. Lot Owner/Builder submits all materials to the City.

    Declarants representative collects all of the submittals and delivers them the

    Architect who shall meet with the Declarant to review each submittal for adhearance
    to the aesthetic. material and character of the Heritage at Grimes development, if
    - 2.1.1.1. it meets the the required qualitative standard, then it is submitted to the City for their review of the submittal for compliance with the Heritage at Grimes PUD and City Code and issuance of the building permit.
    - 2.1.1.2. it does not meet the required architectural character required comments will be made on the submittals and marked up drawings returned to the Lot Owner/Builder. They will revise and re-submit, and repeat if necessary, until the design is acceptable. The architect will sign off and submit to the City for their review of the submittal for compliance with the Heritage at Grimes PUD and City Code, and issuance of the building permit.
  - 2.1.2. Commercial/Multi-family Plans. The Architectural Review Committee shall meet at least once per month to review commercial plans. Current meeting times and plan review fees of the Architectural Review Committee may be obtained from the City. Lot Owner/Builder submits all materials to the City. Declarants representative collects all of the submittals and delivers them the architect and civil engineer/landscape Architect who shall meet with the Declarant to review each submittal for adhearance to the aesthetic, material and character of the Heritage at Grimes development, if
    - 2.1.2.1 it meets the the required qualitative standard, then it is submitted to the City for their review of the submittal for compliance with the Heritage at Grimes PUD and City Code and issuance of the building permit.

- 2.1.2.2. it does not meet the required architectural character required comments will be made on the submittals and mark up drawings returned to the Lot Owner/Builder. They will revise and re-submit, and repeat if necessary, until the design is acceptable. The architect and civil engineer/landscape architect will sign off and submit to the City for their review of the submittal for compliance with the Heritage at Grimes PUD and City Code, and issuance of the building permit.
- 2.2. Any material deviation in the construction from the approved plans on any Lot, which, in the sole subjective judgment of the Arichetectural Review Committee, is a substantial detriment to the appearance of the structures located in the surrounding area, shall be corrected to conform to the approved plans at the expense of the Owner of the Lot.

## 3. ARTICLE 3: ENFORCEMENT OF COVENANTS

- 3.1. In the event of a violation, or threatened violation, of any of the covenants, conditions, and restrictions herein enumerated, Declarant, 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 attorney's fees and the costs and expenses incurred as a result thereof.
- 3.2. Wherever there is a conflict between this Declaration and the soning ordinance of law of the City of Grimes, Polk County, or State of Iowa, the most restrictive provision shall be binding.

# 4. ARTICLE 4: ASSIGNMENT OF COVENANTS

4.1. <u>Assignment of Declarant's Rights</u>. Declarant shall have the right to assign all of its rights and obligations as Declarant under this Declaration to any person, corporation or other entity. The assignee of such assignment shall be responsible for Declarant's duties and obligations under this Declaration. Declarant shall make such assignments by written instrument recorded in the Office of the Recorder of Polk County, Iowa.



## 5. ARTICLE 5: AMENDMENTS TO COVENANTS

5.1. Amendment. This Declaration may be amended or changed by an instrument recorded in the Office of the Recorder of Dallas County, Iowa, signed or approved by not less than two-thirds (2/3) of the then Owners. The Owners7 of each Lot (or the joint Owners of a single Lot in the aggregate) shall be entitled to cast one vote on account of each Lot owned. Notwithstanding any other term of provision hereof, until twelve (12) months following the date on which the Declarant has sold all of the Lots, the Declarant and only the Declarant may make amendments or modifications to this Declaration. Declarant may amend this Declaration without the consent of any other Owners or any other party. Such amendments or modifications by the Declarant shall be effective upon filing with the Polk County Recorder.

## 6. ARTICLE 6: PERIOD OF COVENANTS

6.1. <u>Duration</u>. This Declaration shall run with the land and shall be binding upon all parties claiming under them for the maximum period allowed by law, subject to the right of the Owner under Section 614.24 of the lowa Code to file a verified claim in the office of the County Recorder to extend the effectiveness of these covenants for successive periods of twenty-one (21) years each on or before the twenty-first anniversary of the filing of this Declaration and prior to the twenty-first anniversary of the filing of the last verified claim. Invalidation of any of the covenants, conditions, and restrictions of this Declaration by judgment or decree shall in no way effect any of the provisions hereof, but the same shall remain in full force and effect

## 7. ARTICLE 7: ANNEXATION OF LAND

7.1. Subjecting Additional Land to Declaration. Declarant shall have the irrevocable right to subject Additional Land to the terms of this Declaration. The Additional Land shall be automatically subject to the same applicable terms, conditions and duties as described in this Declaration. Declarant shall signify the addition of the land by filing an amendment to this Declaration with the Recorder of Polk County, Iowa. No of any other person shall be necessary.

| IN WITNESS WHEREOF, we, 2016.  | re have hereunto set out hands this 13/                                      |
|--|--|
| HERI<br>By:  | Steve K. Jordan, Controller  |
| STATE OF IOWA, COUNTY OF POLK: S   | Ss:  |
| This instrument was acknowledged l<br>Steve K. Jordan, Controller of Heritage at G | be fore me this \( \frac{1}{2} \) day of \( \frac{1}{2} \) day. Srimes, LLC. |
| JENIFER J LINDEMANN Commission Number 738817                                       | Notary Public in and for the State of Iowa                                   |

Kind: RESTRICTIVE COVENANT Recorded: 10/12/2016 at 11:38:21 AM Fee Amt: \$132.00 Page 1 of 26 Polk County Iowa JULIE M. HAGGERTY RECORDER File# 2016-00033725

BK 16221 PG 303-328

RETURN TO:

THIS DOCUMENT PREPARED BY AND AFTER RECORDING RETURN TO: Brent R. Zimmerman, 4940 Pleasant Street, West Des Moines, IA 50266. 515-276-8224

THIS DELARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS (hereinafter "Declaration") is made on the date set forth below by Heritage at Grimes, LLC, an Iowa limited liability company, hereinafter referred to as "Declarant".

#### WITNESSETH:

WHEREAS, "Declarant" is the owner of certain property in the City of Grimes, County of Polk, State of Iowa which is more particularly described as:

Lots 1 through 12, inclusive, and Outlot "X", in Heritage Lakeside Townhomes Plat 1, an Official Plat, now included in and forming a part of the City of Grimes, Polk City, Iowa.

WHEREAS, "Declarant" wishes to establish and develop the above-described real estate as a Townhome project to be known as "Heritage Lakeside Townhomes" consisting of 12 individual Townhome lots, and certain common areas.

NOW, THEREFORE, "Declarant" hereby declares that all of the Property legally described above 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 said Property. This Declaration shall run with the Property and be binding on all Property and be binding on all Property 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 the Heritage Lakeside Townhomes Owners Association, Inc., its successors and assigns.

Section 2. "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 Heritage Lakeside Townhomes, except that a vendee in possession under a recorded contract of sale of any Lot shall be considered the owner instead of the contract seller. Those having an interest merely as a security for the performance of an obligation shall not be considered an "Owner".

Section 3. "Properties" shall mean and refer to Lots 1 through 12, inclusive and Outlot "X" in Heritage Lakeside Townhomes Plat 1 legally described above, including all improvements thereon.

Section 4. "Common Area" shall be all portions of the "Properties", except Lots 1 through 12 in Heritage Lakeside Townhomes Plat 1, including the improvements thereon, owned by the Association for the common use and enjoyment of the Owners. The Common Areas and any improvements thereon shall be conveyed to the Association simultaneously with the filing of the final plat for Heritage Lakeside Townhomes Plat 1. The Common Areas shall not be conveyed or transferred by the Association without the prior approval of the City of Grimes, IA.

Section 5. "Lot" shall mean and refer to the 12 individually numbered lots as shown on the plat drawing for Heritage Lakeside Townhomes Plat 1. In the event any part of the "Properties" is re-platted and a subsequent subdivision plat is recorded, then "Lot" shall refer to the numbered lots shown on such re-platting and such subsequently recorded subdivision plat. In no event shall "Lot" mean any common area.

Section 6. "Declarant" shall mean and refer to "Heritage at Grimes, LLC", its successors and assigns if such successors or assigns should acquire more than one undeveloped Lot from the Declarant for the purpose of development.

Section 7. "Association Responsibility Elements" shall mean the following:

- a) The exterior surface of each residential structure built upon a Lot, excluding decks, patios, stoops, windows, entry doors, garage doors and electric garage door openers;
- b) The structural portion of the residential structure up a Lot;
- c) The roof and foundations of the residential structure upon a Lot;

- d) The yard surrounding the residential structure upon each Lot, including trees and shrubbery on said Lots; the yard, trees and shrubbery on any Common Area and any watering systems installed on the Common Area and any Lots; and the sidewalks and property located between a street curb and the abutting lot;
- e) The frontage driveway running parallel with the Lot line of the properties, together with all other driveways and sidewalks in this Development;
- f) Any fence constructed by the Declarant or Association and owned by the Association:
- g) Conduits, ducts, plumbing, wiring, pipes and other facilities within the Lot but outside a residential structure which are carrying any service or utilities to more than one Lot;
- h) Street signs owned by the Association, including such signs located on property owned by the City of Grimes;
- i) All lawn mowing and landscaping work, and all snow removal;
- j) All maintenance and care related to the pond area located in the "storm sewer and surface water flowage easement" area in the central region of the properties as shown on the plat map for Heritage at Grimes, including all siltation control, dredging, and water quality maintenance issues relating thereto.

Section 8. "Owner Maintenance". Owners of Lots within this Townhome Development shall be responsible, at their own expense, for the repair and replacement of items peculiar to their particular Lot including, but not limited to, heating, ventilation and air conditioning (HVAC), decks, patios, stoops, windows, entry doors, garage doors, and electric garage door openers. Such items shall not be considered "Association responsibility elements" and the cost thereof shall not be included as part of any maintenance assessments.

#### ARTICLE II. PROPERTY RIGHTS AND MAINTENANCE

Section 1. Owner's Easement and Enjoyment. Every Owner shall have a non-exclusive right and easement of enjoyment in and to the Common Areas which shall be appurtenant to and shall pass with the title to every Lot, subject to the right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument agreeing to such dedication or transfer signed by a majority of the members entitled to vote has been recorded.

Section 2. Delegation of Use. Any Owner may delegate his right of enjoyment to the Common Area and facilities to the members of his family, his tenants or any guests of either.

Section 3. Association Responsibility Elements. No person other than the Owner of a Lot and his invitees shall have the right to enter upon, use, or affect an Association Responsibility Element located within a Lot, except that the Association and its designates may enter upon and within a Lot and the residential structure located thereon at reasonable times for the following purposes:

- a) Installation, repair, maintenance, removal, replacement or inspection of an Association Responsibility Element;
- b) Enforcement of any provision of this Declaration or the Articles of Incorporation or the Bylaws of the Association;
- c) Mowing and maintenance of grass areas;
- d) Snow removal.

Section 4. Maintenance. The Association shall be responsible for maintenance of the Common Area and improvements thereon. Each Owner shall be responsible for maintenance of his Lot and all structures, improvements and equipment thereon, except for the Association Responsibility Elements.

- a) Landscaping: Landscaping will be installed on the Properties, except on Lots 1 through 12 therein, in accordance with the site plan approved by the City of Grimes (hereinafter referred to as "Site Plan"). All landscaping areas shall be maintained by the Association. No landscaping elements shall be removed unless diseased or substantially damaged by wind, lightning, or other natural forces. All diseased or substantially damaged landscaping elements, plantings, or materials shall be promptly replaced with reasonably comparable quality of planting and materials as that shown on the approved Site Plan. All lawn areas located in Outlot "X" and all shrubs and trees located thereon, which are installed by the Declarant, its successors and assigns, shall be maintained, mowed and trimmed on a regular basis.
- b) Maintenance of Improvements: All of the structures, fences, walls, and other improvements constructed in accordance with the approved Site Plan, and all fences owned by the Association located on any privately owned Lots shall be maintained, repaired and replaced by the Association. Any lighting installed by Declarant, its successors and assigns shall be maintained in good operating order by the Association.

c) No Nuisance. The Association shall not allow any of the improvements owned by the Association located on any privately owned Lots to become a nuisance through lack of repair, maintenance, or replacement. Likewise, an Owner shall not allow any improvements on the individual Lots to become a nuisance through lack of repair, maintenance or replacement. In the event the Association deems a nuisance to exist, the Association may give an Owner written notice demanding that the nuisance be eliminated within a forty-five day period. In the event the nuisance is not eliminated by the Owner within said period of time, the Association may remedy or otherwise eliminate the nuisance and assess reasonable costs for such remedy or elimination to the Owner.

### ARTICLE III. MEMBERSHIP AND VOTING RIGHTS

Section 1. Every Owner of a Lot which is subject to assessment shall be a member of the Association. Membership is mandatory and shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment.

Section 2. All Owners shall be entitled to one vote in the Association 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 they determine, but in no event shall more than one vote be cast with respect to any Lot.

Section 3. Notwithstanding any other provision of this Declaration, the Declarant, its successors and assigns shall be the sole voting member of the Association until Declarant no longer owns any portion of the Properties, or until Declarant waives, in writing, this right to be the sole voting member whichever first occurs. However, if Declarant has sold all of the properties, with the exception of any lots which Declarant either purchased or holds as an investment (and not for resale), then Declarant shall no longer have the right to be the sole voting member. While the sole voting member, the Declarant, its successors and assigns shall have the right to elect all directors.

#### ARTICLE IV. COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Lot owned within the Properties, hereby covenants, and each Owner of any Lot by acceptance of the deed thereof, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay the Association: (a) annual assessments or charges, and (b) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided, (c) and any other assessments levied by Heritage Lakeside Townhomes Owners Association, Inc., as more fully set forth herein. The assessments, together with interest, costs and reasonable attorney's fees, 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, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall pass to his successors in title.

Section 2. Purpose of Assessments. The assessment levied by and for the Heritage Lakeside Townhomes Owners Association, Inc. shall be used exclusively to promote the recreation, health, safety and welfare of the residents in the Properties and for the improvement and maintenance of the Common Area and Association Responsibility Elements.

Section 3. Maximum Annual Assessment. Except as provided below, until January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment shall be Two Hundred Eighty-five Dollars (\$285.00) per Lot.

- a) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the Board of Directors of the Association shall have the right to fix the annual assessment at an amount necessary to properly operate the Association, including the payment of all real estate taxes on property owned by the Association, and insurance;
- b) The Declarant shall not be liable for annual or special assessments upon Lots owned by the Declarant unless the lot is occupied as a residence; has been submitted to the Association for maintenance, insurance, or other substantial direct benefit for the Lot; or has had a certificate of occupancy issued concerning such lot by the City of Grimes. The Declarant shall be liable for annual or special assessments upon any model home or vacant units in a building, that are ready for occupancy.

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair, or replacement of a capital improvement upon the Common Area, or for any Association Responsibility Element, including fixtures and personal property related thereto, provided that any such assessment shall have the consent of a majority of the votes of members present 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 entitled to vote not less than 30 days nor more than 60 days in advance of the meeting. At the first such meeting called, the presence of members entitled to vote or of proxies entitled to cast twenty-five percent (25%) of all votes of membership 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 one-half ( $\frac{1}{2}$ ) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than 60 days following the preceding meeting.

Section 6. Uniform Rate of Assessment. Annual assessments, special assessments and capital improvements and insurance 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 Annual Assessments: Due Dates. The annual assessments provided for herein shall commence as to all Lots on the first day of the month following the conveyance of Common Area to the Association. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. At the time each lot is initially sold to an Owner, there shall be assessed and collected two months of Association dues payable in advance, which shall be used by the Association to further fund the Association bank account, along with one year's insurance premium. The Association shall, upon demand and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate of the Association as to the status of assessments on a Lot is binding upon the Association as of the date of its issuance.

Section 8. Insurance and Insurance Assessment. In addition to the annual assessments and the special assessments for capital improvements, the Association may levy assessments for insurance purchased by the Association. The Association shall obtain liability and casualty insurance for the Common Area and for the Association Responsibility Elements. Unless otherwise determined by the Board of Directors of the Association, each Owner shall be responsible for obtaining homeowners' liability insurance and casualty insurance for property which is not part of the Association Responsibility Elements; the Board of Directors may require an Owner's casualty insurance to be obtained from the same insurer as the insurer under the Association's casualty insurance for the Association Responsibility Elements. In the event of casualty loss, the Association shall be responsible for repair and restoration of the Common Area and Association Responsibility Elements, and the Owner shall be responsible for repair and restoration of all other portions of the buildings and improvements upon his Lot, except to the extent that the Board of Directors of the Association has determined to obtain casualty insurance for such portions which are not part of the Association Responsibility Elements in which case the Association shall apply any insurance proceeds received for such portions to such repair and restoration of such portions.

Section 9. Effect of Nonpayment of Assessments: Remedies of the Association. Any assessment not paid within fifteen (15) days after the due date shall incur a late payment fee of Twenty-Five Dollars (\$25.00) per month. The Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property. 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. The Board of Directors may permit annual assessments and other assessments permitted herein to be paid on a monthly basis. However, said method of monthly payments shall be considered a privilege which may be revoked in the event any Owner is delinquent in said payments. Upon revoking said monthly payment privilege, the entire remaining balance on any outstanding assessment shall be accelerated and shall be due and payable in full.

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

Section 11. Utilities. Each Owner shall be responsible for payment of all utility services to his Lot including but not limited to, electricity, water, gas, telephone, internet, and sewer services.

Section 12. Assessments for City Related Improvements. Notwithstanding any of the provisions of this Article, the Board of Directors may establish an assessment for the maintenance, improvement, or reconstruction of street signs, fences and sidewalks as necessary to comply with any directive of the City of Grimes, Iowa.

#### ARTICLE V. ARCHITECTURAL CONTROL

No building, fence, wall, shed, storage building or other structure shall be erected or maintained upon the Properties, nor shall any exterior addition to or change or alteration therein (including painting or color change) be made, nor shall any alteration of surface drainage patterns be made 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 of the Association, or by an Heritage Review Committee. This Article shall not apply to construction, improvements, or alternations made by the Declarant.

## ARTICLE VI. EASEMENTS

Each lot shall be subject to the following easements in favor of the Association:

- 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 of conduits, ducts, plumbing, wiring, pipes, meters and other facilities for the furnishings of utilities and services to other Lots, foundation drains, sanitary sewer and water service facilities;
- 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 easement for common driveway usage with other designated Lots where shown on the recorded subdivision plat;
- e) Each Lot is burdened with easements for public utilities and sidewalks as may be shown upon the recorded subdivision plat;
- f) Each Lot is burdened with easements for any fence constructed by the Declarant or the Association and maintained by the Association.

## ARTICLE VII. USE RESTRICTIONS

Section 1. Subjection of the Properties to Certain Provisions. The ownership, use, occupation and enjoyment of each Lot and Common Area shall be subject to the provisions of the Bylaws and Articles of Incorporation of the Association, and this Declaration, all of which provisions irrespective of where set forth or classified, shall have equal status and shall be enforceable and binding as a covenant, condition, restriction, or requirement running with the land and shall be binding on and enforceable against each and all Lots and the Owners thereof and their respective assigns, lessees, tenants, occupants and successors in interest.

Section 2. Use of Properties. The use of the Properties shall be in accordance with and subject to the following provisions:

- a) A Lot shall be used or occupied for single family dwelling purposes only;
- b) A Lot may be rented or leased by the Owner or his lessee, provided the Owner has owned the Lot and personally occupied the Lot for at least one year, and provided the entire Lot is rented, and the rental term is at least one year, unless

some other period is established in the rules, regulations or Bylaws of the Association. The requirements set forth in the preceding sentence that an Owner must have owned and occupied a unit for at least one year, shall not apply to the Declarant. No lease shall relieve the Owner as against the Association and other Owners from any responsibility or liability, including the payment of assessments. Any proposed rental agreement must first be submitted to the Board of Directors of the Association for prior approval.

- c) Nothing shall be altered in, constructed in, or removed from the Common Area, except upon written consent of the Board of Directors of the Association, which may be given through regulations of the Association;
- d) No livestock, poultry, or other animals of any kind shall be raised, bred, or kept in any Lot or in any Common Area, except an Owner shall be permitted to keep no more than two (2) dogs, or in the alternative, no more than two (2) cats, or in the alternative, a combination of one (1) dog and one (1) cat. In lieu of keeping two pets as discussed in the preceding sentence, an Owner may keep other usual household pets subject to the rules and regulations adopted by the Association. No outside pet facilities of any kind shall be constructed, placed or permitted on any Lot. Each Owner must pick up after their pets and a pet may not be left unattended in any area, including patios and decks;
- e) No boat, snowmobile, recreational vehicle, trailer, or other vehicle other than automobiles shall be stored or parked in any driveway. The Association may by regulation or rule limit or prohibit the parking of automobiles on any driveway. In the event of violation of this provision, the Association may, after reasonable notice, remove such boat, snowmobile, recreational vehicle, or other vehicles and assess the Owner of the Lot for the cost of removal and storage;
- f) No activity shall be allowed which unduly interferes with the peaceful possession and use of the Lots by the Owners nor shall any fire hazard or unsightly accumulation of refuse be allowed.
- g) 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 the prior written consent of the Board of Directors without the prior written consent of the Board of Directors of the Association. No Owner shall permit anything to be done or kept in his Lot or in the Common Area which will result in the cancellation of Insurance on any Lot or any part of the Common Area of 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;
- h) 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 which require maintenance modification

or repair of property shall be the same as the responsibility for the maintenance and repair of the property concerned, further, if there is a conflict between the Covenants and City ordinance that the most restrictive provision shall be binding;

- i) The Board of Directors of the Association shall be the authority to adopt rules and regulations governing the use of Lots, the Common Area and the Association Responsibility Elements and such rules shall be observed and obeyed by the Owners, their guests, lessees, assigns and licensees;
- j) Agents or contractors hired by the Board of Directors of the Association may enter any Lot when necessary in connection with any installation, repair, removal, replacement, or inspection of any Association Responsibility Element or in connection with landscaping or construction for which the Association is responsible, provided such entry shall be made with as little inconvenience to the Owners as practicable;
- k) An Owner shall give notice to the Association of every lien against his Lot other than permitted mortgages, taxes and Association assessments and of any suit or other proceeding which may affect the title to his Lot within ten days after the lien attaches or the Owner receives notice of such suit;
- An Owner shall be liable to the Association for the expense of any maintenance, repair, or replacement to the Common Area or the Association Responsibility Elements rendered necessary by his act, neglect or carelessness, or by that of his family, guest, employees, agents, or lessees, which liability shall include any increase in insurance rates resulting therefrom;
- m) Neither the Owners nor the Association nor the use of the Common Area shall interfere with the completion of the contemplated improvements and the sale of the Lots by the Declarant. The Declarant may make such use of the unsold Lots and the Common Area as may facilitate such completion and sale, including but not limited to, the maintenance of a model home, the showing of the property and the display of signs;
- n) No Owner shall be permitted to conduct a garage sale unless previous written approval is obtained from the Board of Directors of the Association. Any invitees attending an approved garage sale must park in the street areas and may not park in parking spaces provided for Owners. Additionally, any normal guests of Owners should park in the street areas only.
- o) Police, firemen, emergency units, inspectors and any other public officials or law enforcement agencies shall have the same right of entry onto and the same enforcement powers as to the Common Area as they have with respect to public streets and publicly owned parks and area;

- p) No sign shall be paced upon any Lot except a "For Sale" sign of a design approved by the Association;
- q) Trash receptacles shall be kept out of view from any part of the Common Area;
- r) No tower or antennae shall be placed upon any Lot or upon the roof of any structure, except satellite dishes 24 inches or less in diameter. The Heritage Review Committee shall establish rules designated those limited areas in which said satellite dishes may be placed. Prior to installing a satellite dish, each Owner must obtain the prior written consent of the Board of Directors or from the Heritage Review Committee specifying the exact location of the placement of the satellite dish;
- s) No personal property shall be stored or left upon a Lot except within the residential structure or garage located upon the Lot. Garage doors shall be kept closed except during times of access to the garage or as permitted by the rules of the Association;
- t) No fences shall be constructed by any Lot Owner, either upon a Lot or upon any Common Areas.

Section 3. No Waiver. Failure of the Association or any Owner to enforce any covenant, condition or restriction, 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 VIII. DECLARANT'S RIGHTS

Section 1. Lots. Declarant reserves the right to use any of the Townhome Lots as models and to sell, assign or conduct other businesses in connection with the construction and development of the project from any of such Townhome Lots prior to their being sold. This reservation of right or privilege in Declarant includes, but is not limited to, the right to maintain models, erect signs, maintain an office, staff the office with employees and to show Townhome Lots then unsold. Declarant retains the right to be considered an Owner of any Townhome Lot that remains unsold. Declarant also reserves the right to make changes in the location or manner of construction of buildings and other improvements. Declarant reserves the right to enter upon and within any Living Unit, Townhome Lot and Common Area in connection with any construction activity.

Section 2. Common Area. Declarant reserves the right and is hereby vested with the sole control over all Common Area landscaping, plantings, and the like. Declarant shall have the right to change the plantings and other landscaping elements within the Common Area from time to time in its sole discretion.

#### ARTICLE IX. COVENANTS WITH CITY

Section 1. Right of Public Access. Officers, employees or contracted agents of the City of Grimes, Iowa ("City") shall have the right and authority to enter upon the Common Areas and easements reserved or granted for the benefit of the Association for the administration of general public services including Emergency Fire Protection, Law Enforcement and administration of the Sanitary Sewer and Water Works Rules and Regulations and any applicable agreements for providing sanitary sewer and water service.

Section 2. Indemnification and Hold Harmless of the City, the Association, its successors or assigns, agree to defend, indemnify, protect and save harmless the City and its political subdivisions, including any of its elected officials, officers, employees or agents, from and against any judgments, awards, claims or expenses or other things whatsoever, including attorney fees, costs or disbursements, arising out of or in connection with any act or acts of negligence, causes, omissions, fault, misconduct, claims, damages, suits or other actions developed, brought or asserted by any person, firm, corporation, entity or estate, against the said City by reason of, in connection with, related to or growing out of, directly or indirectly, the duties and responsibilities which are imposed upon the Owners of the Association, its successors and assigns, with respect to its duties or obligations under this Declaration, or related to or growing out of, directly or indirectly, the ownership, maintaining, cleaning out, grading, repairing, construction or reconstruction of the Common Areas, or any part thereof, including but not limited to the existence of flowage or drainage of water in or out of any lakes, dam, silt basis and spillway which may be located adjacent to the Properties, or related to or growing out of, the purposes for which this Declaration is executed of the approval of this Declaration.

Declarant, its successors and assigns, including all subsequent owners in the Properties, hereby covenant not to sue, demand or claim any damages or other remedies against the City, its political subdivisions and its elected officials, officers, employees or agents by reason of, in connection with, related to or growing out of, directly or indirectly, the failure of the City to exercise any rights afforded to it under this Declaration, the approval of this Declaration, the approval of any site plan or Common Areas, the issuance of a building permit for such purposes, any inspection performed relating to said permit or permits or any certification issued indicating compliance with any City ordinance regulating the issuance of said building permit or approvals.

Section 3. Liability of City. Neither the Declarant, owners, Association nor any other person or other entity shall place any reliance upon the approval of this Declaration by the City, the issuance of a Building Permit for such purposes, any inspections performed relating to said Permit or any certification issued indicating compliance with any City ordinance regulating the issuance of said Building Permit or approvals, as indicating the safety or quality of construction of any improvements

located on the Common Areas or within the Properties. Neither the issuance of, nor any inspections or certification made relating to the building Permit or relating to any City ordinance or approval, including the approval of this Declaration, shall constitute an assumption by the City, or any elected officials, officers, agents or employees thereof, of any duty or responsibility of any person or entity to adequately construct, reconstruct, repair and maintain the Common Areas and improvements located thereon or provide a safe premises or to, in any way, indicate a decrease in the risk associated with the use or existence of the improvements located on the Common Areas. A certification that the Common Areas or other structures or facilities have been inspected, pursuant to any City ordinance regulating the same shall not, in any way, constitute a representation, covenant warranty or guaranty of the safety or quality of said improvements by the City, of any elected officials, officers, agents or employees thereof. The Declarant, its successors and assigns, hereby expressly release and discharge, and agree to hold harmless, defend and indemnify, the City, its elected officials, officers, agents and employees, from any and all duties, responsibilities, obligations, claims, demands, causes of action or liabilities arising out of or related to the issuance of a Building Permit within the Properties or any inspection performed or certification issued in connection with the Building Permit and approval of the improvements located on the Common Areas and the approval of this Declaration.

Section 4. Amendment. This Article shall not be amended without the prior written approval of the City.

### ARTICLE X. GENERAL PROVISIONS

Section 1. Enforcement. The Association, or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 2. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provision which shall remain in full force and effect.

Section 3. Amendment. The covenants and restrictions of this Declaration shall run with and bind the land for a term of twenty (20) years from the date this Declaration is recorded after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended during the first twenty (20) year period and during any successive ten (10) year periods, by an instrument in writing signed by a majority of the Lot Owners; but no amendment shall alter any rights of the Declarant or impose any additional obligations upon the Declarant without the consent of the Declarant. Any amendment must be recorded. During such time as the Declarant is the sole voting member of the Association, this

Declaration may be amended in any manner by Declarant. No amendment to these Declarations shall be permitted affecting the specific rights of the City of Grimes set forth in this Declaration without first obtaining the approval of the City of Grimes, Iowa.

Section 4. Lots Owned by City. These covenants, restrictions and conditions shall not be applicable to property owned or dedicated to the City of Grimes, Iowa.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, hereby executes this document on this <u>3</u> day of <del>September</del>, 2016.

HERITAGE AT GRIMES, LLC, an Iowa

Limited Liability Company

By:

Steve Jordan, Controller

STATE OF IOWA

Ss:

**COUNTY OF POLK** 

On this 3 day of September, 2016, before me the undersigned a Notary Public in and for the State of Iowa, personally appeared Steve Jordan to me personally known, who being by me duly sworn, did say that he is Controller of Heritage at Grimes, LLC, and that the instrument appearing above was signed on behalf of the company by authority of its members and that he acknowledged that the execution of the foregoing document was the voluntary act and deed of the company by it and by him voluntarily executed.

JENIFER J LINDEMANN
Commission Number 738817
My Commission Expires

Notary Public in and for the State of Iowa

#### ARTICLES OF INCORPORATION

OF

#### HERITAGE LAKESIDE TOWNHOMES OWNERS ASSOCIATION, INC.

The undersigned, acting as incorporator of a corporation pursuant to the provisions of the Iowa Nonprofit Corporation Act, under Chapter 504A of the Code of Iowa, adopts the following Articles of Incorporation for such corporation.

#### ARTICLE I

The Corporation shall be known as Heritage Lakeside Townhomes Owners Association, Inc., and its initial principal office shall be located in the City of Grimes, Polk County, Iowa

#### **ARTICLE II**

The existence of this Corporation shall commence with the date these Articles are filed with the Secretary of State, and the period of its duration is perpetual.

#### **ARTICLE III**

A. The purpose and objectives of the Corporation are to provide for an entity to own, operate and maintain certain real property for and on behalf of the owners of certain townhomes situated in Grimes, Polk County, Iowa, located on real estate legally described as follows:

Lots 1 through 12, inclusive, and Outlot "X", in the Heritage Lakeside Townhomes Plat 1, an Official Plat, now included in and forming a part of the City of Grimes, Polk City, Iowa.

- B. The purposes of the Corporation are exclusively not for private profit or gain and no part of its activities shall consist of carrying on political propaganda or otherwise attempting to influence legislation, and the Corporation shall make no distribution of income to its members, directors or officers.
- C. The Corporation shall have unlimited power to engage in and do any lawful act concerning any and all lawful business for which corporations may be organized under this Act and consistent with the provisions herein.

#### ARTICLE IV

The address of the initial office of the Corporation is  $1650 \text{ SE } 37^{\text{th}}$  Street, Grimes, IA 50111, and the name of its initial registered agent at such address is Steve Jordan

#### ARTICLE V

The members of this Corporation shall be those persons described as Owners or Lot Owners in the Declaration of Covenants, Conditions and Restrictions for Heritage Lakeside Townhomes (hereinafter "Declaration"). The voting rights of the members shall be as provided in said Declaration.

#### ARTICLE VI

The number of directors constituting the initial Board of Directors of the Corporation is one (1). The name and address of the person who is to serve as the initial directors is:

Name Steve Jordan Address PO Box 710, 1650 SE 37<sup>th</sup> Street Grimes, IA 50111

The term of office of the initial Board of Directors shall be until successor Directors shall have been elected and shall have qualified. Until the terms of the initial Board of Directors expires, he shall be subject to removal as provided in the Bylaws.

#### ARTICLE VII

The initial Bylaws of the Corporation shall be adopted by its initial Board of Directors, but the power to thereafter alter, amend or repeal the same or adopt new Bylaws is reserved to the members of the Corporation, subject to the restrictions contained in the initial Bylaws and amendments thereto.

#### ARTICLE VIII

In the event of liquidation, assets of the Corporation, if any remain, shall be distributed to a public body or conveyed to a nonprofit organization with similar puposes.

#### ARTICLE IX

All transfers, conveyances, leases, mortgages or assignments of real estate or of any interest therein on behalf of this Corporation shall be executed by any two of the following officers: President or Vice President and Secretary or Treasurer. All transfers, conveyances, leases or encumbrances of personal property or any interest therein shall be executed by any officer of this Corporation or any agent authorized by the Board of Directors. All judgments or other liens shall be satisfied, discharged, released or assigned by any officer of the Corporation.

#### ARTICLE X

Neither the members, the Board of Directors, nor their private property shall be liable for corporate debts, obligations or undertakings.

#### ARTICLE XI

This Corporation shall indemnify any present or former director, officer, employee, member or volunteer of this Corporation, and each such person who is serving or who has served at the request of this Corporation, as a director, officer, partner, trustee, employee or agent of another corporation, partnership, joint venture, trust, other enterprise or employee benefit plan to the fullest extent possible against expenses, including attorney fees, judgments, fines, settlements and reasonable expenses, actually incurred by such person relating to his conduct as a director, officer, partner, trustee, employee or agent of another corporation, partnership, joint venture, trust, other enterprise or employee benefit plan, except that the mandatory indemnification required by this sentence shall not apply (i) to a breach of the duty of loyalty to the Corporation, (ii) for acts or omissions not in good faith or which involve intentional misconduct or knowing violation of the law, or (iii) for a transaction from which such person derived an improper personal benefit.

#### ARTICLE XIII

The name and address of the incorporator is Steve Jordan, PO Box 710, 1650 SE 377th Street, Grimes, IA 50111.

Dated on this 3 day of September, 2016

Steve lordan, Incorporator

STATE OF IOWA

Ss:

COUNTY OF POLK

Subscribed and sworn to before me this 3 day of September, 2016, by Steve

Iordan.

JENIFER J LINDEMANN Commission Number 738817

Notary Public in and for the State of Iowa

#### BYLAWS

OF

### HERITAGE LAKESIDE TOWNHOMES OWNERS ASSOCIATION, INC.

#### ARTICLE I

#### Name and Location

The name of the corporation is Heritage Lakeside Townhomes Owners Association, Inc., hereinafter referred to as the "Association". The principal office of the corporation shall be located at 1650 SE 37th Street, Grimes, Iowa 50111, but meetings of members and Directors may be held at such places within the State of Iowa, as may be designated by the Board of Directors.

## ARTICLE II Definitions

Terms used in these Bylaws shall have the same meaning as in the Association Articles of Incorporation and the Declaration of Covenants, Conditions and Restrictions for Heritage Lakeside Townhomes (hereinafter "Declaration")

## ARTICLE III Meeting of Members

Section 1. Annual Meeting. The first annual meeting of the members shall be held within twelve months after control of the Association has been turned over to the members by the Declarant. Thereafter, each subsequent regular annual meeting of the members shall be held on such dates and times as determined by the Board of Directors.

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 one-half ( $\frac{1}{2}$ ) of all the votes to the membership, or upon written request of the Declarant.

Section 3. Notice of Meeting. Written notice of each meeting of the members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least 15 days before such meeting to each member entitled to vote, addressed to the member's address last appearing in 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, in the case of a special meeting, the purpose of the meeting.

Section 4. Quorum. The presence at the meeting of members entitled to cast, or of proxies entitled to cast, twenty-five percent (25%) of the votes of the membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or 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 aforesaid shall be present or represented.

Section 5. Proxies. At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his/her/its Lot.

#### ARTICLE IV

Board of Directors: Selection: Term of Office

Section 1. Number. The affairs of this Association shall be managed by a Board of Directors of six (6) Directors, who shall be members of the Association.

Section 2. Term of Office. The six-member Board of Directors shall be on a rotating basis with two (2) new Directors being elected each year. To establish the rotation, the initial Board of Directors shall contain two (2) new Directors with a one (1) year term, two (2) Directors with a two (2) year term, and two (2) Directors with a three (3) year term. At each annual meeting thereafter, the members shall elect two (2) new Board of Director members for a two (2) year term, to replace the two (2) Directors whose terms expire that year.

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

Section 4. Compensation. No Director shall receive compensation for any service he may render to the Association. However, any Director may be reimbursed for his actual preapproved expenses incurred in the performance of his duties.

Section 5. Action Taken Without a Meeting. The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

#### ARTICLE V

#### Nomination and Election of Directors

Section 1. Nomination. 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 Chairman, who shall be a member of the Board of Directors, and two or more members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations shall be made from among members of the Association.

Section 2. Election. Election to the Board of Directors shall be by secret written ballot. At such election the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Articles of Incorporation. The person receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

#### ARTICLE VI

#### **Meetings of Directors**

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

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the president of the Association, or by any two directors, after not less than three (3) days notice to each Director.

#### ARTICLE VII

Powers and Duties of the Board of Directors

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

- (a) Adopt and publish rules and regulations governing the use of the Common Area facilities, and the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof;
- (b) Suspend the voting rights and right to use of the common facilities of a member during any period in which such member shall be in default in the payment of any assessment levied by the Association. Such rights may be also be suspended after notice and hearing, for a period not to exceed 60 days, for infraction of published rules and regulations;
- (c) Exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these Bylaws, the Articles of Incorporation or the Declaration;
- (d) Declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors; and
- (e) Employ a Controller, an independent contractor or such other employees as they deem necessary, and to prescribe their duties.

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

- (a) Cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members, or at any special meeting when such statement is requested in writing by two-thirds (2/3) of the members who are entitled to vote:
- (b) Supervise all officers' agents and employees of this Association, and to see that their duties are properly performed;
- (c) Fix the amount of the annual assessment against each townhome lot at least thirty (30) days in advance of each annual assessment period;
- (d) Send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period;
- (e) Foreclose the lien against any property for which assessments are not paid within thirty (30) days after due date or to bring an action at law against the owner personally obligated to pay the same;
- (f) Issue, or cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

- (g) Procure and maintain adequate liability and hazard insurance on property owned by the Association;
- (h) Cause all officers or employees having fiscal responsibilities to be bonded, as it may deep appropriate; and
- (i) Cause the Common Area and the Association Responsibility Elements to be maintained.

#### ARTICLE VIII

#### Officers and Their Duties

- Section 1. Enumeration of Offices. The officers of this Association shall be a president and vice president, who shall at all times be members of the Board of Directors, a secretary and a treasurer, and such other officers as the Board may from time to time by resolution create.
- Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the members.
- Section 3. Term. The officers of the Association shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise 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 giving written notice to the Board, the president or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.
- Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.
- Section 7. Duties. The duties of the officers are as follow:

#### President

(a) The president shall preside at all meetings of the Board of Directors and shall see the orders and resolutions of the Board are carried out.

#### Vice President

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

#### Secretary

(c) The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; serve notice of meetings of the Board and of the members; keep appropriate current records showing the members of the Association together with their addresses; and shall perform such other duties as required by the Board. The duties of the Secretary specified in this paragraph may be delegated to a Management Company employed by the Association.

#### Treasurer

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

#### ARTICLE IX

#### Committees

The Board of Directors may appoint such committees as it deeps appropriate in carrying out its purpose.

#### ARTICLE X

#### **Books** and Records

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any member. The Declaration, the Articles of Incorporation and the 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 XI

#### Assessments

As more fully provided in the Declaration, each member is obligated to pay the Association annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within fifteen (15) days after the due date, the Owner shall incur a late payment penalty of Twenty-Five Dollars (\$25.00) per month, and the Association may bring an action at law against the Owner personally obligated to pay the assessment. The costs and reasonable attorney's 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 Townhome.

#### ARTICLE XII

Corporate Seal

The Association shall not have a seal.

#### **ARTICLE XIII**

#### **Amendments**

Section 1. These Bylaws may be amended, at a regular or special meeting of the members, by a vote of a majority of the total votes eligible to be cast at a meeting at which there is 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 a Declaration and these Bylaws, a Declaration shall control.

IN WITNESS WHEREOF, I, being the sole initial Director of Heritage Lakeside Townhomes Owners Association, Inc. have executed this document on this <u>3</u> day of September, 2016.

October

Steve Jordan, Initial Director

#### **CERTIFICATION**

I, the undersigned, do hereby certify:

THAT I am the duly elected and acting Initial Director of Heritage Lakeside Townhomes Owners Association, Inc., an Iowa corporation, and

THAT the foregoing Bylaws constitute the original Bylaws of said Association, as duly adopted at a meeting of the Board of Directors thereof, held on the 3 day of September, 2016.

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Steve Jordan, Initial Director