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**BYLAWS OF THE CONDOMINIUM ASSOCIATION OF THE  
HORIZONTAL PROPERTY REGIME (CONDOMINIUM) KNOWN AS  
WATER'S EDGE TOWNHOMES**

**ARTICLE I.  
PLAN OF CONDOMINIUM UNIT OWNERSHIP**

**SECTION 1. Condominium Ownership.** The property known as Water's Edge Townhomes Condominiums, Carter Lake, Iowa and the improvements constructed thereon are submitted and conveyed to the condominium form of ownership and use, and are submitted to the provisions of chapter 499B of the Code of Iowa.

**SECTION 2. Applicability of Bylaws.** The provisions of these Bylaws are applicable to the property. The term "Property" as used herein shall include both the land and the building or buildings located thereon.

**SECTION 3. Personal Applicability.** All present or future owners, tenants, future tenants, or their employees, or any other person who might use the facilities of the condominium in any manner, are subject to these Bylaws and Restrictions, Rules and Regulations promulgated as permitted herein. The mere acquisition or rental of any of the Condominium Units or the mere act of occupancy of any of said Units will signify that these Bylaws are accepted, ratified and will be complied with.

**ARTICLE II.  
DEFINITIONS**

**SECTION 1.** The terms employed shall have the meaning defined in Chapter 499B, Code of Iowa; unless the context or more particular provisions of any condominium document requires a different meaning. In addition to those below, additional terms are defined in Article I of the Declaration of Submission for Water's Edge Townhomes Condominiums.

Certain terms are used as follows:

- (a) Apartment or Unit. The terms "Apartment" or "Unit" or "Condominium Unit" are used interchangeably throughout these Bylaws and each means the enclosed space constituting a single complete residential unit in Water's Edge Townhome Condominiums. An "apartment" or "unit" also means generally an area enclosed by walls and floors and including and confined by such walls which is capable of being owned as a separate parcel of real property under the Iowa Horizontal Property Act. These terms shall have the same meaning as the term "Apartment" as defined in the Act.

- (b) Co-Owner or Owner. "Co-owner" means a person, corporation, partnership, association, trust or other legal entity who or which own one or more units in Water's Edge Townhomes Condominiums. The term "Owner," wherever used, shall be synonymous with the term "Co-owner."
- (c) Council of Co-owners or Condominium Association. "Council of Co-owners" or "Condominium Association" or "Association" or "Water's Edge Townhomes Association" means the Water's Edge Townhomes Condominiums Association, Inc., which is the non-profit corporation organized under Iowa law of which all co-owners shall be members, and which Association shall manage and maintain the Property.
- (d) General Common Elements. General Common Elements shall mean and include those elements as set forth in Article V of the Declaration of Submission of Property for Water's Edge Townhomes.
- (e) Limited Common Elements. Limited Common Elements shall mean those elements as set forth in Article V of the Declaration of Submission of Property for Water's Edge Townhomes.
- (f) Declaration Submission of Property for Water's Edge Townhomes. The terms "Declaration Submission of Property for Water's Edge Townhomes" and "Declaration" refers to the Documents filed by the Developer submitting the development to the horizontal property regime of Iowa as established by the Horizontal Property Act, Chapter 499B, Code of Iowa, as revised.

### **ARTICLE III. MANAGEMENT OF THE REGIME**

**SECTION 1. Condominium Association, Membership, Vote or Other Action of Owners.** The business and affairs of the regime shall be governed and managed by the Condominium Association of Water's Edge Townhomes Condominiums Association, Inc. All owners of Units shall automatically be members of the Association and membership in said Association shall automatically cease upon termination of such ownership interest. Whenever a vote or other action of the Unit owners as a group is required, the mechanics of conducting such a vote or taking such action shall be under the control and supervision of the Condominium Association subject to the Bylaws.

**SECTION 2. Agreements and Compliance.** All owners, tenants' families, guests, and other persons using or occupying the regime shall be bound by and strictly comply with the provisions of the Declaration and these Bylaws and applicable provisions of the other condominium documents, and all agreements and determinations lawfully made by the Association the officers duly elected by said Association, or their agents, shall be binding on all such persons. A failure to comply with the Bylaws, or the provisions of any other



condominium document, or any other agreement or determination thus lawfully made shall be grounds for an action to recover the sums due for damages on the part of the Association or any owner as may be applicable and for mandatory or injunctive relief. The use of any legal remedy by the Association or by an owner to enforce compliance shall in no event constitute a waiver of any other available remedy.

**SECTION 3. Included Powers, Foreclosure of Lien, Waiver of Partition.** Each owner agrees that the Association has and shall exercise all powers, rights and authority granted to it by Chapter 499B, Code of Iowa, as the same may be hereafter amended, and such as are more particularly set forth in the condominium documents, including the making of assessments chargeable to owners and a lien on Units for any common expenses, and the right to foreclose the lien thereof and acquire a Unit at the foreclosure sale and to hold, lease, mortgage, or convey the same, but such acquisition shall be on behalf of all Unit owners, all of whom shall be deemed to have waived this right of partition with respect thereto.

**SECTION 4. No Avoidance by Waiver of Use; Right of Entry.** The liability of a Unit owner for all assessments made by the Board or by the Association may not be avoided by waiver of the use of enjoyment of any common element or any recreational facility or by abandonment of a Unit for which an assessment is made. The Association shall have the right at reasonable times to enter a Unit as may be necessary or advisable to carry out its responsibilities.

## **ARTICLE IV. VOTING, MAJORITY OF OWNERS, QUORUM, PROXIES**

**SECTION 1. Voting.** Voting shall be on the basis to which the owner or owners of each Unit is assigned in the Declaration, namely, one vote for each Unit.

**SECTION 2. Quorum.** Except as otherwise provided in these Bylaws, the presence in person or by proxy of those owners having a majority or more of the votes assigned in the Declaration shall constitute a quorum.

**SECTION 3. Proxies.** Votes may be cast in person or by proxy. Proxies must be filed with the Secretary before the appointed time of each meeting.

**SECTION 4. Adjournment.** Any meeting of the Association, whether annual or special, may be adjourned from time to time whether a quorum be present or not without notice other than the announcement at the meeting, and such adjournment may be to such time and to such place as may be determined by a majority vote of the common interests present at the meeting. At any such adjourned meeting at which a quorum shall be present, any business may be transacted which might have been transacted at the original meeting as originally called and notified.

**SECTION 5. Minutes of Association Meetings.** The Secretary or Managing Agent shall furnish the minutes of any meeting of the Association when requested in writing by any condominium unit owner.

## **ARTICLE V. MEETINGS OF ASSOCIATION**

**SECTION 1. Place of Meetings.** Meetings of the Association shall be held in such place convenient to the Co-owners as may be designated by the President.

**SECTION 2. Officers.** The Board of Directors of the Association shall serve as the officers of the Association. The Secretary or Managing Agent shall keep a minute book wherein the actions taken by the Council shall be recorded.

**SECTION 3. Annual Meeting.** The first annual meeting of the Association shall be held on January 15, 1996. Thereafter the annual meeting of the Association shall be held on the third Tuesday of February each succeeding year. At such meeting vacancies and expired terms of the board shall be filled by ballot of the owners. The owners may at the annual meeting also transact such other business the Association as may properly come before them. An alternate meeting date may be selected by the Association if necessary for the Annual Meeting.

**SECTION 4. Special Meetings.** It shall be the duty of the President to call a special meeting of the Association upon a petition signed by the owners having a majority of the votes assigned in the Declaration being presented to the Secretary or upon the call of any two (2) Directors. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice unless by consent of three-fourths (3/4) vote of the owners.

**SECTION 5. Notice of Meetings and Other Notices.** A written or printed notice of all meetings, annual or special, stating the place, day and hour of the meeting and whether it is annual or special and in case of each special meeting stating briefly the business proposed to be transacted thereat, and any other notices permitted or required to be delivered by these Bylaws shall be given by mailing such notice, postage prepaid, or by Email at least ten (10) days before the date assigned for the meeting or by delivery of such notice personally at least two (2) days before the date assigned for the meeting, to the Co-owners of the condominium units at their address at the Water's Edge Townhomes Condominiums or at the address given to the Board for the purpose of service of such notices. Upon written request for notices delivered to the Board, the holder of any duly recorded mortgage from any owner of a condominium unit may obtain a copy of any and all notices permitted or required to be given to the owner of the condominium unit whose interest is subject to said mortgage. Upon notice being given in accordance with the provisions hereof, the failure of any owner of a condominium unit to receive actual notice

of any meeting shall not in any way invalidate the meeting or proceedings thereat. Each such Co-owner shall keep the Board informed of any changes in address.

**SECTION 6. Waiver of Notice.** Before or at any meeting of the Association, any owner may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by an owner at any meeting of the Association shall be a waiver of notice by him of the time and place thereof unless the owner is attending the meeting for the purpose of objecting to the meeting because inadequate notice was given. If all the owners are present at the meeting of the Association, no notice shall be required and any business may be transacted at such meeting.

**SECTION 7. Adjourned Meetings.** If any meetings of owners cannot be organized because a quorum has not attended, the owners who are present, either in person or by proxy, may adjourn the meeting to a time not less than twenty-four (24) hours nor more than one (1) week from the time the original meeting was called.

## **ARTICLE VI. ADMINISTRATION**

**SECTION 1. Board of Directors - Number and Qualification.** The affairs of the Association shall be governed by a Board of Directors (hereinafter referred to as "Board").

The Board shall be composed of three (3) persons, all of whom shall be owners or spouses or mortgagees of Condominium Units, or, in the case of corporate owners or mortgagees, shall be officers, stockholders or employees of such corporations, or in the case of fiduciary owners or mortgagees shall be the fiduciaries or officers or employees of such fiduciaries. Board members shall serve from the time elected to the expiration of their terms, or until their successors are elected. Board members shall be elected for staggered three-year terms with one Board position elected each year. Two Board members shall constitute a quorum for the transaction of business.

Subsequent members of the board of Directors shall be the officers of the Association and will be elected as directed in Article VII of these Bylaws for terms specified in that Article.

**SECTION 2. Removal of Directors.** Any Director may be removed from office at any time at a special meeting of the Association called for that purpose by a vote by 60% of the Condominium Unit Owners. Another person may be elected in his place to serve for the remainder of his term at a special meeting of the Association called for that purpose, by the affirmative vote of the majority. In case any vacancy so created shall not be filled at such meeting, such vacancy may be filled by the Board as provided in Section 6 of Article V.

**SECTION 3. Meetings, Notices.** The Board shall hold meetings as often as the business of the Council may require at the call of the President or any two (2) Directors. The secretary shall give notice of each meeting of the Board to the Board members, either orally or in writing by mailing or delivering the same not less than one (1) day before the meeting, unless otherwise prescribed by the Board. The failure by the secretary to give such notice or by any Director to receive such notice shall not invalidate the proceedings of any meeting at which a quorum of Directors is present. Except in extraordinary situations, as may be determined by the Board, any owners may attend any Board meeting, even though they may not actively participate.

**SECTION 4. Quorum and Adjournment.** Two Directors shall constitute a quorum. No action taken, other than the appointment of Directors to fill temporary vacancies or as otherwise provided in these Bylaws, shall be binding unless it is confirmed by a vote of a majority of the Directors. In the absence of a quorum, the President or a majority of the Directors present may adjourn the meeting from time to time without further notice until a quorum be had.

**SECTION 5. Powers and Duties of the Board of Directors.** The Board, for the benefit of Co-owners of condominium units, shall have the following powers and duties:

- a. To engage and contract for all goods and services which the Board, in its discretion deems necessary for the proper operation of the premises or as required or permitted by these Bylaws or by law, payment for which will be made from the assessments and service charges paid by the Co-owners in accordance with these Bylaws and as assessed by the Board.
- b. To provide, or cause to be provided, all services, including utility services, used in common or jointly by the common elements, limited common elements and Condominium Units as initially incorporated in the premises, or as shall be incorporated in the premises from time to time in accordance with these Bylaws, payment for which will be made from assessments and service charges as assessed by the Board.
- c. Collection of the assessments from Unit Owners.
- d. To maintain or cause to be maintained detailed, accurate records in chronological order, of the receipts and expenditures affecting the common elements, specifying and itemizing the maintenance and repair expenses of the common elements and other expenses incurred and to make such records and the vouchers authorizing the payments available for the examination by the Owners of the Condominium Units during reasonable business hours.
- e. To render or cause to be rendered annually a statement to the Co-owners of the condominium units of all receipts and disbursements during the preceding

year, and such statement shall be certified by an independent certified public accountant, if requested by a majority of Owners.

- f. To render or cause to be rendered statements, when required by law, of any assessments, which remain unpaid by any Co-owner of the condominium units.
- g. To bring action on behalf of two or more of the Co-owners of the Condominium Units, as their respective interests may appear, with respect to any cause of action relating to the common elements or more than one Condominium Unit as the Board deems advisable.
- h. To serve as the officers of the Association as set forth in these Bylaws.
- i. To determine who shall be authorized to make and sign all instruments on behalf of the Association and the Board.
- j. To designate and remove personnel necessary for the maintenance, repair and replacement of the common elements, and to engage such other services necessary and proper for, and incidental to, the operation of the premises as deemed advisable by the Board.
- k. To engage the service of a managing agent at a compensation established by it to perform such duties and services as it shall authorize, and to delegate any of its powers and duties as provided in this section as the Board deems advisable, provided such delegation shall not conflict with any applicable laws and provided further that any management agreement may be terminated by either party, without penalty, upon ninety (90) days notice.
- l. To procure fidelity bonds covering all officers and employees of the Association handling and responsible for the Association's funds and personal property, and to procure Directors' and Officers' Liability Insurance if the Board deems it advisable. The premiums for such bonds and insurance shall be paid by the Association as common expenses.
- m. To perform any and all duties imposed on the Board by applicable law.
- n. To determine policies and to adopt and enforce restrictions, rules and regulations governing the details of the operation and use of the premises, including the common and limited common elements and to amend such rules and regulations from time-to-time as the Board deems advisable.
- o. To review and approve or disapprove plans submitted for altering or modifying limited or general common elements, including plans for landscaping, or other similar architectural or aesthetic improvements.

- p. To review, approve and authorize all boat dock equipment and lifts.

To establish and appoint members of temporary and standing committees as may be needed. Examples of such committees include Budget Committee, Architectural and Aesthetics Committee, Insurance Review Committee, and Audit Committee. The appointment of such committees does not permit the Board to abrogate its authority nor its responsibility of approval and management.

**SECTION 6. Vacancies, Successor and Substitute Directors.** If any permanent vacancy shall occur in the Board through death, resignation, removal or other cause, and unless such vacancy is filled by a special meeting of the Association called for such purpose, the remaining Directors, by majority vote of the remaining Directors shall elect a successor Director to fill such vacancy and to hold office until the next annual meeting of the Owners. At such annual meeting, the Owners shall elect a successor Director to fill such vacancy and to hold office for the remaining portion of the term.

In case of a temporary vacancy due to the absence of any Director from the State of Iowa, or the sickness or disability of any Director, the remaining Directors, by majority vote of the remaining members, may appoint a substitute Director who shall be a Director during such absence or disability and until such Director returns to duty. The determination by the Board, as shown in the minutes, of the fact of such absence or disability and the duration thereof shall be conclusive.

**SECTION 7. Compensation of Members of Board.** There shall be no compensation paid to members of the Board for acting as such, but they shall be reimbursed for expenses incurred by them.

**SECTION 8. Liability and Indemnification of Members of Board.** The Directors and officers shall be free from all personal liability for any acts done on behalf of the Association and in the capacity of a Director or officer or for any losses incurred by the Association or the Co-owners of the condominium units unless the same shall have occurred through their willful negligence or misconduct. Every Director and officer shall be indemnified by the Association against all reasonable costs, expenses and liabilities (including attorney fees) imposed upon him in connection with any claim, suit, proceeding or investigation of whatever nature by reason of his being or having been a Director or officer of the Association as common expenses, except as liable for willful negligence or misconduct in the performance of his duties as Director or officer. The foregoing right of indemnification shall inure to the benefit of the heirs, administrators and executors of such person.

## **ARTICLE VII. OFFICERS**

**SECTION 1. Election of Officers.** The officers of the Association shall be President, Vice President, Secretary and Treasurer. These officers shall also form the Association's Board of Directors. The officers of the Association shall be elected by the Board immediately following the annual meeting of the Association and shall hold office for one-year terms. One Board member shall serve as both Secretary and Treasurer.

**SECTION 2. Designation.** The Board may appoint an assistant treasurer, and an assistant secretary if in the judgment of the members of the Board, they deem same to be necessary

**SECTION 3. Removal of Officers.** Any officer may be removed from office at any time at a special meeting of the Association called for that purpose and by a vote by 60% of the Condominium Unit Owners. Another person may be elected in his place to serve for the remainder of his term at any special meeting of the Association called for that purpose, by the affirmative vote of the majority. In case any vacancy so created shall not be filled at such meeting, such vacancy may be filled by the Board as provided in Section 6 of Article V.

**SECTION 4. President.** The President shall be the chief executive officer of the Association. The President shall preside at all meetings of the Board and the Association. The President shall have all of the general powers and duties, which are usually vested in the office of President including but not limited to the power to appoint members to committees from among the owners

**SECTION 5. Vice President.** The Vice President shall take the place of the President and shall perform said 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 member of the Board to do so on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon the Vice President by the Board.

**SECTION 6. Secretary.** The Secretary shall keep the minutes of all meetings of the Board and the Association; shall have charge of such books and papers as the Board and Association may direct; and shall, in general, perform all the duties incident of the office of Secretary. If the Board has engaged the services of a managing agent, certain duties of the Secretary, including the preparation of meeting minutes, may be delegated to the managing agent.

**SECTION 7. Treasurer.** The Treasurer shall have the responsibility of Association funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association. The Treasurer shall be responsible for the deposit of all moneys and other valuable effects in the name, and to the