

CODE OF BYLAWS
OF
WOODMARK CONDOMINIUM ASSOCIATION, INC.

CERTIFICATE OF INCORPORATION
GRANTED JUNE 28, 1983

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ARTICLE I - IDENTIFICATION AND APPLICABILITY

Section 1.01 - Identification and Adoption: These Bylaws are adopted at the first joint meeting of Members and Board of Managers of Woodmark Condominium Association, Inc., and supersede the Code of Bylaws of Woodmark Condominium Horizontal Property Regime. The Code of Bylaws of Woodmark Condominium were executed simultaneously with the execution of a certain declaration creating Woodmark Condominium Horizontal Property Regime to which said original Bylaws were attached and made a part thereof. The Declaration of Horizontal Property Ownership is incorporated herein in reference, and all of the covenants, rights, restrictions, and liabilities herein contained shall apply to and govern the interpretation of these Bylaws. The definitions and terms as defined and used in the original Declaration shall have the same meaning in these Bylaws, and reference is specifically made to Paragraph I of the Declaration containing definition of terms. The provisions of these Bylaws shall apply to the property and the administration and conduct of the affairs of this Incorporated Association now known as Woodmark Condominium Association Inc., as shown on the Certificate of Incorporation issued by the Office of the Secretary of State on June 20, 1983.

Section 1.02 - Individual Application: All of the Co-Owners, future Owners, tenants, future tenants, or their guests and invitees, or any other person that might use or occupy a Home or any part of the Property, shall be subject to the rules, restrictions, terms, and conditions set forth in the Declaration, these Bylaws, and the Act.

ARTICLE II - MEETINGS OF ASSOCIATION

Section 2.01 - Purpose of Meetings: At least annually and at such other times as may be necessary, the meetings of the Co-Owners shall be held for the purpose of electing the Board of Managers, approving the annual budget, providing for the collection of common expenses, and for such other purposes as may be required by the Declaration, these Bylaws, or the Act.

Section 2.02 - Annual Meetings: The Annual Meeting of the Co-Owners shall be held on the third Tuesday of October of each year, commencing Tuesday, October 18, 1983. The term "Woodmark Condominium" for the purposes of this paragraph shall be deemed to include the original tract and shall specifically exclude any Additional Tract I and Additional Tract II which are or may be annexed to the original tract pursuant to the terms of the original Declaration and original Bylaws of Woodmark Condominium. Membership of Woodmark Condominium Association, Inc., is restricted to Owners and residents of all Homes located in Building Nos. 12 through 21 in Woodmark Condominium Horizontal Property Regime, Woodmark Addition to the City of Fort Wayne, Allen County, Indiana.

Section 2.03 - Special Meetings: Special meetings of the Members of the Woodmark Condominium Association, Inc., (hereinafter referred to as the "Association") may be called by resolution of the Board of Managers or upon a written petition of the Co-Owners who have not less than twenty-five percent (25%) of the Percentage Vote. The resolution or petition shall be presented to the President or Secretary of the Association and shall state the purpose for which the meeting is to be called. No business shall be transacted at a special meeting except as stated in the petition or resolution.

Section 2.04 - Notice and Place of Meetings: All meetings of the Members of the Association shall be held at any suitable place in Allen County, Indiana, as may be designated by the Board of Managers. Written notice stating the date, time, and place of any meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered or mailed by the Secretary of the Association to each Co-Owner and, if applicable, to any Mortgagee, not less than ten (10) days prior to the date of such meeting. The notice shall be mailed or delivered to the Co-Owners at their address as it appears upon the records of the Association and to the Mortgagee at the address as it appears on the records of the Association. Attendance at any meeting in person or by proxy shall constitute a waiver of notice of such meeting.

Section 2.05 - Voting:

(a) Number of Votes: To avoid fractional votes and to facilitate the orderly conduct of the meeting, each Owner shall be entitled to cast that number of votes on each matter coming before the meeting which is equal to the Percentage Vote to which the Owner is entitled, multiplied by one hundred (100). Thus, an Owner with a Percentage Interest or Percentage Vote of 2.44 percent shall be entitled to cast 244 votes.

(b) Multiple Owner: Where the Owner of a Home constitutes more than one person, or is a Partnership, there shall be only one voting representative entitled to all the Percentage Vote allocable to the Home. At the time of acquisition of title to a Home by a Multiple

Owner or a Partnership, those persons constituting such Owner or the Partners shall file with the Secretary of the Association a written proxy appointing one of such persons or partners as the Voting Representative for such Home, which shall remain in effect until the appointment is revoked in writing, the representative relinquishes such appointment in writing, becomes incompetent, dies, or such appointment is otherwise rescinded by order of a court of competent jurisdiction. Such appointed Voting Representative may grant a proxy to another to vote in his/her place at a particular meeting or meetings pursuant to Paragraph (d) of this Section 2.05, which shall not constitute a permanent relinquishment of his/her right to act as voting representative for the Home.

(c) Voting by Corporation or Trust: Where a Corporation or Trust is an Owner or is otherwise entitled to vote, the Trustee may cast the Percentage Vote on behalf of the Trust and the Agent or other representative of the Corporation duly empowered by the Board of Directors of such Corporation shall cast the Percentage Vote to which the Corporation is entitled.

(d) Proxy: An Owner may vote either in person or by his/her duly authorized and designated Attorney-In-Fact. Where voting is by proxy, the Owner shall duly designate his/her Attorney-In-Fact in writing, delivered to the Association prior to the commencement of the meeting. All proxies shall be revocable and shall automatically cease upon conveyance by the Member of his/her Home or interest therein giving rise to his/her right to vote.

(e) Quorum: A quorum at all meetings shall be defined as thirty-three percent (33%) or more of those Members entitled to vote. If however, such quorum (33% or more) shall not be present or represented at any meeting, the Members entitled to vote at said meeting shall have power to adjourn the meeting to another date or time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present and represented. Any person holding a proxy shall be counted as a proper voting Member in computing the thirty-three percent (33%) or more requirement to form a quorum and conduct a meeting of the Association.

(f) Conduct of Meeting: The Chairperson of the meeting shall be the President of the Association. Said President shall call the meeting to order at the duly designated time, and business will be conducted in the following order:

- 1) Reading of Minutes: The Secretary shall read the minutes of the last Annual Meeting and the minutes of any special meeting held subsequent thereto.
- 2) Treasurer's Report: The Treasurer shall report to the Co-Owners concerning the financial condition of the Association and answer relevant questions of the Owners concerning the Common Expenses and Financial Report for the current year.
- 3) Budget: The Proposed Budget for the ensuing calendar year shall be presented to the Co-Owners for approval.
- 4) Nomination and Election of Board of Managers: Nomination for election to the Board of Managers shall be made by a Nominating Committee. Nominations may also be made by any Owner from the floor at the Annual Meeting, or by written nomination submitted by any Owner to the

Board of Managers at least ten (10) days prior to the Annual Meeting. The Nominating Committee shall consist of a Chairperson who shall be a Member of the Board of Managers, and two or more Members of the Association. The Nominating Committee shall be appointed by the Board of Managers 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 Managers as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among Members or non-Members. Voting for Board of Managers will be by paper ballot. The ballot shall contain the name of each person nominated to serve as a Board Member. Each Owner may cast the total number of votes to which he/she is entitled for as many nominees as are to be elected; however, he/she shall not be entitled to cumulate his/her votes. Those persons receiving the highest number of votes shall be elected. Each voting Owner shall sign his/her ballot.

5) Other Business: Each other business as any Party may properly bring before the meeting.

6) Adjournment:

ARTICLE III - BOARD OF MANAGERS

Section 3.01 - Board of Managers: The affairs of the Woodmark Condominium Association, Inc., shall be governed and managed by the Board of Managers (herein collective called "Board" or "Managers" and individually called "Manager"). The Board of Managers shall be composed of five (5) persons if the number of Homes constructed and being served in the Association by said Board shall be under sixty (60). If the number of Homes constructed and being served by said Board shall exceed sixty (60), the Board of Managers shall be increased to seven (7). If the number of Homes shall increase beyond sixty (60) during the term of any existing Board of Managers, the number of Managers shall not be increased until the next regular meeting at which time new Managers are to be elected.

Section 3.02 - Initial Board of Managers: The initial Board of Managers serving until the first regular Annual Meeting of Co-Owners as herein above provided for in Section 2.02 shall be Patricia Hooker, John Campbell, JoAnn Smith, Lynn Gruber, and James Michell. At no time shall the total number of parties serving on the Board be less than five (5).

Section 3.03 - Additional Qualifications: Where an Owner consists of more than one person or is a Partnership, Corporation, Trust, or other legal entity, then one of the persons constituting the Multiple Owner or a Partner or an Officer or Trustee, shall be eligible to serve on the Board of Managers, except that no single Home may be represented on the Board of Managers by more than one person at a time.

Section 3.04 - Term of Office and Vacancy: The Board of Managers shall be elected at each Annual Meeting of the Association. Managers shall hold office for a term of two (2) years, or until their successors have been duly elected and qualified. However, during the period, November 1, 1983 through November 1984, two (2) Members will hold office for a term of only one (1) year in order that at least two (2) Members will hold over each year thereafter.

Any vacancy or vacancies occurring in the Board shall be filled by a vote of a majority of the remaining Managers or by vote of the Co-Owners if a Manager is removed in accordance with Section 3.05 of this Article III.

Section 3.05 - Removal of Managers: A Manager or Managers may be removed with or without cause by vote of a majority of the Percentage Vote at a special meeting of the Co-Owners duly called and constituted. In such case, his/her successor shall be elected at the same meeting from eligible Owners nominated at the meeting. A Manager so elected shall serve until the next Annual Meeting of the Co-Owners or until his/her successor is duly elected and qualified.

Section 3.06 - Duties of the Board of Managers: The Board of Managers shall provide for the administration of Woodmark Condominium Horizontal Property Regime, through this Association, the maintenance, upkeep and replacement of the Common Areas and Limited Areas, and the collection and disbursement of the Common Areas and Limited Areas, and the collection and disbursement of the Common Expenses. These duties include, but are not limited to:

- (a) Protection, surveillance, maintenance, and replacement of the Common Areas and Limited Areas and ensuring proper maintenance of all Buildings.
- (b) Procuring of utilities used in connection with Woodmark Condominium, removal of garbage and waste, and snow removal from the Common Areas.
- (c) Landscaping, painting, decorating, maintaining, and furnishing of the Common Areas and Limited Areas, the exterior of the Buildings, garages, and walls.
- (d) Surfacing, paving, and maintaining streets, parking areas, garages, and sidewalks.
- (e) Assessment and collection from the Owners of the Owner's pro rata share of the Common Expenses; determination of whether improvements constitute Common or Limited Common Areas, pursuant to the terms and conditions of the Declaration and Bylaws; determination of whether expenses incurred with respect to the same are allocable to all or fewer than all of the Owners; and the allocation of all expenses among the respective Homes of the Project.
- (f) Preparation of an Annual Budget, a copy of which will be mailed or delivered to each Owner at the same time as the notice of the Annual Meeting is mailed or delivered.
- (g) Preparing and delivering annually to the Co-Owners a full accounting of all receipts and expenses incurred in the prior year; such accounting shall be delivered to each Owner simultaneously with delivery of the Annual Budget.
- (h) Keeping a current, accurate, and detailed record of receipts and expenditures affecting the Property, specifying and itemizing the Common Expenses; all records and vouchers shall be available for examination by an Owner at any time during normal business hours.
- (i) Enforcing all rules and regulations established by the Declaration, Bylaws, or Board with respect to the Owners or occupants of Homes within Building Nos. 12 through 21 in Woodmark Condominium Horizontal Property Regime, or relating to their use, maintenance, or repair of any Property within the boundaries of said Condominium.

(j) Enforcing the lien against any Property for which assessments are not paid within thirty (30) days, or such other period of time as the Board shall from time to time determine, after due date or to bring an action at law against the Owner personally obligated to pay the same.

Section 3.07 - Powers of the Board of Managers: The Board of Managers shall have such powers as are reasonable and necessary to accomplish the performance of their duties. These powers include, but are not limited to, the power to:

(a) Employ a managing agent or a real estate management company (either being hereinafter referred to as "Managing Agent") to assist the Board in performing its duties.

(b) Purchase for the benefit of the Co-Owners such equipment, materials, labor, and services as may be necessary in the judgment of the Board of Managers.

(c) Procure for the benefit of the Owners fire and extended coverage insurance covering the Buildings and the Property to the full insurable value thereof and to procure public liability and property damage insurance and workmen's compensation insurance, if necessary, for the benefit of the Owners and the Association.

(d) Employ legal counsel, architects, contractors, accountants, and others as in the judgment of the Board of Managers may be necessary or desirable in connection with the business and affairs of the Association.

(e) Include the costs of all the above and foregoing as Common Expenses and to pay all such costs therefrom.

(f) Open and maintain a bank account or accounts in the name of the Association.

(g) Adopt, revise, amend, and alter from time to time reasonable rules and regulations with respect to use, occupancy, operation, and enjoyment of the Property provided, however, that notice of such change must be given to all Co-Owners, and the proposed change must be discussed prior to the passage by the Board.

(h) Suspend the voting rights and right to use of the recreational 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 also be suspended after notice and hearing, for a period not to exceed sixty (60) days, for infraction of published rules and regulations.

(i) 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 or the Declaration.

(j) Declare the office of a Member of the Board of Managers to be vacant in the event such Member shall be absent from three (3) consecutive regular meetings of the Board of Managers.

Section 3.08 - Limitation on Board Action: The authority of the Board of Managers to enter into contracts shall be limited to contracts involving a total expenditure of less than \$1,000 per unbudgeted item per budget year without obtaining the prior approval of a majority of Owners or, where such expenses are payable by less than all of the Owners, by a majority of those bearing the expense, except in the following cases:

(a) Contracts for replacing or restoring portions of the Common Areas or Limited Areas damaged or destroyed by fire or other casualty, or contracts for restoring portions of Buildings or Homes in need of repair.

(b) Proposed contracts and proposed expenditures set forth in the Proposed Annual Budget as approved by the Co-Owners at the Annual Meeting.

(c) Contract for repair, replacement, or maintenance of improvements within the Project or affecting any Property constituting all or a portion of the Project where delay in the said repair, replacement, or maintenance would increase substantially the costs and expense of the same and/or would subject the property of the Project or the persons therein to substantial risk of injury or damage.

(d) Contracts executed by the Board as constituted prior to the first regular Annual Meeting of the Co-Owners as provided for in Section 2.02 above.

Section 3.09 - Compensation: No Manager shall receive any compensation for his/her services as such except to such extent as may be expressly authorized by a majority of the Owners. However, any Manager may at any time be reimbursed for his/her actual expenses incurred in the performance of his/her duties, and such reimbursement shall not require express approval of all the Owners or any portion thereof.

Section 3.10 - Meetings: Regular meetings of the Board of Managers may be held at such time or times, not less frequently than quarterly, and at such place as shall be determined from time to time by a majority of Managers. The Secretary shall give notice of regular meetings of the Board to each Manager personally or by United States mail at least five (5) days prior to the date of such meeting.

Special meetings of the Board may be called by the President or any two (2) Members of the Board. The person or persons calling such meeting shall, either personally or by mail and at least three (3) days prior to the date of such special meeting, give notice to the Board Members. The notice of the meeting shall contain a statement of the purpose for which the meeting is called. Such meeting shall be held at such place and at such time within Allen County, Indiana, as shall be designated in the notice.

Section 3.11 - Action Taken Without a Meeting: The Managers 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 Managers. Any action so approved shall have the same effect as though taken at a meeting of the Managers.

Section 3.12 - Waiver of Notice: Before any meeting of the Board, any Manager may (in writing) waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. The presence of any Manager at a meeting shall, as to such Manager, constitute waiver of notice of the time, place, and purpose thereof. If all Managers are present at any meeting of the Board, no notice shall be required, and any business may be transacted at such meeting.

Section 3.13 - Quorum: At all meetings of the Board, a majority of the Managers shall constitute a quorum for the transaction of business, and the votes of the majority of the Managers present at a meeting at which a quorum is present shall be regarded as the Act of the Board.

Section 3.14 - Non-Liability of Managers: The Managers shall not be liable to the Co-Owners for any error or mistake of judgment exercised in carrying out their duties and responsibilities as Managers, except for their own individual willful misconduct, bad faith, or gross negligence. The Co-Owners shall indemnify and hold harmless each of the Managers against any and all liability to any person, firm, or corporation arising out of contracts made by the

Board on behalf of the Association unless any such contract shall have been made in bad faith or contrary to the provisions of the Declaration or Bylaws. It is intended that the Managers shall have no personal liability with respect to any contract made by them on behalf of the Association and that in all matters the Board is acting for and on behalf of the Co-Owners and as their agent. The liability of any Owner arising out of any contract made by the Board or out of the aforesaid indemnity in favor of the Managers shall be limited to such percentage of the total liability or obligation thereunder as is equal to his/her Percentage Interest. Every contract made by the Board of the Managing Agent on behalf of the Association shall provide that the Board of Managers and the Managing Agent, as the case may be, is acting as Agent for the Co-Owners and shall have no personal liability thereunder, except in their capacity as Owners and then only to the extent of their Percentage Interest. The Association may purchase bonding protection to cover all Acts of the Board, which bonding expense shall be borne by all Members.

Section 3.15 - Additional Indemnity of Managers: Co-Owners shall indemnify any person, his/her heirs, assigns, and legal representatives, made a party to any action, suit or proceeding by reason of the fact that he/she is or was a Manager of the Association, against the reasonable expenses, including attorneys' fees, actually and necessarily incurred by him/her in connection with the defense of such action, suit or proceeding, or in connection with any appeal therein, except as otherwise specifically provided herein

in relation to matters as to which it shall be adjudged in such action, suit or proceeding that such Manager is liable for gross negligence or misconduct in the performance of his/her duties. The Co-Owners shall also reimburse to any such Manager the reasonable costs of settlement of a judgment rendered in any action, suit, or proceeding, unless it shall be established that the Manager was guilty or gross negligence or misconduct. In making such findings and notwithstanding the adjudication in any action, suit, or proceeding against a Manager, no Manager shall be considered or deemed to be guilty of or liable for negligence or misconduct in the performance of his/her duties where, acting in good faith, such Manager relied on the books and/or records of the Association or statements or advice made by or prepared by the Managing Agent of the Association or any Officer or employee thereof, or any accountant, attorney or other person, firm, or corporation employed by the Association to render advice or service unless such Manager had actual knowledge of the falsity or incorrectness thereof; nor shall a Manager be deemed guilty of or liable for negligence or misconduct by virtue of the fact that he/she failed or neglected to attend a meeting or meetings of the Board of Managers. The Board may purchase bonding protection to cover any such liability aforesaid, which bonding expense shall be borne by the Membership.

ARTICLE IV - OFFICERS

Section 4.01 - Officer of Association: The principal officers of the Association shall be the President, Vice President, Secretary, Treasurer, and such other officers as the Board may from time to time by resolution create, all of whom shall be elected by the Board. The Managers may appoint an Assistant Treasurer and an Assistant Secretary and such other officer as in their judgment may be necessary. Any two or more offices may be held by the same person, except that the duties of the President and Secretary shall not be performed by the same person.

Section 4.02 - Election of Officers: The Officers of the Association shall be elected annually by the Board at the initial meeting of each new Board. Upon an affirmative vote of a majority of all Members of the Board, any officer may be removed either with or without cause, and his/her successor elected at any regular meeting of the Board or at any special meeting of the Board called for such purpose.

Section 4.03 - The President: The President shall be elected from among the Managers and shall be the Chief Executive Officer of the Association. He/She shall preside at all meetings of the Association and of the Board, shall have and discharge all the general powers and duties usually vested in the Office of President or Chief Executive Officer of an association or a stock corporation organized under the laws of Indiana including, but not limited to, the power to appoint committees from among the Co-Owners as he/she may deem necessary to assist in the affairs of the Association and to perform such other duties as the Board may from time to time prescribe.

Section 4.04 - The Vice President: The Vice President shall be elected from among the Managers and shall perform all duties incumbent upon the President during the absence or disability of the President. The Vice President shall also perform such other duties as these Bylaws may prescribe or as shall from time to time be imposed upon him/her by the Board or by the President.

Section 4.05 - The Secretary: The Secretary shall be elected from among the Managers. The Secretary shall attend all meetings of the Association and of the Board and shall keep or cause to be kept a true and complete record of the proceedings of such meetings, shall perform all other duties incident to the Office of the Secretary, and such other duties as from time to time may be prescribed by the Board. The Secretary shall specifically see that all notices of the Association or the Board are duly given, mailed, or delivered in accordance with the provisions of these Bylaws.

Section 4.06 - The Treasurer: The Board shall elect from the Managers a Treasurer who shall maintain a correct and complete record of account showing accurately at all times the financial condition of the Association and such other duties incident to the Office of the Treasurer. He/She shall be the legal custodian of all monies, notes, securities, and other valuables which may from time to time come into possession of the Association. He/She shall immediately deposit all funds of the Association coming into his/her hands in some reliable bank or other depository to be designated by the Board and shall keep such bank account in the name of the Association.

Section 4.07 - Assistant Officers and Committees: The Board of Managers may from time to time designate and elect from among the Co-Owners an Assistant Secretary and Assistant Treasurer who shall have such powers and duties as the Officers whom they are elected to assist shall delegate to them and such other powers and duties as these Bylaws or the Board of Managers may prescribe.

Section 4.08 - 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 4.09 - Committees: The Board of Managers shall appoint a Nominating Committee as provided in these Bylaws. In addition, the Board of Managers shall appoint Committees as deemed appropriate in carrying out its purpose.

Section 4.10 - The Maintenance Chairperson: The Maintenance Chairperson shall be elected from among the Managers who shall supervise the maintenance of the Buildings and grounds. He/She shall have a vote on all issues the same as the other four (4) Managers and Officers.

ARTICLE V - ASSESSMENTS

Section 5.01 - Annual Accounting: Annually, after the close of each calendar year and prior to the date of the Annual Meeting of the Association, the Board shall cause to be prepared and furnished to each Owner a Financial Statement prepared by a certified public accounting firm then serving the Association, which statement shall show all receipts and expenses received, incurred, and paid during the preceding calendar year.

Section 5.02 - Proposed Annual Budget: Annually, on or before the date of the regular Annual Meeting of the Association, the Board of Managers shall cause to be prepared a Proposed Annual Budget for the ensuing calendar year estimating the total amount of the Common Expenses for the ensuing year and furnish a copy of such Proposed Budget to each Owner prior to the Annual Meeting. The Annual Budget shall be submitted to the Co-Owners at the Annual Meeting of the Association upon the convening of a proper quorum, and a majority vote of those voters present may approve the Budget in its original or any amended form. Said budget, if so adopted, shall be the basis of the regular assessments for the ensuing calendar year.

Section 5.03 - Regular Assessments: The Annual Budget as adopted shall, based on the estimated cash requirement for the Common Expenses allocable to all Homes in the ensuing year as set forth in said budget, contain a proposed assessment against each Home based on the Percentage Interest of each Home. Where the Annual Budget contains expenses allocable to fewer than all the Homes, said budget

shall further contain a proposed assessment against each of such Homes obligated for said expense in accordance with the determination of the Board and the provisions of the Declaration and the Bylaws. Immediately following the adoption of the Annual Budget, each Owner shall be give written notice of such assessment against each respective Home (herein called the "Regular Assessment"). The Regular Assessment against each Home shall be paid in equal monthly installments, commencing on the first day of February of such calendar year and on the first day of each calendar month thereafter through and including the following January 1. Provided, however, that where the expenses included within the Regular Assessment shall for any reason include expenses which must be paid by the Association and/or the Board other than in equal installments over the period of the year, the Board may at its discretion amend or adjust the charges or assessments against the Homes to cause such assessments to coincide in amount with the payout schedule to which the Association or Board is subject over the period of such year. Such adjustments or variations in monthly assessments shall be made only where the Board finds the same to be necessary and appropriate in the interests of good accounting practices, and wherever possible, the Board shall attempt to cause assessments to be in like amounts over the year. Payment of the monthly installments of the Regular Assessment shall be made to the Board of Managers or the Managing Agent, as directed by the Board of Managers. The Regular Assessment for the year shall become a lien on each separate Home as of February 1 of each calendar year.

Section 5.04 - Special Assessments: From time to time, Common Expenses of an unusual or extraordinary nature or not otherwise anticipated may arise. At such time and without the approval of the Co-Owners, unless otherwise provided in these Bylaws, the Declaration, or the Act, the Board of Managers shall have the full right, power, and authority to make Special Assessments which, upon resolution of the Board, shall become a lien on each Home, prorated in accordance with the respective obligation of each Home to bear such expense as determined by the Board and as provided in the Declaration and Bylaws (herein called "Special Assessment").

Special Assessments may be assessed in a single lump sum or ratably over a period of time as the Board in its discretion shall determine. In making such determination, however, the Board shall give due consideration to the expenses and obligations, if any, incurred by the Association and/or the Board in connection with the matters giving rise to the Special Assessment, and the Board shall exercise every effort to cause Special Assessments to be charged to Home Owners in a manner which is fair and equitable and in a manner which will create as little undue burden or hardship as possible among the respective Home Owners, consistent with good accounting practices.

Section 5.05 - Interim Assessments: Notwithstanding any other provision in the Bylaws or Declaration, it is herein expressly provided that prior to the first regular meeting of the Co-Owners of the Association as provided for in Section 2.02 of these Bylaws, and

the initiation of Regular Assessments approved at the Annual Meeting of such Co-Owners, as hereinabove provided for, the Board shall make "Interim Assessments" against each Home of the Association initiating with the purchase of the Home and continuing therefrom on a monthly basis until Regular Assessments shall have been formally initiated. Said Interim Assessments shall be in such amount as the Board shall deem necessary and appropriate to cover the costs attributable to each Home for the maintenance, upkeep, and repair of such Home and the Common Areas enjoyed thereby, and the services rendered on behalf of or for the benefit of such Home. Interim Assessments may, but shall not be obligated to, cover any expenses which might properly be included among the expenses of a Regular or Special Assessment, providing only that all Interim Assessments shall be related to benefits received by or extended to the Homes assessed as hereinabove and hereinafter provided for.

It shall be understood that Interim Assessments shall be in lieu of Regular Assessments as called for under the Bylaws, the Declaration, or the Act. Interim Assessments may vary between Homes as the Board shall deem fit, providing only that all Interim Assessments shall be premised upon benefits received by or extended to the Homes assessed, and no variation shall exist in the application of Interim Assessments to the Homes subject to the same except to the extent that the Board shall determine that such variation in assessment is supported by commensurate variation in the benefits received by or extended to the respective Homes assessed.

Where certain Homes are subject to Regular Assessments and certain others are subject to Interim Assessments as hereinabove provided for, said Regular Assessments and Interim Assessments may or may not be in like amount as determined by the Board in light of the purposes, objectives, and needs covered by the respective assessments as applied by the Board and as hereinabove expressly provided for.

Section 5.06 - Failure of Owner to Pay Assessments: Each Owner shall be personally liable for the payment of all Regular, Special, and Interim Assessments. Where the Owner constitutes more than one person, the liability of such persons shall be joint and several:

(a) If any Owner shall fail or refuse to make any such payment of any assessment when due, the amount thereof shall constitute a lien on the Home of the Owner, and upon the recording of notice thereof by the Association, such lien shall be constituted upon such Owner's Home prior to all other liens and encumbrances, recorded or unrecorded, except only 1) taxes, if special assessments and special taxes theretofore or thereafter levied by any political subdivision or municipal corporation of this state and other state or federal taxes which by law are a lien on the interest of such Owner prior to pre-existing, recorded encumbrances thereon, and 2) encumbrances on the interest of such Owner recorded prior to the date such notice is recorded, which by law would be a lien thereon prior to subsequently recorded encumbrances.

(b) The Association shall send a notice, postage prepaid, to any such encumbrancer whose encumbrance was recorded prior to the time of recording the notice of lien provided for in this section, at the address shown in the recorded encumbrance; provided that if such encumbrancer has furnished the Association with another address, then such other address shall be used, and said Association shall not foreclose its said lien until at least thirty (30) days after the date of depositing such notice in the United States mail, postage prepaid, to the address of such encumbrancer.

(c) Any encumbrancer holding a lien on a Home may pay any common expenses payable with respect to such Home and, if so provided in an encumbrance, may add the amount of such payment to the unpaid balance secured by his/her lien, and such added amount shall have the same priority and lien rights as the unpaid balance to which added.

(d) The lien provided for in this section shall be in favor of the Association and shall be for the benefit of all other Owners, and may be foreclosed by an action brought in the name of the Association in a like manner as a mortgage or real property. The Association, acting on behalf of the Owners, shall have the power to bid in the interest so foreclosed at foreclosure sale and to acquire, hold, lease, mortgage, and convey the same; and to subrogate so much of its right to such lien as may be necessary or expedient to an insurance company which will continue to give total coverage in spite of nonpayment of such defaulting Owner's portion of the premium.

(e) Suit to recover a money judgment for unpaid assessments shall be maintainable without foreclosing or waiving the lien securing the same.

(f) The Board shall further have the power to suspend the voting rights and right to use of the recreational facilities of a Member during any period in which such Members shall be in default in the payment of any assessment levied by the Association.

(g) In the event any person shall acquire or be entitled to the issuance of a tax deed, public trustee's deed, sheriff's deed, commissioner's deed, etc., the interest so acquired shall be subject to all the provisions of this Declaration and to the terms, provisions, covenants, conditions, and limitations contained in the Declaration, the Bylaws of the Association, or any restrictions or exceptions affecting such interest then in force.

Section 5.07 - Obligations of Rental Homes: Notwithstanding any other provision of the Bylaws or Declaration, it is herein expressly provided that Homes which shall be unsold and which shall remain the property of the Declarant and/or its successor in interest, and which

shall further be held as rental units by such Owner, shall not be subject to normal Interim, Regular, or Special Assessments as hereinabove provided for unless the said Owner shall expressly acknowledge and consent to the subjection of such Homes to said assessments. It is expressly provided that the Declarant or its successor in interest shall have the right to provide such benefits and services to said rental Homes as the said Owner shall deem appropriate and in the best interests of such Homes as rental property without regard to whether such services and/or benefits are also being enjoyed by other Homes of the Association. Such added services or benefits, however, shall in no way be in derogation of the restrictive covenants, limitations upon use, or restraints upon alienation otherwise provided for in the Bylaws and Declaration. Notwithstanding any provision of this paragraph, it is further expressly provided herein that to the extent any Homes retained by the Declarant or its successor in interest and utilized by said Owner as rental property shall receive the benefit of any expenses included within any Interim, Regular, or Special Assessments, said rental Homes shall bear their pro-rata share of such expenses to the extent of the benefits received the same as though they were included within and subject to the Interim, Regular, or Special Assessments.

Section 5.08 - Maintenance and Repairs: Every Owner shall promptly perform all maintenance and repair within his/her own Home, which, if neglected, would affect the value of the property and is the responsibility of the Owner to make personally. Such maintenance and repairs include, but are not limited to, internal water lines, plumbing, electric lines, appliances, gas lines, telephones, air conditioning, doors, windows, lamps, and all other accessories belonging to the Owner and appurtenant to the Home.

ARTICLE VI - PURCHASE AND MAINTENANCE TO REAL PROPERTY

Section 6.01 - Purchase of Real Property: Additional Real Property and Existing Condominium Homes, whether within the boundaries of Woodmark Condominium Horizontal Property Regime, Woodmark Addition to the City of Fort Wayne, Allen County, Indiana, or without said boundaries, may be purchased by this Association. The Association may, at its sole discretion, make the additionally purchased real estate a part of the Common Area or may hold said real estate for other use or later resale or lease.

Section 6.02 - Vote to Purchase: Notwithstanding any other provision of these Bylaws, in order to purchase any real estate or interest in real estate by the Association, an affirmative vote of seventy-five percent (75%) or more of all Members of this Association shall be necessary in order to properly authorize purchase of real estate under Section 6.01 of these Bylaws. Said vote shall be taken at either the Annual Meeting or a properly called Special Meeting of the Members, and written proxies shall be used for the Owners not present at said meeting and shall be counted if voted affirmatively when filed with the Secretary within 30 days after said meeting is so held and a vote taken.

Section 6.03 - Costs of Maintenance: The Board is hereby granted specific authority to pay all necessary maintenance, taxes, insurance, and any other expenses incident to the Ownership of said real estate or interest in real estate procured on behalf of the Association in accordance with the terms of Article VI of these Bylaws.

Section 6.04 - Maintenance Responsibilities: Maintenance Rules and Regulations for Woodmark Condominium Association, Inc., Phase I, are hereby adopted as follows:

(a) The Association shall be responsible for lawn care in landscaped areas. This shall include:

- 1) Fertilization and weed control.
- 2) Mowing and trimming of grass.

Areas privately landscaped (such as flower or shrub beds, garden plots, etc.) and any fenced-in areas shall be excluded.

The lawn care crews shall not be required to work in areas containing accumulations of animal droppings. When such areas are cleaned up by the individual whose pet is responsible, they will be mowed and trimmed. Any damage to lawns caused by long-term accumulation of pet droppings is the responsibility of the pet Owners and will not be the responsibility of the Association.

(b) The Association shall be responsible for snow removal of the driveway behind Phase I and all sidewalks as follows:

- 1) Snow removal shall commence after an accumulation of four inches (4") or more.
- 2) A path shall be cleared up to each main doorway. The Association shall not be responsible for the total cleaning of porches and patios.
- 3) The Association will not put down salt or other chemicals on roads or sidewalks, but will put down sand when conditions warrant. Individual Homeowners may, if they wish, put down salt or other chemicals, but the use of such is discouraged due to potential damage to grass, shrubs, etc., and will, in no case, be paid for by the Association.
- 4) Residents may participate in snow removal activities if they desire; however, reimbursement for labor will be paid at the rate authorized in the current year's budget and will be paid only if such labor is authorized in advance by the Maintenance Chairperson.

(c) The Association shall be responsible for all maintenance associated with the swimming pool. Each facility shall be maintained in a clean, safe, and usable condition during the times when such facilities may reasonably be expected to be operational. The opening and closing dates for the swimming pool shall be established by the Pool Committee.

(d) The Association shall be responsible for the following items of exterior Building maintenance in Phase I:

- 1) Aluminum siding (including shutters).
- 2) Roofs.
- 3) Exterior wood trim (including repair and painting.
- 4) Exterior garage lights in Phase I (exterior porch lights are the responsibility of the individual Homeowner).
5. TV antenna system as originally installed.

(e) Each Homeowner is responsible for the following:

- 1) Furnace and all add-on heaters.
- 2) Air conditioning unit, including exterior portion (Exception: if the exterior air conditioning units are damaged by agents of the Association in the course of official duties, e.g., lawn mowing, the Association shall assume responsibility for such damage.)
- 3) All doors, storm doors, sliding glass doors, garage doors (including electric garage door openers), windows, and screens.
- 4) Anything interior to any unit including wiring and plumbing.
- 5) Any antenna system (TV, CB, amateur, etc.) not installed originally by Hallco, Inc. (Exception as in 2) above.)

In the event of catastrophic damage due to vandalism, fire, theft, etc., insurance coverage may apply. Check with a Member of the Board of Managers in such an event.

In any dispute involving responsibility for any specific item involving Homeowner vs. Association, see Article VII, Section 7.01, (q).

(f) The Association shall provide garbage collection points and shall maintain a continuing agreement for weekly removal of garbage.

(g) Pending the outcome of the present litigation, the Association shall provide the maintenance for the drainage ditches and the retention pond.

(h) Mailbox maintenance shall be the responsibility of the Association.

ARTICLE VII - RESTRICTIONS ON USE

Section 7.01 - Restrictive Covenants: The following restrictions on the use and enjoyment of the Home, Common Areas, Limited Areas, and the Property shall be applicable to the Association and the Owners and residents of Homes therein and shall be in addition to those set forth in the Declaration.

These are as follows:

- (1) (a) All Homes shall be used exclusively for residential purposes and the permanent occupancy of each unit shall not exceed 4 persons. Permanent occupancy is defined as any individual in residence for a period exceeding 30 days.
- (b) No additional Buildings shall be erected or located on the Tract other than the Buildings designated in the Declaration and shown on Plans properly filed in conjunction with the Condominium documents. No Buildings or structures shall be moved from other locations onto said premises, and no subsequent Buildings or structures other than Buildings shown on the Plans shall be built on any parcel where the Declarant theretofore programmed and constructed a Building. No structures of a temporary character, trailer, basement, tent, shack, garage, barn, or other outbuilding shall be used on any portion of the premises at any time as a residence either temporarily or permanently.
- (c) Nothing shall be done or kept in any Home or in the Common Areas or Limited Areas which shall cause an increase in the rate of insurance on any Building or the contents thereof. No Owner shall permit anything to be done or kept in his Home or in the Common Areas or Limited Areas which will result in a cancellation of insurance on any Building or contents thereof, or which would be in violation of any law or ordinance.
- (d) No waste shall be committed in the Home, Common Areas, or Limited Areas.
- (e) No Owner shall cause or permit anything to be hung or displayed on the outside of the windows or placed on the outside of a Building, and no sign, awning, canopy, shutter, or radio or television antenna, or other attachment or thing shall be affixed to or placed upon the exterior walls or roof or any other parts of any Building without the prior consent of the Board; nor shall any billboards, unsightly objects, or nuisances be erected, placed, or permitted to remain on the premises.

(f) No animals, livestock, or poultry of any kind shall be raised, bred, or kept in any Home or in the Common Areas or Limited Areas, except that pets such as dogs, cats, or customary household pets may be kept in a Home. The Board may establish what is a "customary household pet," and their decision and definition is hereby declared to be a conclusive presumption for all purposes. Said pets shall not be allowed to run loose over the Common Areas or Limited Areas of the Property or over the Recreational Areas thereof; and all pets must be on leashes and in the company of their master or Owner when they are in any of the aforesaid areas. Provided, however, that the Board may dispense with this requirement as to any particular pet where they find such pet does not create a nuisance, disturbance, inconvenience, or irritation to other Owners of Homes within the Condominium Project, and does not cause damage or detriment to the premises or improvements thereon. Where, however, any pet shall be found to create a nuisance, disturbance, inconvenience, or irritation to other Owners within the Project or to cause damage or detriment to the premises or improvements of the Project in being allowed to remain unleashed and unaccompanied upon the premises, then this requirement shall be strictly enforced by the Board and such pet shall not be allowed outside any Home without a leash or without the presence of its master or Owner. Where any pet is the source or repeated complaints to the Board as a result of allegedly causing or creating a nuisance, unreasonable disturbance, noise, or irritation to Owners, or damage to property, and the Board finds such complaints to be justified, the Board may in addition to requiring that such pet be permitted outside only on a leash and in the company of its master or Owner, further impose such additional conditions or restraints upon the continued possession of such animal by its Owner and/or any party residing within the Project as the Board shall deem necessary and appropriate to prevent such complaints and to protect the interests of the Homeowners generally. Where the imposition of conditions or restraints upon the possession of the pet in question appear to the Board to be incapable of resolving the problems caused by such pet, or where such restraints are imposed and found to be ineffective, the Board may in its discretion order any pet permanently removed from the Property upon five (5) days' written notice from the Board to the respective Owner of such pet or notice to any party within the Project harboring or responsible for such pet.

(g) No industry, trade, or any commercial or religious activity, educational or otherwise, designed for profit, altruism or otherwise, shall be conducted, practiced, or permitted on the Property. No "For Sale," "For Rent," or "For Lease" signs or other window or advertising display shall be maintained or permitted on any part of the Property or any Home without the prior consent to the Board. No advertising signs, billboards, unsightly objects, or nuisances shall be erected, placed, or permitted to remain on the premises, nor shall the premises be used in any way or for any purpose which may endanger the health or unreasonably disturb the Owner of any Home or any resident thereof. Provided further, however, the foregoing covenants shall not apply to the business activities, signs, and billboards, or the construction and maintenance of Buildings, if any, of the Declarant, its agents, and assigns during the construction and sale period, and of the Association, its successors, and assigns, in furtherance of its powers and purposes as hereinafter set forth.

(h) Nothing shall be done or permitted in any Home which will impair the structural integrity of any Building or which would structurally change any Building, except as otherwise provided in the Declaration or these Bylaws.

(i) No clothes, sheets, blankets, rugs, laundry, or other things shall be hung out or exposed on any part of the Common Areas. The Common Areas shall be kept free and clear of rubbish, debris, and other unsightly materials. All equipment, garbage cans, wood piles, service yards, or storage piles shall be prohibited unless the same shall in the judgment of the Board be adequately screened by planting, fencing, or otherwise so as to conceal them from the view of neighboring Homes and streets.

(j) No planting or gardening shall be done and no fences, hedges, or walls shall be erected or maintained upon said premises, except such as are installed in accordance with the initial construction of the Buildings located thereon or as approved by the Association's Board of Managers or their designated representative. The Owners are hereby prohibited and restricted from using any land or air space outside the exterior Building lines, except as may be allowed by the Association's Board of Managers or as provided in this Declaration. It is expressly acknowledged and agreed by all parties concerned that this paragraph is for the mutual benefit of all Owners as is necessary for the protection of said Owners.

(k) Any cooperative action necessary or appropriate to the proper maintenance and upkeep of the Common elements and all exteriors and roofs of the Homes including, but not limited to, recreation and parking areas and walks shall be taken by the Association.

(l) No exterior additions or alterations to any Building nor changes in fences, hedges, walls, and other structures shall be commenced, erected or maintained until the plans and specifications or an appropriate statement showing the nature, kind, shape, height, materials, location, and approximate cost of same shall have been submitted to and approved in writing as to conformity and harmony of external design and location with existing structures in the Property by an Architectural Committee composed of the Board of Managers of the Association, or by a representative designated by the Board of Managers. The Members of such Committee shall not be entitled to compensation for services performed pursuant to this paragraph unless otherwise approved by the Members at the meeting of the Association.

(m) The Association's Board of Managers shall have the right and power to provide for the construction of additional Recreational and other Common Facilities, from time to time, as in their discretion appears to be in the best interests of the Association and the Project. Any such construction, improvements, or additions shall be authorized by an affirmative vote of not less than a majority of the Percentage Vote of the Co-Owners.

(n) No boats, campers, trailers of any kind, buses, mobile homes, trucks, or any other unconventional vehicle of any description shall be permitted parked or stored anywhere within the Property; provided, however, that nothing herein shall prevent the parking or storage of such vehicles completely enclosed within a garage.

(o) All Owners and Members of their families, their guests or invitees, and all occupants of any Home, or other persons entitled to use the same and to use and enjoy the Common Areas or any part thereof shall observe and be governed by such rules and regulations as may from time to time be promulgated and issued by the Board governing the operation, use, and enjoyment of the Common Areas and Limited Areas.

(p) The Board of Managers shall have the power, authority, and obligation to determine all matters affecting or relating to the interpretation, application, and enforcement of the Restrictive Covenants set forth in this Article VII of the Bylaws. Any decision or determination made by such Board pursuant to its powers and obligations as set forth in this paragraph shall be deemed binding upon all parties and all Owners unless it shall be shown that said determination was made in bad faith with an intent to unfairly discriminate between Owners or was made in contravention of the express terms and conditions of the Declaration and/or the Bylaws.

(q) To effect a final determination in case of any dispute under (j) and (l) of this Section, a negative vote from the Board of Managers shall make the matter moot and final. However, in the case of an affirmative vote from the Board of Managers, the matter shall then be brought before all Co-Owners whose majority vote shall be the final determination on this disputed matter.

Section 7.02 - Right of Board to Adopt Rules and Regulations:

The Board may promulgate such additional rules and regulations regarding the operation of the Property including, but not limited to, the use of the Common Areas and Limited Areas as it may deem necessary from time to time, and such rules as are adopted may be amended by a vote of a majority of the Board; and the Board shall cause copies of such rules to be delivered or mailed promptly to all Owners.

ARTICLE VIII - PARTY WALLS

Section 8.01 - Rights with Respect to Party Walls: The rights and duties of the Owners within this Condominium Project with respect to party walls shall be governed by the following:

(a) Each wall which is constructed as a part of the original construction of the Building, any part of which is placed on the dividing line between separate residence units, shall constitute a party wall. With respect to any such wall, each of the adjoining Owners shall assume the burdens and be entitled to the benefits of these restrictive covenants, and, to the extent not inconsistent herewith or with other provisions of the Declaration and Bylaws, the general rules of law regarding party walls shall be applied thereto.

(b) In the event any such party wall is damaged or destroyed through the act of one of the adjoining Owners, or any of his/her guests or agents or members of his/her family (whether or not such act is negligent or otherwise culpable) so as to deprive the other adjoining Owner of the full use and enjoyment of such wall, then the first of such Owners shall forthwith proceed to rebuild and repair the same to as good condition as formerly without cost to the adjoining Owner.

(c) In addition to meeting the other requirements of these restrictive covenants and of any Building code or similar regulations or ordinances, any Owner proposing to modify, make additions to, or rebuild his/her Condominium unit in any manner which requires the extension or other alteration of any party wall shall first obtain the written consent of the adjoining Owner.

(d) In the event of a dispute between two (2) or more Owners with respect to the alteration, repair, or rebuilding of a party wall or with respect to the sharing of the cost thereof, the determination of the Board as to the respective rights, liabilities, responsibilities, and obligations of the parties to alter, repair, or rebuild the same and to divide and/or share the expense thereof shall be binding upon all parties concerned. Provided, however, that no Member of the Board shall take part in voting upon or making any decision in a dispute to which he/she or a member of his/her family is a party.

(e) These covenants shall be binding upon the heirs and assigns of any Owners, but no person shall be liable for any act of omission respecting any party wall except such as took place while the Owner.

ARTICLE IX - AMENDMENT TO BYLAWS

Section 9.01 - Amendments: These Bylaws may be amended by a vote of not less than fifty-one percent (51%) of the Percentage Vote of the Co-Owners in a duly constituted meeting called for such purposes, or in any regular meeting of the Members, except Article VI which requires a seventy-five percent (75%) vote.

ARTICLE X - MORTGAGES

Section 10.1 - Notice to Association: Any Owner who places a first mortgage lien upon his/her Home or the mortgage shall notify the Secretary of the Association and provide the name and address of the Mortgagee. A record of such Mortgagee and name and address shall be maintained by the Secretary, and any notice required to be given to the Mortgagee pursuant to the terms of the Declaration or these Bylaws shall be deemed effectively given if mailed to such Mortgagee at the address shown in such record at the time provided. Unless notification of any such mortgage and the name and address of Mortgagee are furnished to the Secretary, either by the Owner or the Mortgagee, no notice to any Mortgagee as may be otherwise required by the Declaration or these Bylaws shall be required, and no Mortgagee shall be entitled to vote on any matter to which he/she otherwise may be entitled by virtue of the Declaration or Bylaws or proxy granted to such Mortgagee in connection with the mortgage.

Section 10.2 - Notice of Unpaid Assessments: The Association shall, upon request of a Mortgagee, a proposed Mortgagee, or purchaser who has a contractual right to purchase a Home, furnish to such Mortgagee or purchaser a statement setting forth the amount of the unpaid Regular, Interim, or Special Assessments against the Home, which statement shall be binding upon the Association and the Co-Owners, and any Mortgagee or Grantee of the Home shall not be liable for nor shall the Home conveyed be subject to a lien for any unpaid assessments in excess of the amount set forth in such statement.

Approved at the Annual Meeting, and approved by the Board of Managers on November 30, 1983.

Patricia L. Hooker, President

Approved as amended at the Special Meeting, and approved by the Board of Managers on May 6, 1986.

Lawrence D. Pepple

Lawrence D. Pepple, President