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## RETURN TO:

Prepared by and after recording return to: Streetar Cameron, 317 Sixth Avenue, Suite 300, Des Moines, Iowa 50309 (515) 243-8157

# DECLARATION OF SUBMISSION OF PROPERTY TO HORIZONTAL PROPERTY REGIME FOR PRAIRIE LAKES CONDOMINIUMS

THIS DECLARATION is made this day of my, 2005, by Northwood Townhomes, L.L.C. (hereinafter called the "Declarant") and is consented to by Visions Investments, L.L.C., the owner of the property described herein (hereinafter "Owner"), pursuant to the provisions of the Horizontal Property Act, Chapter 499B, Iowa Code, as amended (hereinafter called "the Act").

WHEREAS, the Declarant is the developer of the following described real estate situated in Ankeny, Polk County, Iowa, legally described as:

Lots 2, 3 and 8, Prairie Lakes Plat 3, an Official Plat, now included in and forming a part of the City of Ankeny, Polk County, Iowa, (hereinafter referred to as the "Real Estate");

and

WHEREAS, the real estate has been platted as "Prairie Lakes Plat 3", which Plat consists of 9 lots which will include 7 separate buildings containing 8 residential Condominium apartments(hereinafter referenced as condominiums) per building as well as 38 garages on Lot 8 and 18 garages located on Lot 9(which may be subsequently added to the terms of this Declaration) as well as parking areas and green spaces, all as shown on Exhibit "A" attached hereto.

NOW THEREFORE, the Declarant hereby declares that the Real Estate is submitted to the Horizontal Property Regime on the terms, conditions and restrictions as hereinafter set forth in this Declaration which shall constitute covenants running with the Real Estate and shall be binding on Declarant, its successors and assigns, and on all subsequent holders of any right, title or interest in or to all or any part of the Real Estate, their grantees, successors, heirs, personal representatives, devisees and assigns:

- 1. The land which is currently the subject of the Horizontal Property Regime described herein is described above, although the Regime may be hereafter expanded as is set forth hereinafter.
- Association. All references herein to Association shall mean and refer to Prairie Lakes Condominiums Owners Association a corporation to be organized pursuant to the Revised Iowa Non-Profit Corporation Act, Chapter 504 Code Of Iowa. Each condominium Owner described herein shall automatically become a Member of the Association with such membership being thereafter transferable automatically only to subsequent owners of such condominium. NORTHWOODS TOWNHOMES, L.L.C., WHICH IS THE DEVELOPER OF THE PROPERTY AND THE DECLARANT HEREIN, OR ITS SUCCESSOR IN INTEREST OR ASSIGNEE PURSUANT TO A DOCUMENT THAT SPECIFICALLY REFERS TO A CLASS "A" MEMBERSHIP TRANSFER, SHALL BE A CLASS "A" MEMBER OF THE ASSOCIATION AND SHALL BE THE SOLE VOTING MEMBER OF THE ASSOCIATION UNTIL SUCH TIME AS (i) NORTHWOODS TOWNHOMES, L.L.C., OR ITS SUCCESSOR IN INTEREST OR ASSIGNEE, NO LONGER OWNS ANY LAND WITHIN THE PROPERTY DESCRIBED IN THE DECLARATION; (ii) UNTIL NORTHWOODS TOWNHOMES, L.L.C., OR ITS SUCCESSOR IN INTEREST OR ÁSSÍGNEE, WAIVES ITS RIGHT IN WRITING TO BE THE SOLE VOTING MEMBER OF THE ASSOCIATION; OR (iii) UNTIL 120 DAYS AFTER NORTHWOODS TOWNHOMES, L.L.C. HAS CONVEYED 75% OF THE TOTAL OF ALL LOTS WHICH ARE A PART OF THE ASSOCIATION AS REFERENCED IN THIS DECLARATION, WHICHEVER FIRST OCCURS. **DURING THE TIME THAT** NORTHWOODS TOWNHOMES, L.L.C. IS THE SOLE VOTING MEMBER IT SHALL HAVE THE RIGHT TO ELECT ALL DIRECTORS OF THE ASSOCIATION. All other members of the Association shall be class "B" members of the Association until they convert to Class "A" members pursuant to the By-Laws of the Association upon the happening of the earliest of the above referenced items.

#### 3. <u>Condominiums</u>.

- A. There are 16 separate condominiums located on Lots 2 and 3, Prairie Lakes Plat 3, referenced above as the "Real Estate" which is the property in the Regime, as shown on the Exhibit "A" attached hereto, 8 on each lot. There are 32 garages located in the buildings on Lot 8 which are allocated as Limited Common Elements as set forth on Exhibit "A". The boundaries of each condominium shall be the interior unfinished surface of the walls, floors and ceilings thereof depicted as boundaries in Exhibit "A". Accordingly, all framing, furring, wallboard, plasterboard and plaster constituting a part of the wall shall be deemed to be outside of the condominium and any paneling, tile, wallpaper, paints, carpeting, linoleum or other wall or floor coverings or finishings shall be deemed to be included within the condominium.
- B. Each of the condominiums is hereby allocated one vote and one assessment in the Association as are shown on Exhibit "A" attached hereto, even though each condominium may not be exactly the same size as all other condominiums in the Regime. The percentages of the undivided interests in the Common Elements and of the Common Expenses of the Association allocated to each condominium is the Percentage Interest set forth opposite each such condominium in Exhibit "A" attached hereto, as it may be amended from time to time with the addition of more condominiums to the Regime as is referenced

elsewhere herein. The description of the buildings to be located within the Horizontal Property Regime ("Regime"), and the number of condominiums are shown on Exhibit "A", attached hereto and incorporated herein by this reference, which includes condominium numbers, location, number of rooms and immediate common area to which the condominium is adjacent.

#### 4. <u>Common Elements</u>.

All portions of the real estate other than the condominiums are Common Elements. The Common Elements include but are not limited to the structures of the buildings themselves including roofing, the parking areas and green space areas. Certain portions of the Common Elements designed to serve a single condominium are, by operation of Chapter 499B.2(6) of the Act, Limited Common Elements, allocated for the exclusive use by the respective condominiums (and their Owners and occupants) served thereby to the exclusion of other condominiums (and their Owners and occupants). As shown on Exhibit "A", all garages are detached from the condominiums to which they are allocated but, as further shown on Exhibit "A", all garages including the garage door are allocated as Limited Common Elements for the exclusive use of a particular condominium, as is shown on Exhibit "A", to the exclusion of other condominiums. Additionally, the balcony/porch or patio and the air conditioning, heating and water heater equipment serving each condominium are Limited Common Elements allocated for the exclusive use of the condominium to which they are attached and for which they provide service to the exclusion of the other condominiums. The air conditioning, heating and water heater equipment as well as the garage door of each garage are Limited Common Elements which shall be maintained, repaired and replaced by the Owner of each such condominium at such Owner's sole cost and expense. All doors and windows located in the perimeter walls of a condominium shall also be deemed to be a Limited Common Element and shall be maintained, repaired and replaced by the Owner of each such condominium at such Owner's sole cost and expense. The Association shall be responsible for arranging for maintenance and/or replacement of all Limited Common Elements but the expenses relating thereto that are the responsibility of the Owner thereof shall not be a Common Expense but shall, instead, be billed back directly to the particular condominium involved.

The condominiums are constructed of concrete footings, concrete or block foundations and wood frame construction.

B. Garages. Subject to the following provisions of this paragraph, each garage may be used and improved by the Owners of the condominium to which it is allocated in any manner desired by such Owners. Such use and improvement shall be subject to the provisions of the Act, this Declaration, the Articles and the By-Laws. Additionally, the Board of Directors shall have the power to promulgate rules and regulations relative to the garages and the use or improvement thereof provided that the same shall not prevent any use or improvement of garages unless such use or improvement is reasonably determined by the Board of Directors to create objectionable noises or odors, to damage or endanger the structure of the

garages or the buildings of which they are a part, or to create or constitute a hazardous condition. Any Owner desiring to make an improvement in the garage allocated to such Owner's condominium shall, prior to commencing construction thereof submit plans for such improvement to the Board of Directors and secure the consent of the Board of Directors to such improvement, which consent shall not be withheld unless the Board of Directors reasonably determines that the proposed improvement will create or constitute a hazardous condition or will damage or endanger the structure of the garage or the building of which it is a part. No Owner shall alter the external appearance of the garages. The Board of Directors shall have the right, in its discretion, to require a bond or other security for the completion of the proposed improvements and the payment of all costs thereof. All damage done to a garage in connection with the Construction of any such improvement shall be repaired at the cost of the Owner constructing such improvement. All costs of constructing any such improvement shall be paid by the Owner constructing the same.

In the event that any mechanic's lien is filed against the Regime or any part thereof in connection with the construction of such improvement, the Owner constructing such improvement shall immediately cause the same to be discharged at such Owner's expense. If such Owner fails to do so, the Association may, but shall not be obligated to, immediately cause the same to be discharged of record and all amounts, costs and expenses paid or incurred by the Association in connection with effecting such discharge shall be immediately due from such Owner to the Association and shall be such Owner's personal liability, a lien on such Owner's condominium and collectible by the Association, all in the same manner as set forth herein with respect to Common Expense assessments.

The Owners of each condominium shall be responsible for cleaning the garage allocated to the condominium owned by them and for repairing and maintaining any improvements to the garage constructed by an Owner. The Association shall not be required to maintain any insurance with respect to any improvements to a garage constructed by an Owner. In the event that the association incurs extraordinary expenses related to any garage on account of any use thereof or improvements thereto made by the Owner of the condominium to which such garage is allocated, the Association may assess the amount of such extraordinary expenses against the condominium to which such garage is allocated.

#### C. <u>Budget/Levy/Lien</u>.

(1) The Board of Directors shall from time to time, and at least annually in advance of the beginning of the Association's fiscal year, prepare a budget of Common Expenses for the Association and shall allocate, assess and levy such annual Common Expenses among the condominium Owners in accordance with the Declaration and the Bylaws. Upon the vote of the Board of Directors adopting a resolution which sets forth the budget of Common Expenses and the allocation thereof to the condominium Owners, the amount so

allocated to the condominium Owners of each condominium shall, without further resolution by the Board of Directors, be levied as the annual assessment against such condominium and shall be a lien thereon, payable in equal monthly installments due on the first day of each month during the period covered by the Budget, without further resolution by the Board of Directors.

- The Common Expenses shall include those Common (2) Expenses set forth in the Declaration and the Bylaws and may include such other amounts as the Board of Directors may deem proper for the operation and maintenance of the Property and as permitted by the Act and all laws amendatory thereof and supplemental thereto; provided, however, that the assessment for Common Expenses shall include an adequate reserve fund for maintenance, repair and replacement of those Common Elements that must be replaced on a periodic basis, and shall, when practicable, be payable in regular installments. Contributions to any reserve funds established by the Association may not be withdrawn by any condominium Owner. The Board of Directors shall advise all condominium Owners in writing prior to the beginning of the period covered by the budget as to the amount of the monthly assessment payable by each of them, and shall, upon request by the condominium Owner, furnish copies of each budget on which such Common Expenses and the assessment are based to such condominium Owner and to his First Mortgage. The total of any budget shall be in the amount of the estimated Common Expenses for the period covered thereby, including a reasonable allowance for contingencies and reserves, less the amounts of any unneeded Common Expense account balances existing from the previous period's budget, and less any estimated payments to be received by the Association from rental, licensing or other payments for the purpose of defraying the costs of the use of the Common Elements. If a budget is not made by the Board of Directors as required, a monthly assessment in the amount required by the last prior budget shall be due upon each monthly assessment payment date until changed by a new budget. In the event an annual or other budget proves to be insufficient, or in the event of extraordinary or unforeseen Common Expense, the budget and monthly assessments based thereon may be amended, or a special assessment levied, at any time by the Board of Directors.
- (3) Any special assessment covering expense relating to a matter not otherwise dealt with in the annual budget i.e.(normally major items of repair or replacement that do not have an adequate reserve for replacement established) may be assessed against the condominium Owners only upon adoption of a resolution of the Board of Directors that is then affirmed by at least the affirmative

vote of two thirds of the votes represented by Members in attendance in person or by proxy at a duly called meeting of the membership. Such special assessments shall thereafter be a lien on the condominiums and shall be enforceable in the same manner as the annual assessments. Special assessments shall be payable in installments or lump sum, all as designated by the Board of Directors in its resolution.

- (4) At the time of the initial closing of the conveyance of any condominium from the Declarant, the purchaser thereof shall pay to the Association a working capital fund in an amount equal to two months estimated common area charges for the condominium, which amounts shall not be refundable. In addition, one year's insurance premium for the particular condominium shall be paid at the initial closing to be used to offset the cost of the purchase of such insurance in advance by the Association.
- D. <u>Initial Annual Assessment</u>. Until September 1, 2006, the initial annual assessment for all condominiums shall be \$1,020.00, (\$85 per month).
  - (1) From and after September 1, 2006, the initial annual assessment may be increased each year not more than 25% above the assessment for the previous year without a vote of the membership.
  - (2) From and after September 1, 2006, the annual assessment may be increased above 25% by a vote of 2/3 of all members in attendance in person or by proxy, at a meeting duly called for that purpose.
- E. Payment of Common Expenses. All Owners shall be obligated to pay the Common Expenses assessed and levied by the Board of Directors. An Owner may not avoid assessment for Common Expenses by failing or waiving the right to the use or enjoyment of the Common Elements. Monthly assessments shall be due as provided herein and special assessments shall be due when designated by the Board of Directors. Any mortgagee acquiring a first mortgage interest from any Owner of an condominium and its appurtenant undivided interest in Common Areas and Facilities may, as a condition of the loan, include in the mortgage note or deed a requirement that the mortgager, upon execution of the mortgage deed, make a monthly deposit with the mortgagee of an amount each month sufficient to pay when due and payable all Common Expenses attributable to that condominium. The mortgage note or deed may further provide that a default in making such deposit shall be a default under the terms of the mortgage deed. In the event that a mortgagee collects the monthly installments, such mortgagee shall remit the installments monthly on a current basis to the Association.
- F. <u>Assessment Roll</u>. The assessments against all Owners shall be set forth upon a roll of the condominiums which shall be available in the office of the

Association or of any managing agent retained by the Association for inspection at all reasonable times by Owners or their duly authorized representatives. Such roll shall indicate for each condominium the name and address of the Owner or Owners, the assessments for all purposes, and the amounts of all assessments paid and unpaid.

Default in Payment of Common Expenses. In the event any Owner G. does not make payment of a Common Expense assessment on or before the date when due, such Owners shall be obligated to pay interest on such assessment from the date due at the rate specified from time to time by the Board of Directors which shall not exceed the highest rate of interest which may be charged thereon pursuant to either the Act or the laws of the State of Iowa relative to usury. In addition, a charge of \$25 shall be made for any monthly Common Expense assessment for payments received after the 15th of the month for which the payment is due. Such Owner shall also be obligated to pay all expenses, including reasonable attorneys' fees incurred by the Board in any proceeding brought to collect any such unpaid assessment, whether or not an action has been commenced with respect thereto. The right of an condominium Owner to pay the annual assessment in monthly installments is hereby made conditional on the prompt payment when due of such monthly installments. In the event of a default in the prompt payment of the monthly installments, the Board of Directors may, by written notice given to the default Owner, accelerate the entire unpaid portion of the annual assessment, whereupon the same shall become immediately due and payable. Additionally, the Board of Directors shall have the right to withhold services from any defaulting Owner. The Board of Directors, the Association and each individual condominium Owner shall have the right and duty to attempt to recover all assessments for Common Expenses, together with interest thereon and the expenses of the proceeding, including reasonable attorneys' fees, in an action to recover the same brought against an owner, by foreclosure of the lien on an condominium pursuant to the Act, any statute amendatory thereof or supplementary thereto, or by another remedy available under the Act or hereunder.

BY ACCEPTANCE OF A DEED FOR ANY CONDOMINIUM DESCRIBED HEREIN, EACH OWNER SHALL BE DEEMED TO HAVE AGREED TO THE FOLLOWING LANGUAGE:

I UNDERSTAND THAT HOMESTEAD PROPERTY IS IN MANY CASES PROTECTED FROM THE CLAIMS OF CREDITORS AND EXEMPT FROM JUDICIAL SALE; AND THAT BY ACCEPTING A DEED FOR A CONDOMINIUM IN THIS DEVELOPMENT, I VOLUNTARILY GIVE UP MY RIGHT TO THIS PROTECTION FOR THIS LIVING UNIT WITH RESPECT TO CLAIMS BASED UPON THIS DECLARATION.

H. Records. The Board of Directors shall cause to be kept at the Registered Office of the Association, or at such other place as the Board of Directors may determine, records of the actions of the Board of Directors, minutes of the meetings of the Board of Directors, minutes of the meetings of the Members of the Association, names of the condominium Owners and names of any First Mortgagees

who have requested the notice of default described in the Declaration and the condominium on which such First Mortgagee holds a mortgage, and detailed and accurate records, in chronological order, of the receipts and expenditures affecting the Common Elements. Such records shall be available for examination by the Owners or mortgagees at convenient hours of weekdays. Separate accounts shall be maintained for each condominium, setting forth the amount of the assessments against the condominium, the date when due, the amount paid thereon and the balance remaining unpaid. The Association shall be required to make current copies of the Declaration, By-Laws and the rules and regulations governing the regime as well as other books, records and financial statements available to condominium Owners, lenders and the holders and insurers of first mortgages on any condominium. In addition, the Association shall also be required to make copies of the Declaration, By-Laws, rules and regulations governing the regime and the most recent financial statements available to prospective purchasers. Upon written request from any agencies or corporations which have an interest in the regime through loans or mortgage insurance, the Association shall be required to cause an audited financial statement of the immediately preceding year to be prepared and furnished within a reasonable time. If an audited financial statement has been prepared, it shall be available as a part of the records and financial statements of the Association.

- 5. <u>Use of the Regime</u>. The Regime and each of the condominiums shall be used and occupied in accordance with the following provisions:
  - A. Residential Use Only. Subject to the provisions of Subparagraph 5B below, the Regime and each of the condominiums are intended for residential purposes only. No use may be made of any condominium except that of a residence for the condominium Owner thereof, their families, tenants and social guests and no business or commercial use shall be permitted on the Real Estate except as specifically provided in this Declaration and except that the Association may maintain an office on or in any part of the Real Estate for management purposes. The use of any condominium for day/child care, music or piano lessons or for tutoring is specifically prohibited.
  - B. <u>Use for Sales Purposes</u>. So long as Declarant owns any condominium Declarant may maintain advertising signs on any part of the Common Elements and sales offices, management offices and model condominiums within any condominium or in or on any part of the Common Elements and such sales offices, management offices and model condominiums may be relocated by Declarant from time to time.
  - C. Rental of condominiums. Any lease arrangement of a condominium shall be required to provide that the terms of the Lease shall be subject in all respects to the provisions of this Declaration, the By-Laws and Articles of Incorporation of the Association and any rules and regulations established by the Board of Directors; shall contain the agreement of the lessee to be bound by the terms of such documents and shall provide that any failure of the lessee to comply with the terms of such documents or rules shall be a default under the Lease or Rental Agreement. All

leases shall be required to be in writing and any condominium Owners leasing or renting an condominium, shall, prior to the commencement of the Lease or rental term, deliver to the Secretary of the Association a complete copy of the Lease or Rental Agreement. No Lease shall be for a period of less than thirty (30) days. Other than the foregoing, the condominium Owners of the respective condominiums shall have the absolute right to lease the same.

- D. <u>Easements for Encroachments</u>. If, as a result of the construction, reconstruction, repair, shifting, settlement or movement of any portion of the Regime, any portion of the Common Elements encroaches upon an condominium or condominiums or any portion of an condominium encroaches upon the Common Elements or upon an adjoining condominium or condominiums, a valid easement for the encroachment and for the maintenance thereof, so long as it stands, shall and does exist. Such encroachments and easements shall not be considered or determined to be encumbrances either on the Common Elements or on the condominiums for the purposes of marketability of title. In the event the Real Estate is partially or totally destroyed, and then rebuilt, the condominium Owners shall permit minor encroachment of parts of the Common Elements, and of other condominiums, due to reconstruction and a valid easement for said encroachments and the maintenance thereof shall exist.
- E. Rules. Each condominium Owner, occupant, tenant or guest shall use the condominium and the Common Elements only in compliance with the provisions of the Act, this Declaration, the Articles and the By-Laws, all as lawfully amended from time to time, and with all decisions, resolutions and rules promulgated by the Board of Directors. Failure to comply with any such provisions, rules, decisions or resolutions shall be grounds for an action to recover sums due for damages or for injunctive relief, or both. Additionally, in the event of any such failure to comply, the Association may levy reasonable fines in accordance with the provisions of the Act.
- F. <u>Prohibited Activities</u>. No unlawful, noxious or offensive activities shall be carried on in any condominium or elsewhere on the Real Estate, nor shall anything be done therein or thereon which shall constitute a nuisance or which shall in the judgment of the Board of Directors cause unreasonable noise or disturbance to others.
- G. <u>Apartment Exterior</u>. No clothing, sheets, blankets, laundry or other articles shall be hung, displayed or stored outside the condominiums (except within the garages which are allocated to the condominiums), or which may be visible from the outside of the condominiums (other than draperies, curtains, or shades of a customary nature and appearance in any event subject to the rules and regulations of the Board of Directors).

No Owner shall paint or decorate or adorn the outside of his condominium. No radio or television antennae or other device designed for the receipt of broadcast signals shall be allowed unless (1) such antennae or device is

one meter or less in diameter or diagonal measurement and (2) is located only in an area over which the condominium owner has exclusive use or exclusive control and (3) such antennae or device shall be made of materials or painted to blend into the background upon which it is mounted, provided that acceptable quality signal reception is not precluded. In no event shall any such device or antennae be installed on the roof, exterior walls or green space areas of the condominium regime since the condominium owner does not have exclusive use or exclusive control thereof. Any damage caused by installation of any such device or antennae upon any area over which the condominium owner has exclusive use or exclusive control shall be repaired at the sole expense of the condominium owner. No Owner of an condominium shall display, hang, store (except within the garage which is allocated to his condominium) or use any sign outside his condominium, or which may be visible from the outside of his condominium without the prior written permission of the Board of Directors. The foregoing notwithstanding, an Owner shall be permitted to display a sign of not more than three (3) square feet in an area advertising such Owner's condominium for sale or lease. Such sign shall be located in the yard area between such Owner's condominium and the road in front of such condominium.

No Owner shall be allowed to use any charcoal, electric and/or gas grill at any time unless a charcoal area has been provided by the Association that is separate from the buildings within the Regime.

Pets. No animal of any type shall be kept in any condominium or in the Common Elements, unless and until the Board of Directors has enacted rules and regulations specifically permitting the keeping of such type of animal. The Board of Directors shall have complete discretion as to whether or not it will permit the keeping of animals of any particular type. When deemed appropriate by the Board of Directors, it may, but shall not be required to, enact rules and regulations permitting the keeping of a specific type of animal in one or more, but not all, condominiums when special circumstances are present. An example of the special circumstances contemplated hereby is the need for a seeing eye dog. The Board of Directors shall also have complete discretion as to the substance of any administrative rules and regulations enacted by it regarding the manner in which any permitted animal shall be kept, provided that the Board of Directors may not, in any case, permit the keeping of any animal for any commercial purpose. The Board of Directors shall have the right at any time to change its rules and regulations relating to animals. Any such changes to rules and regulations relating to animals that are adopted by the Board of Directors shall be effective only in a prospective fashion in order that any animal or animals permitted to be kept under previously enacted rules and regulations shall be "grandfathered" and shall be allowed to remain. No such animal shall be replaced, however, if, at the time of such replacement, the keeping of such animal would violate the rules and regulations existing at the time of such replacement. Any animal permitted to be kept shall be kept in strict accordance with the administrative rules and regulations relating to such animals from time to time approved by the Board of Directors and in any event shall be kept in a manner so as not to constitute a nuisance to others.

- I. <u>Trash</u>. Trash, garbage and other waste shall be kept only in sanitary containers, and shall be disposed of in a clean and sanitary manner as prescribed from time to time in the rules and regulations promulgated by the Board of Directors.
- Storage of Personal Property. Except as provided in this Declaration or as permitted by the rules and regulations adopted from time to time by the Board of Directors in its sole discretion, no personal property of any kind whatsoever belonging to any Owner or to any tenant of such Owner or any guest or invitee of any Owner or any tenant shall be stored, placed or kept, temporarily or permanently, in or on the Common Elements. Automobiles may, however, be parked in such areas pursuant to rules established by the Association. Without limiting the generality of the foregoing, no motorized or non-motorized vehicles, boats, campers, cabs, trailers, snowmobiles, bicycles, tricycles or motorcycles shall be stored on any Common Element except inside a garage. The foregoing notwithstanding an Owner, may (i) keep personal property in the garage allocated to such Owner's condominium as a Limited Common Element; (ii) park operational automobiles on the driveway allocated to such Owner's condominium as a Limited Common Element; and (iii) keep normal and customary lawn and patio furniture (but not play equipment) in the patio or on the balcony/porch (if applicable) allocated to such Owner's condominium as a Limited Common Element.
- K. <u>Machines</u>. No Owner shall overload the electrical wiring in the Regime or operate any machines, appliances, accessories or equipment in such manner as to cause, in the judgment of the Board of Directors, an unreasonable disturbance to others.
- L. <u>Rules and Regulations</u>. The Board of Directors may, from time to time, promulgate rules and regulations regarding the use of the condominiums and the Common Elements, provided that such rules shall be reasonable in scope and shall tend to promote the use of the Real Estate for the purpose set forth herein.
- M. <u>Gardens and Shrubs</u>. Except as permitted by the Board of Directors, in its sole discretion, and except as provided in Subparagraph 4.J. above, no gardens, shrubs, flowers or other plants shall be planted by any Owner on any Common Element or Limited Common Element.
- N. <u>Blocking of Driveways</u>. Under no circumstances shall any Owner block access to any garage other than the garage allocated to such Owner's condominium as a Limited Common Element.

#### 6. Maintenance and Repair.

A. Every condominium Owner shall perform promptly all maintenance and repair work required within his own condominium and all maintenance and repair work required within the garage space assigned to his condominium and made the Owner's responsibility under Section 4 of this Declaration which, if not performed, would affect the Common Elements or another condominium or

condominiums. Upon the failure of any condominium Owner to perform his responsibilities under this paragraph, the Association may, but shall not be obligated to, perform the same and such condominium Owner shall be liable to the Association for all expenses incurred by the Association in performing the same and the amount thereof shall be a lien on such Owner's condominium and shall be collectible in the same manner as set forth herein with respect to Common Expense assessments. All incidental damage or liability caused to a condominium or to the Common Elements by the failure of an condominium Owner to perform his obligations under this paragraph or caused in the course of performing such obligations shall be the responsibility of the condominium Owner.

- B. If maintenance, repairs or replacements to the Common Elements or to the condominium of another condominium Owner are necessitated by the negligence, willful act, misuse or neglect of an condominium Owner or of anyone for whose negligence, willful act, misuse or neglect such condominium Owner is responsible, the expense thereof shall be a lien on such Owner's condominium and shall be collectible in the same manner as set forth herein with respect to Common Expense Assessments.
- C. The Association is responsible for maintenance, repair, and replacement of the Common Elements, including the Limited Common Elements, except as provided in section 4 above. Except as provided in Subparagraph 4 above, any Common Expense associated with the maintenance, repair or replacement of a Common Element or Limited Common Element shall be assessed against all the condominiums in accordance with the Common Expense liability allocated to each condominium hereunder and shall not be assessed solely against the condominium or condominiums to which such Limited Common Element is assigned.
- D. All incidental damage caused to any condominium or to any improvements constructed by an Owner in a garage pursuant to Section 4 of this Declaration as a result of any work done by the Association in accordance with its responsibilities as set forth herein or in the Act or as a result of any damage to, failure of or malfunction of anything to be maintained, repaired or replaced by the Association in accordance with the provisions hereof or in the Act, shall be the responsibility of the Association and the cost of repairing such incidental damage shall be a Common Expense.

#### 7. Required Insurance.

- A. Commencing not later than the time of the first conveyance of an condominium to an condominium Owner other than Declarant, and in addition to the requirements of the Act, the Association shall maintain, to the extent reasonably available, the following insurance:
  - (1) Fire insurance with extended coverage endorsement (including vandalism, debris removal, cost of demolition, malicious mischief, windstorm, water damage and all other perils which are

customarily covered with respect to projects similar to the Real Estate in construction, location and use, including all other perils normally covered by the standard "all risk" endorsement, if such is Such insurance shall insure all personal property available). belonging to the Association and all structures, fixtures, buildings and other improvements included in the Real Estate subject to this Declaration (including all building service equipment and all of the condominiums and the fixtures installed therein as of the date hereof, and specifically including, without limiting the generality of the foregoing, interior walls, interior doors, built-in cabinets and counters and electrical and plumbing conduits, pipes and fixtures installed therein as of the date hereof, BUT NOT INCLUDING FLOOR SYSTEMS AND COVERINGS (INCLUDING CARPETING, CERAMIC TILE, AND WOOD FLOORS), DRAPERIES, WALL COVERINGS, CABINETS, APPLIANCES, FURNITURE, FURNISHINGS, OR PERSONAL PROPERTY BELONGING TO THE CONDOMINIUM OWNERS AND NOT INCLUDING IMPROVEMENTS, FIXTURES AND OTHER PROPERTY SUPPLIED OR INSTALLED BY CONDOMINIUM OWNERS), unless the policy of insurance obtained by the Association provides for some or all of such coverages. Each condominium Owner shall be required to obtain their own condominium owner's insurance or similar policy to cover the items not included in the Association Policy. Such insurance shall cover the interest of the Association, the Board of Directors and all condominium Owners and their mortgagees, as their interests may appear, for full insurable replacement cost, as determined annually by the Board of Directors;

- (2) worker's compensation insurance and insurance coverage legal liability arising out of lawsuits related to employment contracts of the Association;
- (3) comprehensive public liability insurance in such amounts (but not less than \$1,000,000 for any one occurrence) and with such coverage as the Board of Directors shall from time to time determine, but at least covering events occurring anywhere on the Common Elements or arising out of or in connection with the use, ownership or maintenance of the Common Elements, and insuring each officer and member of the Board of Directors, the managing agent and each condominium Owner and with cross liability endorsement to cover liabilities of the condominiums Owners as a group to an condominium Owner and with a "Severability of Interest Endorsement" which would preclude the insurer from denying the claim of an condominium Owner for the negligent act of another Owner, occupant or the Association;

- (4) directors and officers liability insurance in such amounts as the Board of Directors shall, from time to time, reasonably determine; and
- determine. If reasonably available, the policy or policies of fire and extended coverage shall contain a stipulated amount clause, or determinable cash adjustment clause, or similar clause to permit a cash settlement covering specific value in the event of destruction and a decision not to rebuild and an inflation guard endorsement. The Board of Directors may from time to time designate an insurance trustee to receive proceeds. All such policies must provide that they may not be cancelled or substantially modified without at least ten days prior written notice to the Association and to each holder of a first mortgage listed as a scheduled holder of a first mortgage in the policy(s).
- B. All policies of physical damage insurance shall contain waivers of subrogation and waivers of any reduction of pro-rata liability of the insurer as a result of any insurance carried by condominium Owners or of invalidity arising from any acts of the insured or any condominium Owners. Provisions shall be made for issuance of certificates of physical damage insurance to mortgagees.
- C. Each condominium Owner may maintain such insurance as Owner shall desire for Owner's own benefit insuring Owner's personal liability, and Owner's carpeting, drapes, wallcovering, fixtures, furniture, furnishings, personal property, and improvements, fixtures and other property supplied or installed by Owner or a previous condominium Owner or tenant, provided that all such policies shall contain waivers of subrogation and further provided that the liability of the carriers issuing insurance obtained by the Association shall not be affected or diminished by reason of any such additional insurance carried by an condominium Owner. All insurance carried by the Association shall be primary in the event a loss occurs and any condominium owner has other insurance covering the same loss.
- D. In addition to the foregoing powers, and not in limitation thereof, the Board of Directors shall have the authority at all times without action by the condominium Owners to obtain and maintain in force any other coverages or endorsements which are required under the Act or which the Board of Directors deem necessary or desirable.
- E. Insurance premiums for any blanket property insurance coverage and the other insurance coverages purchased by the Association shall be common expenses to be paid by assessments levied by the Association, and such assessments shall be held in an account of the Association and used solely for the payment of the blanket property insurance premiums and other insurance premiums as such premiums become due.

- In the event that all or a part of the real estate or improvements are damaged or destroyed, the affirmative vote of 100% of the condominium Owners whose condominiums were damaged or destroyed shall be required in order not to rebuild, repair, or restore the damaged or destroyed condominiums. Otherwise, the damaged or destroyed condominiums shall be rebuilt, repaired or restored. In the event that 100% of the condominium Owners owning the damaged or destroyed condominiums have voted not to rebuild, repair or restore, such vote must then be confirmed by 80% of the remaining owners of the condominiums in the regime. In such event, all insurance proceeds received as a result of such damage or destruction as they relate to each condominium shall first be used to satisfy all liens outstanding against each such condominium and then any remaining equity shall be used to adequately secure the remaining condominiums from the effects of weather and then to construct appropriate replacement walls, roofing and any other necessary building appurtenances in order to allow for the remaining condominiums to function independently of the damaged or destroyed Condominiums that are not rebuilt, repaired or restored. If such proceeds are not sufficient relating to each condominium after payment of all liens relating to each condominium, the condominium owners of the damaged or destroyed Condominiums shall then be responsible for providing, on a pro rata basis, the necessary remaining funds. If adequate provision is not made to supply the remaining funds as described above, regardless of the votes taken by the affected condominium owners and by the remaining condominium owners, the improvements shall be rebuilt, repaired or restored to their condition prior to such damage or destruction as if the abovereferenced votes did not have the required affirmative percentages.
- G. The Association is hereby designated as attorney-in-fact for each and all of the condominium Owners from and after the time the condominium Owner purchases the condominium, for the purpose of adjusting all insurance claims. The Association, as attorney-in-fact, shall arrange for the purchase and maintenance of all the insurance described herein and shall be responsible for the collection and appropriate disposition of the proceeds thereof, the negotiation of losses and execution of releases of liability, and the execution of all documents and the performance of all other acts necessary as attorney-in-fact relating to all insurance matters for the Association. As attorney-in-fact, the Association shall have exclusive authority to deal with all matters regarding insurance, acquisition, maintenance and adjustment.
- H. Blanket fidelity bonds may be required to be maintained by the Association for all officers, directors and employees of the Association and all other persons handling, or responsible for, funds of or administered by the Association. Any management agent who has the responsibility for handling or administering funds of the Association shall be required to maintain fidelity bond coverage for its officers, employees and agents handling or responsible for the funds of or administered on behalf of the Association. Such fidelity bonds, if and when obtained, shall name the Association as an obligee and shall not be less than the estimated maximum funds, including reserve funds, in the custody of the Association or the management agent, as the case may be, at any given time during the term of

each bond. In no event, however, may he aggregate amount of such bonds be less than a sum equal to three months aggregate assessments on all Condominiums plus reserve funds. The bonds shall contain waivers by the issuers thereof of all defenses based upon the exclusion of persons serving without compensation from the definition of "employees" or similar terms or expressions. The premiums on all such bonds, except those maintained by the management agent, shall be paid by the Association as a common expense. The bonds shall provide that they may not be cancelled or substantially modified (including cancellation for nonpayment of premium) without at least ten days prior written notice to the Association.

- 8. <u>Rights of First Mortgagees</u>. The following provisions shall take precedence over all other provisions of this Declaration, and in the event of any inconsistency or contradiction, the following provisions shall control:
  - A. A first mortgagee of an condominium or its assigns, upon request, will be entitled to written notification from the Association of:
    - (1) any default in the performance by the condominium Owner of any obligation under this Declaration or the By-Laws which is not cured within thirty (30) days;
    - (2) any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association; or
    - (3) any proposed action which, pursuant to this Declaration or the Act, requires the consent of a specific percentage of the first mortgagees of the condominiums;
    - (4) any proposed amendment of the Regime instruments effecting a change in
      - (a) the boundaries of any condominium or the exclusive easement rights appertaining thereto,
      - (b) the interests in the general or limited Common Elements appertaining to any condominium or the liability for Common Expenses appertaining thereto;
      - (c) the number of votes in the Owners Association appertaining to any condominium;
      - (d) the purposes to which any condominium or the Common Elements are restricted;
        - (e) any proposed termination regime;

- (f) any condemnation loss or any casualty loss which affects a material portion of the Regime or which affects any condominium on which there is a first mortgage held, insured or guaranteed by such eligible holder;
- (g) any delinquency in the payment of assessments or charges owed by an Owner of an condominium subject to the mortgage of such eligible holder, insurer, or guarantor, where such delinquency has continued for a period of sixty (60) days; and
- (h) any lapse, cancellation or material modification of any insurance policy maintained by the Owners Association.
- B. Except as provided hereinafter concerning any vote requiring sixty-seven percent (67%) of condominium owners and/or fifty-one percent (51%) of the holders of first mortgages, this Declaration and the By-Laws of the Homeowners Association may be amended by a majority vote of all condominium owners in attendance at any meeting properly called for the purpose of voting on any amendments for which a quorum is present.
- C. This Declaration and the By-Laws of the Homeowners Association may be amended for the purpose of terminating the condominium regime if the consent of owners of condominiums to which at least sixty-seven percent (67%) of the votes in the Homeowners Association are allocated and if consent is obtained from at least sixty-seven percent (67%) of the votes of the eligible holders of first mortgages on condominiums.
- D. The consent of owners of condominiums to which at least sixty-seven percent (67%) of the votes in the Homeowners Association are allocated and the consent of at least fifty-one percent (51%) of the eligible holders of first mortgages on condominiums shall be required to materially amend any provisions of the Declaration, By-Laws or equivalent documents of the condominium or to add any material provisions thereto, which establish, provide for, govern or regulate any of the following:
  - (1) Voting;
  - (2) Assessments for Common Expenses, assessment liens or subordination of such liens;
  - (3) Reserves for maintenance, repair and replacement of the Common Elements;
    - (4) Insurance or fidelity bonds;

- (5) Rights to use of the Common Elements;
- (6) Responsibility for maintenance and repair of the several portions of the Regime;
- (7) Expansion or contraction of the Regime or the Addition, annexation or withdrawal or property to or from the Regime;
  - (8) Boundaries of any condominium;
- (9) The interests in the Common Elements or Limited Common Elements;
- (10) Convertibility of condominiums into Common Elements or of Common Elements into condominiums;
  - (11) Leasing of condominiums;
- (12) Imposition of any right of first refusal or similar restriction on the right of an condominium Owner to sell, transfer, or otherwise convey his or her condominium;
- (13) Any provisions which are for the express benefit of the holders of first mortgages on the condominiums;
- (14) By act or omission, seek to abandon, encumber, sell or transfer the Common Elements (the granting of easements for public utilities or for other public purposes consistent with the intended use of the Common Elements shall not be deemed such a transfer);
- (15) Use hazard insurance proceeds for losses to any Regime property (whether to condominiums or to Common Elements) for other than the repair, replacement or reconstruction of such Regime property, except as provided by statute in case of substantial loss to the condominiums and/or Common Elements of the Regime;
- (16) Partition or subdivide any condominium or the Common Elements;
- (17) Establishment of self-management by the Homeowners Association where professional management has been required by any of the agencies or lenders insuring or providing first mortgages relating to any of the condominiums.

Any such addition or amendment shall not be considered material if it is for the purpose of correcting technical errors, or for clarification only.

- E. Any holder of a first mortgage on an condominium in the Regime or such holder's designee, will, upon request, be entitled to:
  - (1) inspect the books, records and financial statements of the Regime and current copies of the Declaration, the By-laws of the Association and the rules and regulations of the Regime, as the same may, from time to time, be amended or promulgated, during normal business hours;
  - (2) receive an annual audited financial statement of the Regime within ninety (90) days following the end of any fiscal year of the Regime; and
  - (3) written notice of all meetings of the Association and be permitted to designate a representative to attend all such meetings.
- F. Regime assessments for Common Expenses shall include an adequate reserve fund for maintenance, repair and replacement of those Common Elements that must be maintained, repaired or replaced on a periodic basis, and shall, when practicable, be payable in regular installments rather than be special assessments.
- No provisions of this Declaration or of the By-Laws shall be deemed G. to give an condominium Owner, or any other party, priority over any rights of first mortgagees of condominiums, or their successors in interest, pursuant to their mortgages in the case of a distribution to the condominium Owners of insurance proceeds or condemnation awards or settlements for losses to or a taking of condominiums and/or Common Elements. In the event of substantial damage to or destruction of any condominium or any part of the Common Elements, the holder of any first mortgage on an condominium will be entitled to timely written notice of any such damage or destruction. If any condominium or portion thereof or the Common Elements or any portion thereof, is made the subject matter of a condemnation or Eminent Domain proceeding or is otherwise sought to be acquired by a condemning authority, then the holder of any first mortgage on an condominium will be entitled to timely written notice of any such proceeding or proposed acquisition. Upon the request of the holder of a first mortgage on any condominium, the Association shall agree, in writing, to notify such holder, any entity servicing such mortgage, and/or any other entity having an interest in such mortgage whenever damage to the condominium covered by such mortgage exceeds \$1,000.00 and whenever damage to the Common Elements exceeds \$10,000.00.

- H. The right of a condominium Owner to sell, transfer, or otherwise convey the Owner's condominium will not be subject to any right of first refusal or any similar restriction in favor of the Association.
- I. If the Owner of a first mortgage of record on an condominium or a purchase at a mortgage foreclosure obtains title to, or comes into possession of, an condominium pursuant to the remedies provided in the mortgage or by foreclosure of the first mortgage or by deed or assignment in lieu thereof, such acquirer of title or possession, his successors and assigns, shall acquire such title or possession free of any claims, and shall not be liable, for the share of the unpaid Common Expenses or assessments chargeable to such condominium which accrued prior to the acquisition of title or possession to such condominium by such acquirer. The assessments described herein shall be subordinate to the lien of all mortgages filed prior to the accrual of such assessments. Such unpaid share of the Common Expenses or assessments shall be deemed to be Common Expenses collectible from all of the condominium Owners, including such acquirer, his successors and assigns.
- 9. Grant of Easement of Ingress and Egress. The Declarant hereby grants a perpetual nonexclusive easement for ingress and egress over, across and through the "Real Estate", to all of the Owners of Regime condominiums in the Regime, the Homeowners Association, as well as their invitees and guests, for the purpose of obtaining access to the individual Regime condominiums, as well as for parking purposes, all of which easement rights, however, are subject to and conditioned upon the remaining terms, conditions and restrictions of this Declaration. Maintenance of the easement areas granted hereby shall be performed by the Association as a portion of the Common Areas maintenance.
- 10. Option to Add to Horizontal Property Regime. Declarant shall have the option without the consent or joinder of the Condominium Owners, the Association, any holder of an interest as security for an obligation or any other person or entity, to add to the Horizontal Property Regime described herein, any one or more of the parcels of land (hereinafter referred to as the "additional real estate parcel"), described in Exhibit "B" attached hereto and located in the City of Ankeny, County of Polk, State of Iowa. Such Option shall be subject to the terms and conditions hereafter set forth:
  - A. <u>Duration of Option</u>. The Option will expire on that date which is seven (7) years after the date upon which this Declaration is recorded. There are no circumstances that will terminate the Option before the expiration of said seven (7) year period. However, Declarant or anyone to whom Declarant have assigned said Option as hereinafter set forth, may terminate said Option as to any one or more of the Additional Real Estate Parcels above-described by executing a writing to such effect and recording the same in the same manner as a deed of the Additional Real Estate Parcel or additional Real Estate Parcels so affected.
  - B. <u>Timing</u>. Each of the Additional Real Estate Parcels above described may be added at different times in whole or in part. The various Additional Real Estate Parcels may be added in any order.

- C. <u>Buildings</u>. Any buildings and Condominiums that may be erected upon any Additional Real Estate Parcel which is added to the Regime will be compatible with the buildings and Condominiums originally constituting a part of the Regime in terms of architectural style, quality of construction, principal materials employed in construction, and size.
- D. <u>Applicability of Restrictions</u>. All restrictions in this Declaration affecting the use, occupancy, and alienation of Condominiums will apply to Condominiums created in any Additional Real Estate Parcel which is added to the Regime.
- E. <u>Improvements in Common Elements</u>. It is presently contemplated that the Common Elements in any Additional Real Estate Parcel added to the Regime will be substantially comparable to those originally constituting a part of the Regime. Declarant reserves the right to construct such other additional improvements as a part of the Common Elements of one or more of the Additional Real Estate Parcels as Declarant may hereafter determine, but in no event shall Declarant have any obligation to construct any improvements to the Common Elements of any of the Additional Real Estate Parcels.
- F. No Assurances. Nothing herein contained shall bind Declarant to add any of the Additional Real Estate Parcels to the Regime or to adhere to any particular plan of development or improvement for any portion of the Additional Real Estate Parcels not added to the Regime. None of the assurances set forth above will apply to any Additional Real Estate Parcel which is not added to the Regime.

# G. Exercise of Option.

- of the Additional Real Estate Parcels by executing and recording an amendment to this Declaration in a form for recording, which amendment shall specifically describe the additional real estate parcel or parcels being added to the Horizontal Property Regime pursuant to that amendment. Such amendment shall allocate one (1) vote in the Association to each Condominium to be constructed in the Additional Real Estate Parcel or Parcels being added and shall reallocate undivided interests in the Common Expenses of the Association equally among all Condominiums, whether they were originally a part of the Regime or added thereto by Amendment.
- (2) The Amendment as to any Additional Real Estate Parcel may not be recorded unless all improvements on the property to be added shall be substantially complete and are consistent with the floor plans and building materials as are previously described in this Declaration relating to the original real estate submitted to the Regime.

- (3) All installments of real estate taxes previously coming due and payable as well as accrued/prorated with respect to any Additional Real Estate Parcel added to the Regime, and all special assessments levied against such Additional Real Estate Parcels, shall be paid by Declarant prior to adding such parcel to the Regime.
- H. <u>Assignment of Option</u>. The Option described in this Section 10 may be assigned by Declarant insofar as it affects any Additional Real Estate Parcel herein described to the Owner of any such Parcel, if other than Declarant. Any such assignment shall be in writing, shall be recorded among the real estate records in the same manner as a conveyance of the Additional Real Estate Parcel and shall be subject to all of the terms and conditions of this Section.

# I. Reservations of Easements.

- (1) Declarant hereby reserves the right, in the event that one (1) or more of the Additional Real Estate Parcels are not added to the Regime (whether due to termination pursuant to Subparagraph A above to create the following perpetual, nonexclusive easements appurtenant to the Additional Real Estate Parcel or Parcels which were not added to the Regime, over, upon and under portions of the Common Elements within the Regime and within such Additional Real Estate Parcel or Parcels as have or may be added to the Regime pursuant to this Section:
  - Nonexclusive easements for (a) following purposes: (1) to connect any improvements constructed on the Additional Real Estate Parcel or Parcels which are not added to the Regime (hereinafter referred to as the "Excluded Parcels", whether one (1) or more) to any natural gas, cable, storm sewer, water, sanitary sewer, electrical, telephone or other utility line, pipe, wire or other facilities, including the right to connect any improvements constructed on the Excluded Parcels into, and the right to utilize, such utility lines, pipes, wires or other facilities which are or may be located within and/or which may serve the Regime and/or any such Additional Real Estate Parcel or Parcels as have or may be added to the Horizontal Property Regime; (2) to obtain natural gas, water, electricity, telephone and other utility services from, and to discharge storm and sanitary waste into, all such lines, pipes, wires or other facilities; and (3) to install, repair, maintain, operate and replace all such natural gas, storm, sewer, water, sanitary sewer, electrical, telephone, or other utility lines, pipes, wires, or other facilities; and (4) to

do such other acts or things as are necessary in order to connect into and/or to utilize such utility facilities to serve any improvements constructed or to be constructed on the Excluded Parcels; provided, however, that Declarant, its successors or assigns, as the owner or owners of the Excluded Parcels benefitted by the easements hereby reserved, shall be responsible for the restoration of any damage done or sustained in connection with the use of such easements.

Nonexclusive easements for the purpose of: (1) affording the Excluded Parcels and any improvements constructed or to be constructed thereon with access to and from a public road; (2) installing, repairing, maintaining, surfacing, resurfacing, grading, replacing and extending any private drives, lanes, streets, roads, or right-of-way over which the easements hereby reserved are or may be located to do such other acts or things as are necessary in order to afford any improvements constructed, or to be constructed, on the Excluded Parcels with access to a public road; provided, however, that Declarant, its successors or assigns, as the owner or owners of the Excluded Parcels benefitted by the easements hereby reserved, shall be responsible for the restoration of any land, drives, streets, roads or rights-of-way which are disturbed in connection with the use of such easements, and, provided further, however, that the location of the easements hereby reserved shall, to the extent practicable, be limited to the location of the private drives, lanes, streets, roads and rights-of-way existing within the Common Elements at the time or times that the easements hereby reserved are created.

The easements herein reserved may be created in the event that, and from time to time, as, one (1) or more Excluded Parcels are created due to termination as described herein. As evidence of the creation of one (1) or more of the easements reserved as described herein, the then Owner or Owners of the Excluded Parcels for whose benefit the easement is created shall execute and cause to be filed for record a Declaration of Easement setting forth a description of the easements thereby created and a description of the Excluded Parcels so benefitted by the easements

No consent or joinder of the thereby created. Association or any Condominium Owner or any mortgagee or other holder of an interest in any Condominium or Excluded Parcels so benefitted by the easements thereby created. No consent or joinder of the Association or any Condominium Owner or any mortgagee or other holder of an interest in any Condominium or Excluded Parcel as security for the performance of an obligation, nor any release therefrom, shall be required to affect or to evidence the creation of the easements hereby reserved. In addition, the owner of an Excluded Parcel, or of a platted lot within an Excluded Parcel, may at any time waive or terminate an easement hereby reserved or hereafter created for the benefit of such Owner's Excluded Parcel or platted lot within an Excluded Parcel, as the case may be, by the execution and recording of an instrument specifying such waiver or termination, and without the necessity of any consent or joinder by the Association, any Condominium Owner, or any mortgagee or other holder of an interest in any Condominium or Excluded Parcel or platted lot within an Excluded Parcel as security for the performance of an obligation, or any release therefrom. In the event that easements reserved in this Subparagraph are created, the Condominium Owners and the owner or owners of the Excluded Parcels benefitted by such easements shall, so long as the easements reserved herein are in existence, share all expenses of maintaining, repairing and replacing the private drives, lanes, streets, roads, rights-of-way, and the utility lines, pipes, wires and other facilities, which may be commonly used pursuant to the easements herein reserved in the following manner. A portion of any such costs and expenses equal to a fraction, the number of Condominiums in the Regime and the total number of Condominiums, lots or other individual parcels within the Excluded Parcels benefitted by such easements, shall be paid by the Condominium Owners of the Regime. The balance of any such costs or expenses shall be paid by the Owner or Owners of the Excluded Parcels benefitted by such easements. Any portion of the costs and expenses to be paid by the Condominium Owners or the Regime shall be paid by Association as a Common Expense. Notwithstanding the foregoing, if one or more

Excluded Parcels benefitted by such easements are used for other than residential purposes, then such costs and expenses shall be apportioned to, and shared by the Condominium Owners and the Owner or Owners of such Excluded Parcel or Parcels on any fair basis.

#### 11. Miscellaneous.

- A. <u>Termination</u>. Except in the case of a taking of all of the condominiums by Eminent Domain, this Regime may be terminated only by the written agreement of all condominium Owners and of all first mortgagees of condominiums, and may not be abandoned, nor may such termination or abandonment be sought by act or omission, without such unanimous consent.
- B. No Right of First Refusal. The Association shall NOT have any right of right of first refusal for any condominium.
- C. <u>Right of Association to Hold condominium</u>. Subject to the provisions of the By-Laws, the Board of Directors, acting on behalf of the Association, shall have the power to acquire, hold, lease, mortgage and convey an condominium, including the power to purchase an condominium at the foreclosure sale for unpaid assessments.
- Remedies of the Association. In the event of the failure of any D. condominium Owner to comply with the provisions of this Declaration, the Articles or By-Laws of the Association, or the decisions, regulations or rules of the Association, the Association or any aggrieved condominium Owner may, in addition to any other right or remedy available to the Association or such aggrieved condominium Owner, bring an action for the recovery of damages, injunctive relief or both. Suit to recover a money judgment for unpaid Common Expenses or for other amounts owing the Association may be maintained by the Association without foreclosing or waiving the lien securing the same. In the event of any such suit or action the prevailing party shall be entitled to recover from the losing party, an amount equal to all costs, including attorney fees, incurred by such prevailing party in the preparation for and prosecution of such suit or action. condominium Owners shall have the right of action against the Homeowners Association should the Homeowners Association fail to comply with the above provisions. The Association shall also have the right to levy fines not to exceed the sum of \$25 per day for violations of this Declaration, the Articles or By-Laws of the Association, or the decisions, regulations or rules of the Association, and the Association may file a lien against the violator's Condominium with the Polk County Recorder to evidence such fine. Such fine(s) may only be levied after a meeting of the Board of Directors of the Association has been held following the giving of a 10 day written notice to the offending Owner to allow such Owner an opportunity to be heard.

- E. <u>Condemnation of Common Elements</u>. Subject to the provisions of the Act, the Association shall have control over any condemnation proceedings, negotiations, settlements and agreements with the condemning authority relating to the acquisition by the condemning authority of the Common Elements or any part thereof. The Association is hereby appointed attorney in fact for each and all of the condominium Owners from and after the time the condominium Owner purchases the condominium for the purpose of handling all condemnation matters.
- F. <u>Supplemental to Law</u>. The provisions of this Declaration shall be in addition to and supplemental to the Act and to all other provisions of law.
- G. <u>Definition of Terms</u>. As used in this Declaration or in the By-Laws, any words or terms defined in the Act shall have the meaning there ascribed to them. The singular shall be deemed to include the plural wherever appropriate; and unless the context clearly indicates to the contrary, any obligation imposed shall be joint and several. The "Association" shall mean Prairie Lakes Condominiums Association, an Iowa non-profit corporation.
- H. <u>Administration/Assessments</u>. The Owners of condominiums in the Regime covenant and agree that ownership of any property within the Regime and levying and payment of assessments, as well as the administration of the Regime shall be in accordance with the provisions of the Act, this Declaration, the By-Laws of the Association, a copy of which is attached hereto as Exhibit "B", and any rules and regulations promulgated by the Board of Directors of the Association.
- The written joinder and consent of the Joinder of Declarant. Declarant shall be required to amend this Declaration until the earlier of (i) that date which is seven (7) years after the conveyance of an condominium to an condominium Owner other than Declarant; (ii) that date which is one hundred twenty (120) days after the conveyance of seventy-five percent (75%) of the condominiums (including any condominiums which have then or may thereafter be added to the Regime pursuant to this Declaration) to condominium Owners other than Declarant; or (iii) a recording of a written surrender of control of the Association by Declarant; in addition to the statutory requirements for the amendment of this Declaration and the By-Laws of the Association, and the requirements for such amendment as set forth herein. The joinder of the Federal Housing Administration for any such amendment shall only be required if such amendments do not comply with HUD legal policy statements as set forth in Revised Legal Policies, dated October, 1980, Handbook 4265.1, CHG 4, Appendix 24, pp 1-37.
- J. In the event that the closing of the purchase of the real estate described herein, whereby Visions Investments, L.L.C. sells the within described real estate to Northwood Townhomes, L.L.C., does not occur, Visions Investments, L.L.C. shall have the right to terminate this Condominium Declaration and remove the property described herein from the terms of the Condominium Regime without the consent or joinder of Northwoods Townhomes, L.L.C.

No amendment that adds additional property to the terms of this declaration pursuant to the option set forth herein shall require the consent of any condominium Owner other than the Declarant.

IN WITNESS WHEREOF, Declarant has caused this Declaration to be executed, and Owner has consented to the Declaration, the day and year first above written.

OWNER:	DECLARANT:
VISIONS INVESTMENTS LLC	NORTHWOOD TOWNHOMES, L.L.C.
By Jahlandle, Manager	ByCliff McClure, Manager
STATE OF IOWA : : SS	
COUNTY OF POLK :	
On this	he is the Manager of Visions Investments LLC; in behalf of said Visions Investments LLC by it d Manager acknowledged the execution of the
	PAULA J. HYLBAK
STATE OF IOWA :	Commission Number 711663 My Commission Expires July 27, 2007
COUNTY OF POLK :	
On this day of	y company; and that said instrument was signed authority of its members, and the said Cliff ument to be the voluntary act and deed of said
- <b>27</b> -	PAULA J. HYLBAK Commission Number 711663 My Commission Expires July 27, 2007

No amendment that adds additional property to the terms of this declaration pursuant to the option set forth herein shall require the consent of any condominium Owner other than the Declarant.

IN WITNESS WHEREOF, Declarant has caused this Declaration to be executed, and Owner has consented to the Declaration, the day and year first above written.

OWNER:	DECLARANT:
VISIONS INVESTMENTS LLC	NORTHWOOD TOWNHOMES, L.L.C.
By, Manager	By Cliff/McClure, Manager
STATE OF IOWA : : SS COUNTY OF POLK :	
On this	on behalf of said Visions Investments LLC by aid Manager acknowledged the execution of the
	Notary Public in and for the State of Iowa
STATE OF IOWA  : SS  COUNTY OF POLK  On this day of	ty company; and that said instrument was signed by authority of its members, and the said Cliff rument to be the voluntary act and deed of said
STREETAR CAMERON Commission Number 701205 My Commission Expires January 14, 2006	Stuth Camum  Notary Public in and for the State of Iowa

# Exhibit "A"

# (Site Plan and Building Plans)

Unit #1 Building "2"	1606 Prairie Lakes Drive	6.25%
Unit #2 Building "2"	1606 Prairie Lakes Drive	6.25%
Unit #3 Building "2"	1606 Prairie Lakes Drive	6.25%
Unit #4 Building "2"	1606 Prairie Lakes Drive	6.25%
Unit #5 Building "2"	1606 Prairie Lakes Drive	6.25%
Unit #6 Building "2"	1606 Prairie Lakes Drive	6.25%
Unit #7 Building "2"	1606 Prairie Lakes Drive	6.25%
Unit #8 Building "2"	1606 Prairie Lakes Drive	6.25%
Unit #1 Building "3"	1640 Prairie Lakes Drive	6.25%
Unit #2 Building "3"	1640 Prairie Lakes Drive	6.25%
Unit #3 Building "3"	1640 Prairie Lakes Drive	6.25%
Unit #4 Building "3"	1640 Prairie Lakes Drive	6.25%
Unit #5 Building "3"	1640 Prairie Lakes Drive	6.25%
Unit #6 Building "3"	1640 Prairie Lakes Drive	6.25%
Unit #7 Building "3"	1640 Prairie Lakes Drive	6.25%
Unit #8 Building "3"	1640 Prairie Lakes Drive	6.25%

All condominium units in these two buildings will be "Layout B" of the building plans shown as Exhibit "A" with 3 bedroom units on the first floor and 2 bedroom units on the second floor.

All garage units in Building 8 which is included in the Regime at the present time and all garage units in Building 9 (which may be subsequently added to the terms of this Declaration) are hereby allocated as Limited Common Elements to the Condominium Unit set forth opposite the garage number as is shown on Appendix B.

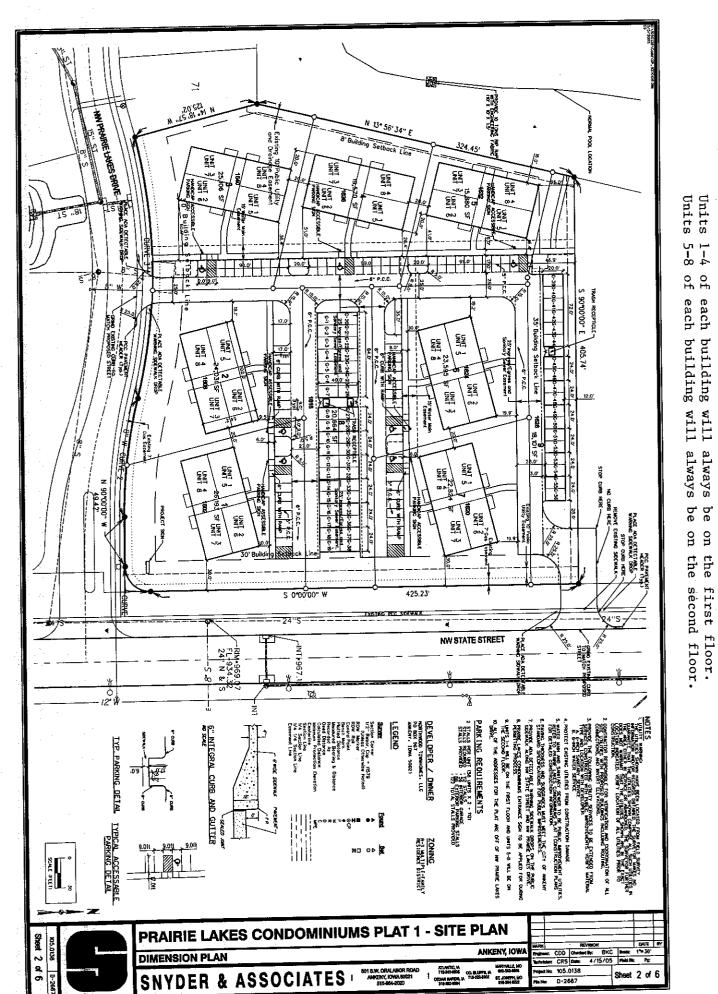


Exhibit \"A"

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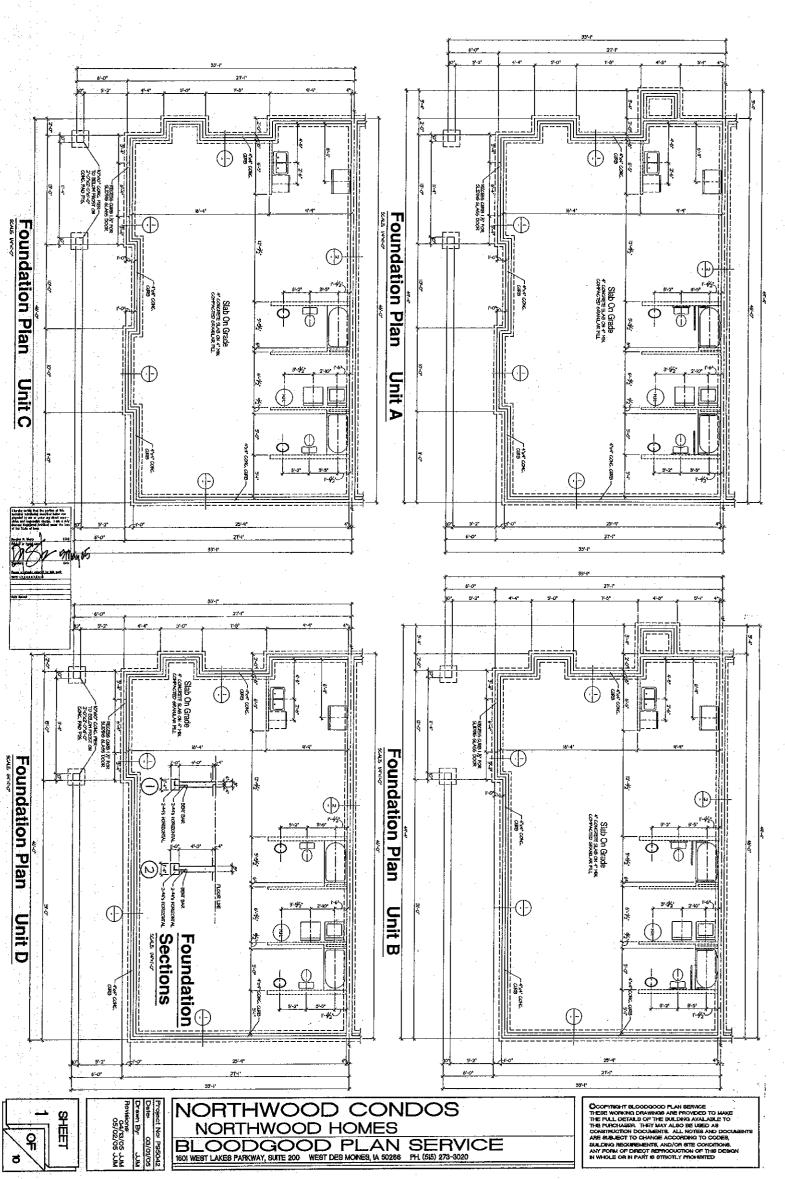
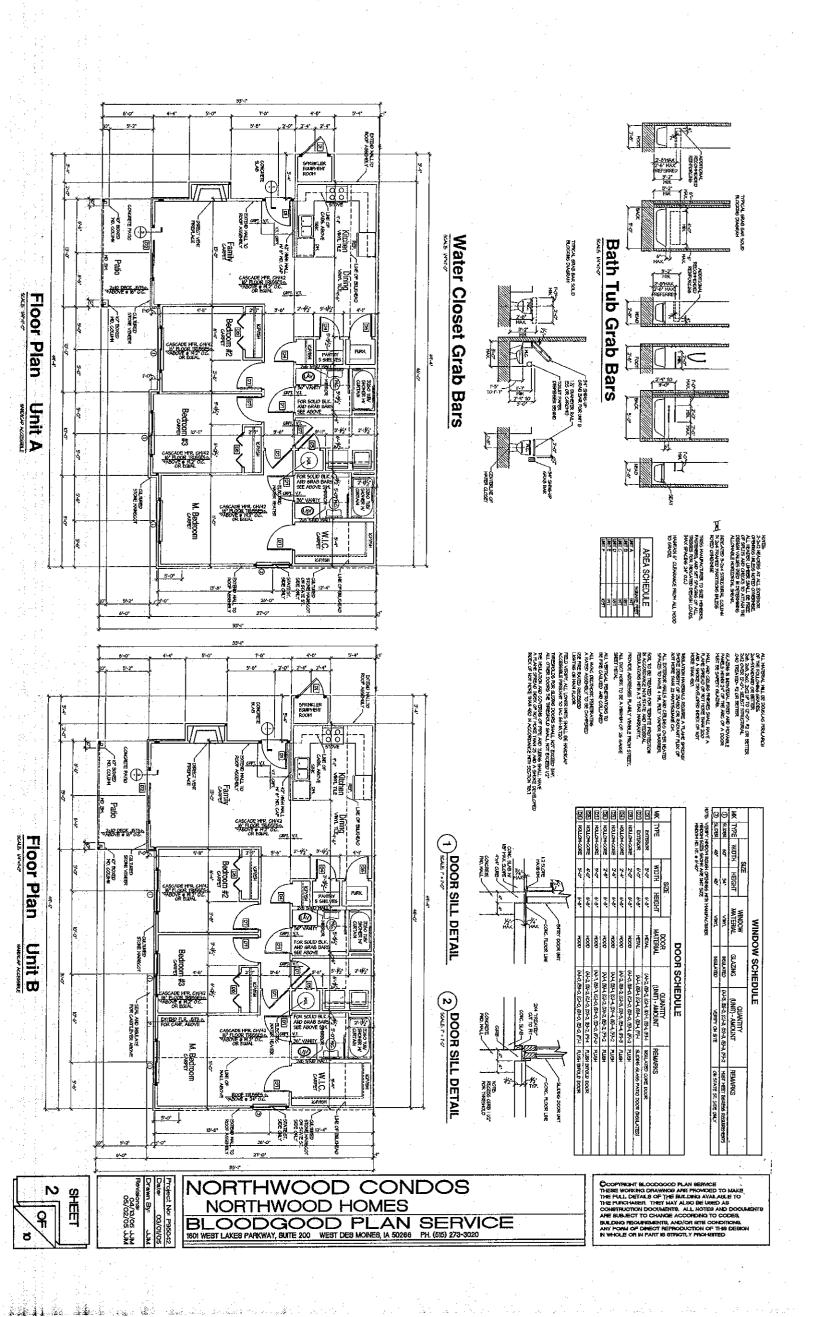
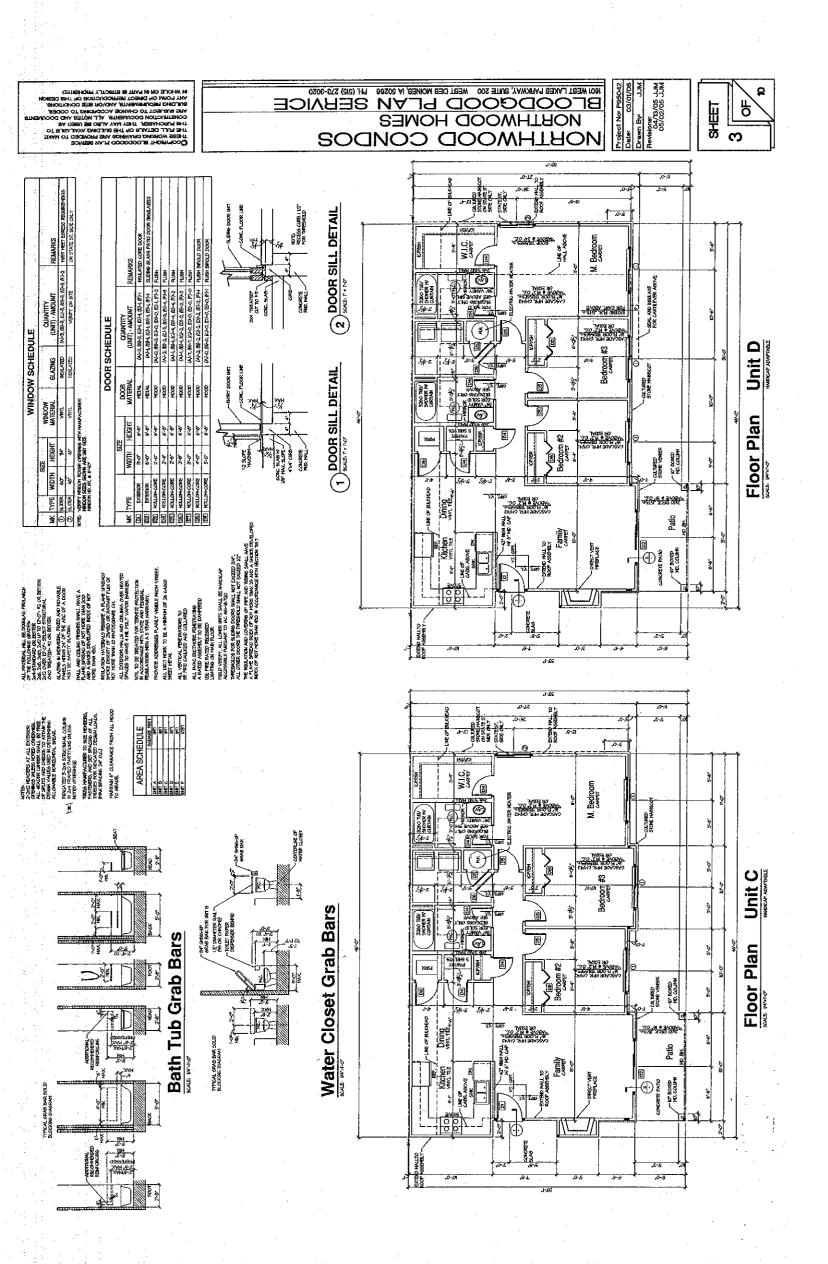
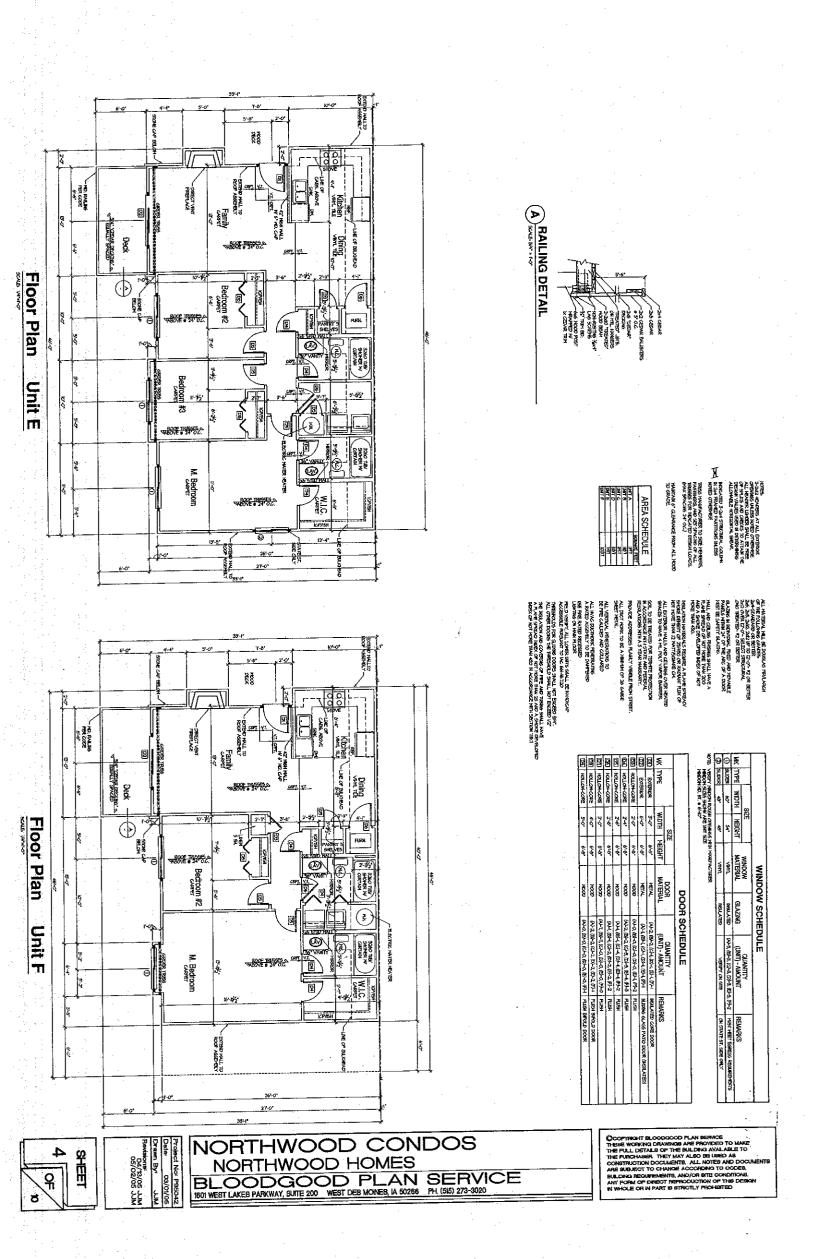
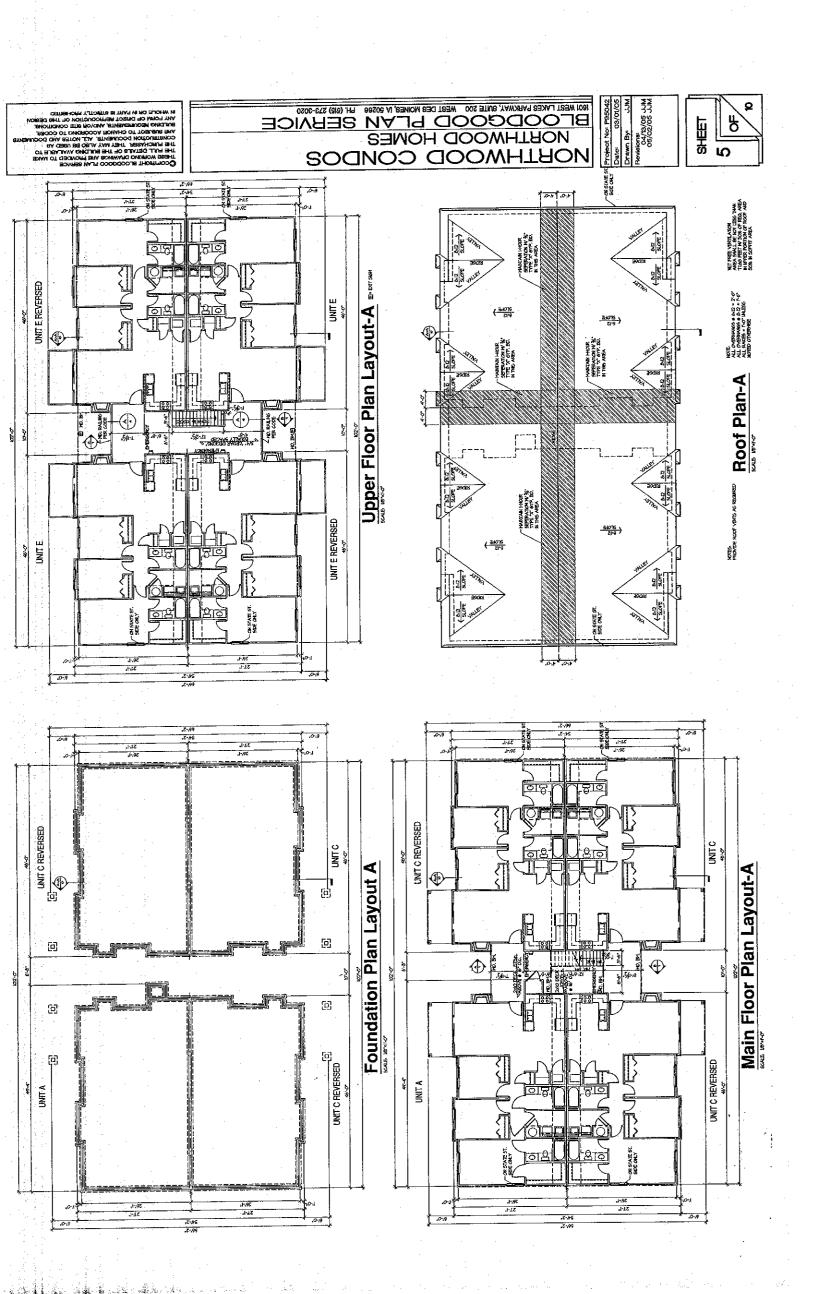


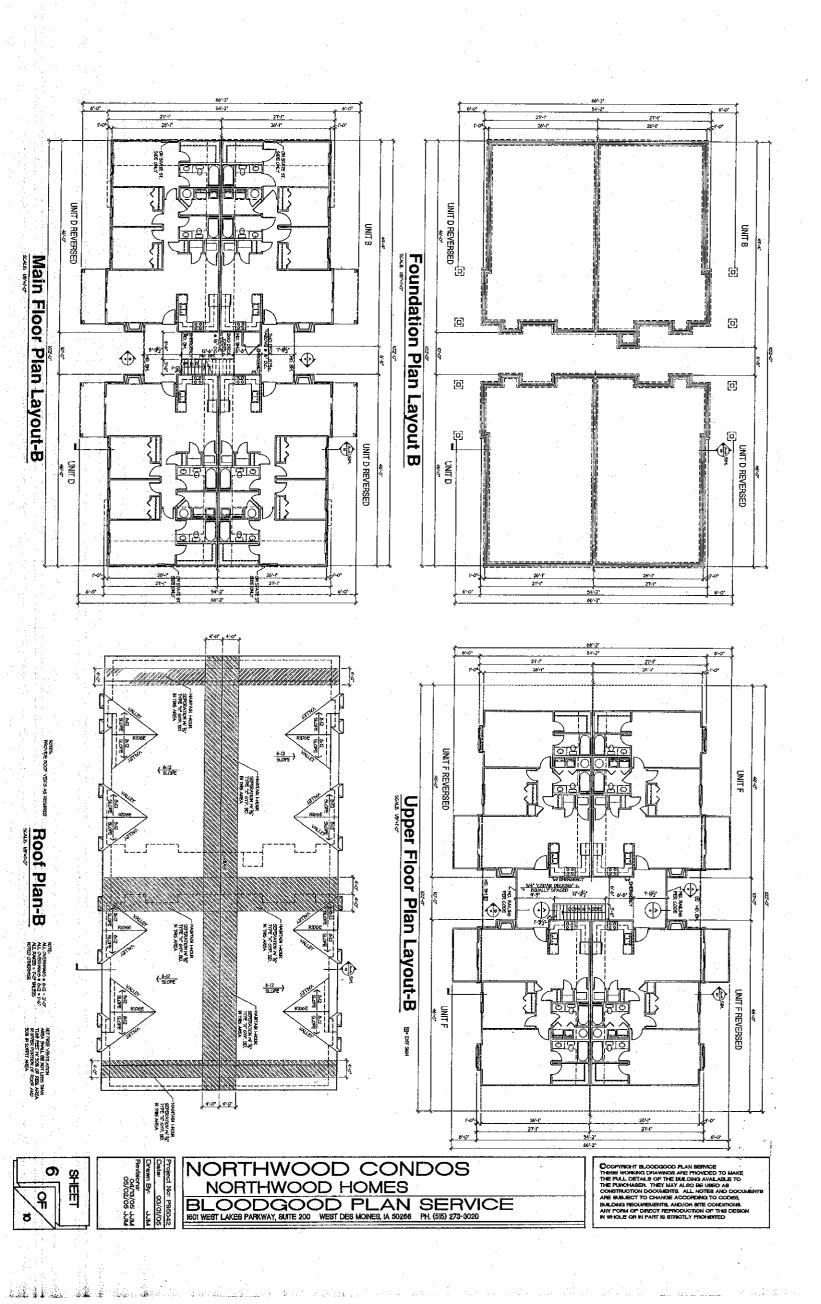
Exhibit "A"

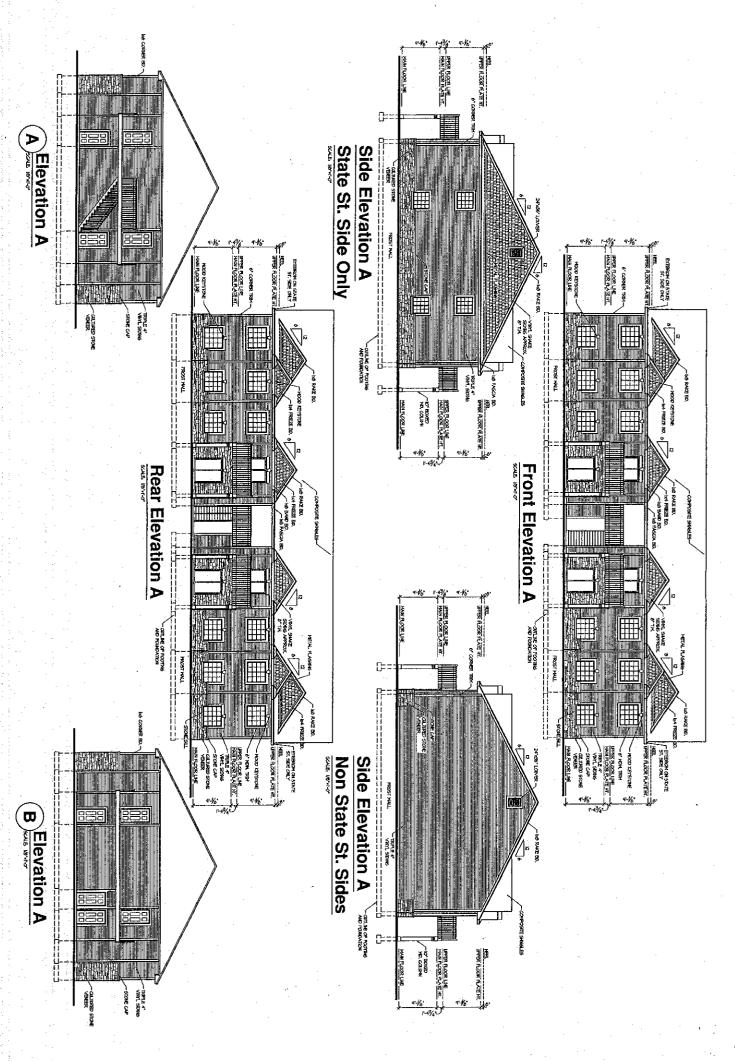










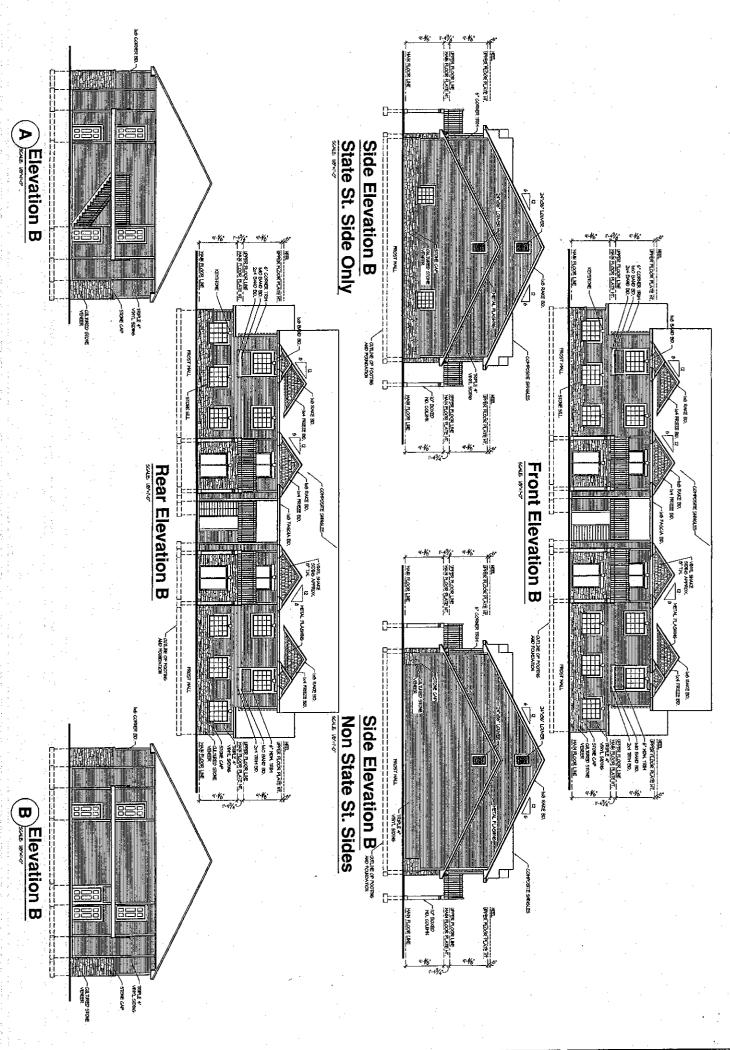






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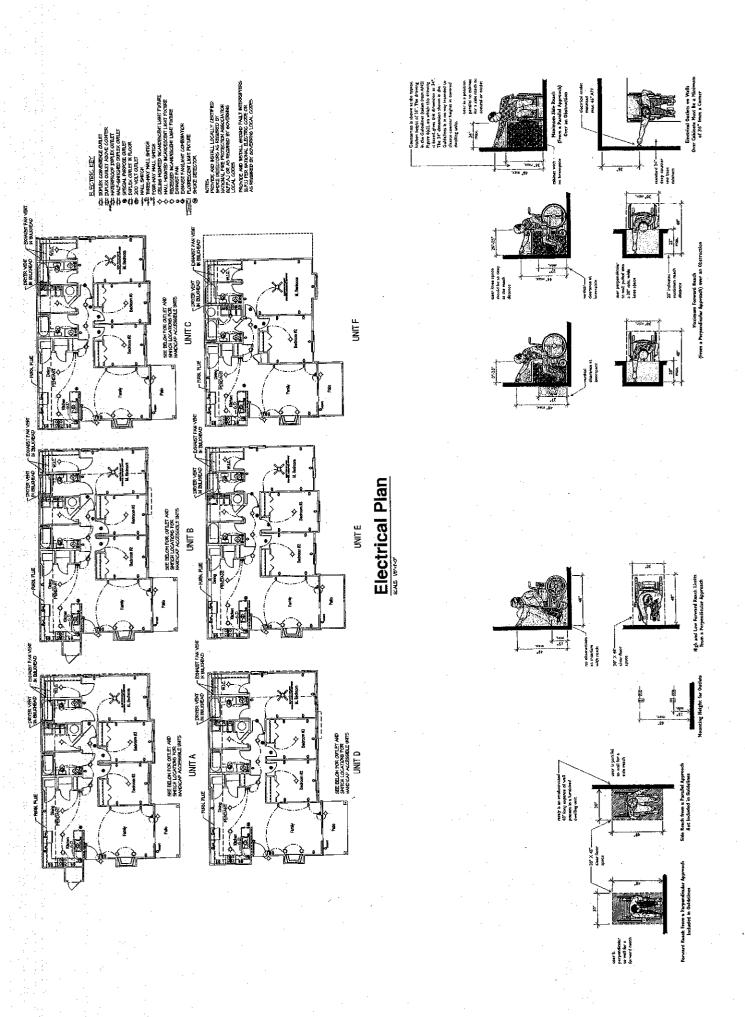
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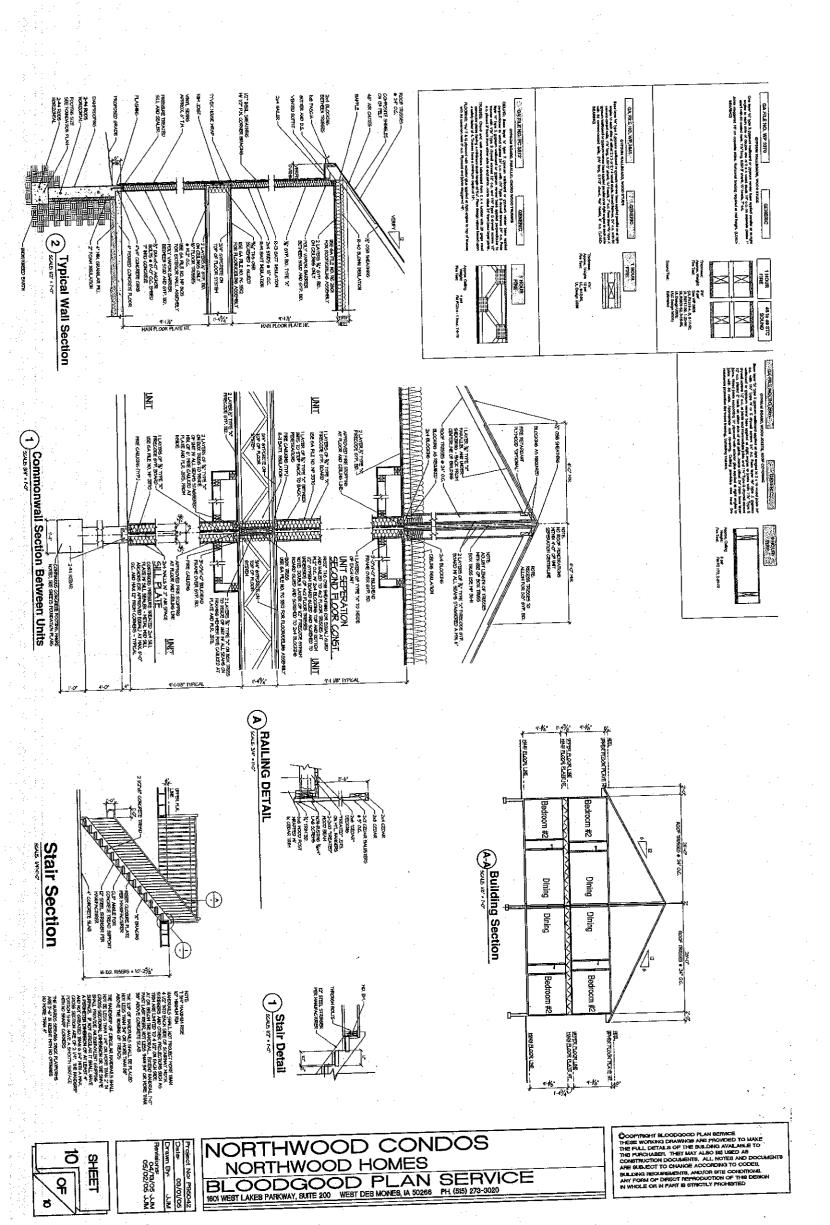
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# HOURSTLAKES PARKWAY, SUTE 200 WEST DES MOMES, IA 50266 PH. (56) 273-3020 NORTHWOOD PLAN SERVICE NOMEST LAKES PARKWAY, SUTE 200 WEST DES MOMES, IA 50266 PH. (56) 273-3020









# Exhibit "B"

# (Additional Real Estate Parcels)

Lots 1, 4, 5, 6, 7, and 9 Prairie Lakes Plat 3 an official plat now included in and forming a part of the City of Ankeny, Polk County, Iowa

As each lot referenced above is added to the terms of the Declaration, determination will be made and reflected in the amendment that references the improvements as "Layout A" or "Layout B".

Prepared by and after recording return to: Streetar Cameron, 317 Sixth Avenue, Suite 300, Des Moines, Iowa 50309 (515) 243-

# CONSENT OF MORTGAGEE TO DECLARATION OF SUBMISSION OF PROPERTY TO HORIZONTAL PROPERTY REGIME FOR PRAIRIE LAKES CONDOMINIUMS

First American Bank, as Mortgagee of the property legally described as:

Lot 2 in Prairie Lakes Plat 2, an Official Plat, now included in and forming a part of the City of Ankeny, Iowa;

to be known as Prairie Lakes Plat 3, an Official Plat, now included in and forming a part of the City of Ankeny, Polk County, Iowa, hereby consents to the attached Declaration of Submission of Property to Horizontal Property Regime for Prairie Lakes Condominiums, to which this Consent is attached, and agrees that the Real Estate Mortgage dated March 31, 2004, and filed April 9, 2004, in Book 10473, Page 257, and the Real Estate Mortgage dated December 1, 2004, filed January 5, 2005, and recorded in Book 10893 at Page 504, shall be subject to the terms of the Declaration of Submission.

may 5,2005

FIRST AMERICAN BANK

Dean L. Peyton, Executive Vice President

STATE OF IOWA

: SS

COUNTY OF POLK

On this day of May, 2005, before me, the undersigned, a Notary Public in and for the State of Iowa, personally appeared Dean L. Peyton, to me personally known, who, being by me duly sworn, did say that he is the Executive Vice President of the corporation executing the within and foregoing instrument; that said instrument was signed on behalf of the corporation by authority of its Board of Directors; and that Dean L. Peyton, as such officer, acknowledged the execution of the foregoing instrument to be the voluntary act and deed of the corporation; by it and by him voluntarily executed.

MARCIA L PEPPER
Commission Number 171576
My Commission Expires
October 15, 2005

Notary Public in and for the State of Iowa