

**BYLAWS
THE SILVER OAK MASTER ASSOCIATION**

**ARTICLE I.
IDENTIFICATION**

The name of the corporation is: The Silver Oak Master Association (herein referred to as "Association"), a corporation organized pursuant to Chapter 504A of the Code of Iowa for the purpose of administering the specific responsibilities granted to the Master Association under the provisions of the Amended, Restated and Substituted Declaration of Submission of Property to the Horizontal Property Regime for the Condominiums and Townhomes at Silver Oak under the Chapter 499B of the Code of Iowa (hereinafter sometimes referred to as "Regime") located upon an Official Plat in and forming a part of the City of West Des Moines, Dallas County, Iowa and legally described as:

Lot 1 of Maple Grove, Plat 2, an Official Plat now included in and forming a party of the City of West Des Moines, Dallas County, Iowa

**ARTICLE II.
MEMBERS AND VOTING RIGHTS**

The Jerry's Homes, Inc. or its successors or assigns, as Developer, shall be and have the right of members herein until relinquished. Subsequent, membership shall be as provided in the Articles of Incorporation.

**ARTICLE III.
MEMBERS' MEETINGS**

1. The monthly meeting of this Association, and any special meetings shall be held at a time and a place chosen by the Board of Directors, and all such meetings, annual or special, shall be held at such particular time and place as is set forth in the notice thereof.

2. A special Meeting shall be held whenever called by the President, or, in his absence or disability, the Vice President, or by a majority of the Board of Directors and must be called by such officers upon receipt of a written request from members entitled to cast 33 1/3% of the votes of the entire membership.

3. The Secretary shall give written notice to each member of the annual meeting. The person or persons calling a special meeting pursuant to Article III, paragraph 2 shall give like written notice of such special meeting. All notices shall set forth the time and place and purpose or purposes for which the meeting will be held.

4. Notice of a members' meeting shall be given by mailing or delivering the Same not less than ten (10), nor more than thirty (30) days prior to the date of the meeting. Notice shall be deemed duly given if mailed by first class mail to the member at the address of his unit Within the Regime, unless at the time of giving such notice he has given written direction,

delivering to an officer or member of the Board of Directors, specifying a different mailing address to be carried on the rolls of the Association. If more than one person is an owner of the same unit or if more than one fiduciary or other official is acting in the premises, notice shall be deemed given when given in accordance with this paragraph to the person named in the certificate filed with the Association in accordance with Article II, paragraph 3. Notice of any meeting may be waived in writing by the person entitled thereto. Notice given pursuant hereto shall be sufficient to all such owners of record as the date of mailing.

5. A quorum at a members' meeting shall consist of the presence of members or other person or by proxy, holding a simple majority of the ownership units outstanding. The acts carried or approved by a vote of a simple majority of the ownership units represented at a meeting at which a quorum is present shall constitute the acts of the members unless a different rule is provided herein or by the Articles of Incorporation, the Declaration, or other agreement to which the Association is a party. The President, or, in his absence or disability, the Vice President, shall preside at each members' meeting. If neither the President or the Vice President is available to preside, a chairman shall be elected by the members present at such meeting. If the required quorum is not forthcoming at any meeting, another meeting may be called subject to the notice requirements herein and the required quorum at any such subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting, if and only if such subsequent meeting shall be held within sixty (60) days following such preceding meeting.

6. At any meeting, the presences of duly elected members and the exercise of the voting rights of a member entitled to cast votes by proxy shall be permitted and recognized provided such proxy is in writing and signed by the person granting said proxy. The decision of the Board of Directors as to the sufficiency of any proxy for recognition shall be final and not subject to appeal to the members.

7. At all meetings the order of business shall consist of the following:

- (a) Election of chairman, if required.
- (b) Calling roll and certifying of proxies.
- (c) Proof of notice of meeting or waiver of notices.
- (d) Reading and disposal of unapproved minutes.
- (e) Reports of officers, if applicable.
- (f) Reports of committees, if applicable.
- (g) Election of Directors, if applicable.
- (h) Unfinished business.
- (i) New Business.

ARTICLE IV BOARD OF DIRECTORS

1. The affairs of the Association shall be managed by a Board of not less than one (1) nor more than eight (8) directors. The initial Board shall consist of one person as the Developer may appoint and need not be member of the Association. The initial Board shall serve

until the first annual members' meeting which shall be held no later than the earlier of 120 days after the date by which 75% of the units have been conveyed to unit purchasers ~~or the date 5 years after the date of the first unit is conveyed~~. From and after such first annual meeting of the members, the Board of Directors shall be selected from the members of the Association. An officer or designated agent of a corporate member qualifies to serve as a Director.

2. At the first annual members' meeting and each meeting thereafter, the chosen number of Directors shall be elected and the term of office of each Director shall extend until the next annual meeting of the members and thereafter until, his successor is duly elected and qualified or until he is removed in the manner as elsewhere provided.

3. Each Director shall be elected by ballot (unless dispensed with by unanimous consent) and by a plurality of the votes cast at the annual meeting of the members of the Association. Each person entitled to vote shall be entitled to vote for as many nominees as there are vacancies to be filled by election and each member shall be elected by separate ballot (unless provided otherwise by unanimous consent of the members).

4. Except as provided in Paragraph 5 of this Article, vacancies in the Board of Directors may be filled until the date of the next annual meeting by a vote of a majority of the Directors remaining in office regardless of whether those remaining constitute a quorum.

5. The initial Director shall be subject to removal only by the Developer. Thereafter a Director may be removed by concurrence of two-thirds (2/3) of the members of the Association at a special meeting called for that purpose. The vacancy in the Board of Directors so created shall be filled by the persons entitled to vote at the same meeting.

6. The initial Director and officers selected by the initial Director, shall serve without compensation; thereafter, Directors shall receive such compensation and expenses as are approved by the persons entitled to vote at any annual or special meeting.

7. An organization meeting of a newly elected Board of Directors shall be held within ten (10) days of their election at such place and time as shall be fixed by the directors at the meeting at which they are elected. No further notice of the organization meeting shall be necessary.

8. A majority of the Board may, by resolution, set the time and place for regular meetings of the Board and no notice thereof shall be required until such resolution is modified or rescinded. Special meeting of the Directors may be called by the President, Vice President Or any two Directors provided not less than two days' notice shall be given, personally or by mail; telephone, or telegraph, which notice shall state the time, place and purpose of the meeting.

9. A quorum at a Director's meeting shall consist of a simple majority of the entire Board of Directors. The acts approved by a simple majority of those present at a meeting duly called at which a quorum is present shall constitute the acts of the Board of Directors except where approval by a greater number of Directors is required by the Declaration or by these Bylaws.

10. The presiding officer of a Directors' meeting shall be the President or in his absence, the Vice President. In the absence of the President and Vice President, the Directors present shall designate one of their number to preside.

11. The Board of Directors, by resolution approved by all members thereof, may designate from among its members such committees as it deems advisable and, by resolution provide the extent and manner to which the same may have and exercise the authority of the Board.

ARTICLE V.
POWERS AND DUTIES OF THE BOARD OF DIRECTORS

All of the powers and duties of the Association shall be exercised by the Board of Directors including those existing under common law and Iowa statutes, the Articles of Incorporation, the Declaration and the documents establishing the Regime. Such powers and duties of the Directors shall be exercised in accordance with the provisions of the Declaration of Condominium which governs the use of the land, and shall include in addition to those elsewhere provided for but shall not be limited to the following:

1. To make and collect assessments against sub-associations for all common expenses.
2. To use the proceeds of assessments in the exercise of its powers and duties.
3. The maintenance, repair, replacement and operation of Master Association responsible property.
4. The reconstruction, repair, restoration, or rebuilding of the Master Association Property; the construction of new improvements or alterations if authorized; to make and amend regulations respecting the use and occupancy of the Master Association Property in the Master Association and to permit or forbid an action or conduct within the discretion committed to them in the Declaration, Articles of Incorporation, Bylaws, and resolutions of the members.
5. To enforce by legal means the provisions of the Iowa Code Chapter 499B ("Horizontal Property Act" or "Act"), the Articles of Incorporation, the Bylaws of the Association, the Declaration, and the regulations for the use of the property in the Regime; and to take legal action in the name of the Association and on behalf of its members.
6. To contract for management of the Master Association Property and to delegate to such contractor any or all powers and duties of the Association except such as are specifically required by the Act, Declaration, Bylaws, or Resolution of the members to have approval of the Board of Directors or the membership of the Association.
7. To employ, designate or remove personnel and to otherwise perform the services required for proper organization of Master Association Property.
8. To carry insurance upon the property and insurance for the protection of the Association as provided in the Declaration.

9. To pay the cost of all power, water, sewer, and other utility or other services rendered to the Master Association Property.
10. To conduct all votes or determinations by members other than at a membership meeting.
11. To borrow money from any bank, lending institution or agency for the use and benefit of the Association, and to secure the loan or loans by pledge of the assets of the Association, and from time to time to renew such loan and give additional security.
12. To do such other acts as are necessary and proper to effect the purpose of the Regime as stated in the Declarations and Bylaws provided such acts are not otherwise prohibited.

ARTICLE VI. **OFFICERS**

1. The officers of the Association shall be the President, a Vice President, a Treasurer and a Secretary, all of whom shall be elected annually by the Board of Directors and may be peremptorily removed and replaced by vote of the Directors at any meeting. The initial officers and their successors shall be chosen by the initial Board of Directors and shall serve Until the first annual membership meeting. The Board of Directors may from time to time create and fill other offices and designate the powers and duties thereof. Each officer shall have the powers an duties usually vested in such office, and such authority as is committed to the office by the Bylaws or by specific grant from the Board, but subject at all times to the provisions of the Bylaws and to the control of the Board of Directors.
2. The President shall be the chief executive officer of the Association. He shall preside at all membership meeting and meetings of the Board of Directors and shall have power to appoint committees from among the members to assist in the conduct of the affairs of the Association and Regime.
3. The Vice President shall preside over membership meetings in the absence or disability of the President, and shall otherwise exercise the powers and duties of the President in the event of the absence or disability of the President and generally assist the President and exercise such other powers and duties as are prescribed by the Directors.
4. The Secretary shall keep the minutes of all proceedings of membership meetings and Directors' meetings and shall have custody and control of the minute book of the Association, and shall keep or be in charge and control of the records of the Association except those of the Treasurer.
5. The Treasurer shall have control of the funds and other property of the Association and shall keep the financial books and records thereof.
6. The compensation of all officers and employees shall be fixed by the Directors. This provision shall not preclude the Board of Directors from employing a Director as an employee, nor the contracting with a Director for the management of the Regime.

7. Any instrument affecting an interest in real estate shall be executed pursuant to the terms of Article IX of the Articles of Incorporation.

ARTICLE VII **FISCAL MANAGEMENT**

1. The Board of Directors shall adopt a budget for each fiscal year including the fiscal year in which the improvements on the Phase I Land are completed (which shall be the same as the Association's fiscal year for income tax purposes) which shall include the estimated funds required to defray the common expenses and to provide and maintain funds for the following accounting categories according to good accounting practices:

- (a) Current expenses which shall include all funds and expenditures to be made within the year for which the funds are budgeted, including a reasonable allowance for the contingencies and working funds, except expenditures chargeable to reserves or to additional improvements. The balance of this fund at the end of each year shall be applied to reduce the assessments for current expenditures for the succeeding year.
- (b) Reserve for deferred maintenance, which shall include funds for maintenance items which occur less frequently than annually,
- (c) Reserve for replacement which shall include the funds and repair or replacement required because of damage, destruction, depreciation or obsolescence,
- (d) Reserve for insurance deductibles.

2. The Board of Directors shall assess against each unit, and the owners thereof only shall be liable for, a share of the items in the budget adopted pursuant to Paragraph 1 which bears the same ratio to the total budget as the ownership units appurtenant to such unit bear to the total ownership units of all units subject to the Regime. Such share shall as assessed for the fiscal year for which the budget was prepared annually in advance and notice of such assessments shall be mailed or delivered not less than thirty (30) days prior to the first day of such fiscal year. Such assessment shall be due and payable from the respective unit owner or owners in 12 equal installments, each installment being due and payable the first day of each calendar month, which day falls within such fiscal year. In the event the Regime is expanded during a fiscal year as provided in the Declaration, the share of any unit's annual assessment for such fiscal year shall be reduced to the new ratio of such unit to all total units and the monthly installments payable, by each unit shall be correspondingly reduced commencing with the monthly assessment payable after the filing of the supplemental declaration by which the Regime is expanded, and the sale of any unit added by such supplemental declaration. In the event notice of such assessment is not timely given the amount of such assessment shall not change, but the due date for each installment which would otherwise be due and payable less than 30 days from the giving of such notice shall be due and payable on the due date of the first installment which is due not less than 30 days from the date such notice is mailed or delivered. Notwithstanding the foregoing, the assessment notices for the first fiscal year, or portion thereof remaining, of the condominium property when completed, shall be delivered to unit owners, no later than 60 days after the closing of the sale of the first unit and the assessment shall be due in monthly installments spread over the

remaining months of such fiscal year beginning on the first day of the month at least 30 days after delivery of such notice. In the event the annual assessment proves to be insufficient; the budget and assessments therefore, may be amended at any time by the Board of Directors if the total amount of the budget as amended does not exceed 110% of the total amount of the budget as originally adopted for the said fiscal year. In the event the budget as amended exceeds: the limitation of the previous sentence, such budget may be adopted at a special members' meeting upon an affirmative vote of a majority of the ownership units represented at such meeting. The additional amount so budgeted shall be assessed to each unit in the same manner as assessments for the annual budget and shall be prorated along the remaining installments due and payable in such year. Notwithstanding anything contained herein to the contrary, the Developer shall be exempt from dues and assessments.

3. Assessments for common expenses for emergencies and extraordinary expenditures, which cannot be paid from the annual assessments for common expenses or the maintenance reserve fund shall be made only after notice of the need thereof to the unit owners concerned. After such notice and upon approval in writing by persons entitled to cast more than one half of the votes appurtenant to the units concerned, the assessment shall become effective, and it shall be due in such manner as the Board of Directors may require after thirty (30) days' notice thereof. In the event any expenditure for repair or replacement of any unit or common elements cannot be paid from annual assessments but can be at least 90% paid from insurance proceeds therefore, such expenditures may be made upon approval of the Board of Directors without approval of the members and an amended budget and assessment may be made therefore if necessary.

4. If an owner shall be in default in the payment of an installment upon an assessment, interest shall accrue thereon at the rate of 10% per annum from the due date, and the Board of Directors may accelerate the remaining installments of the assessment upon notice thereof to such owner, and thereupon the unpaid balance of the assessment shall come due upon the date stated in the notice, but no less than ten (10) days after the delivery thereof to such owner either personally or by registered or certified mail. Interest on any accelerated installments shall be at the rate of 10% per annum from the date the accelerated balance becomes due; such interest shall be in addition to any other payments for which said owner is liable. The owner shall also be liable to the Association for any costs and attorneys fees incurred by the Association to collect delinquent assessments.

5. The holder, insurer, or guarantor of a first mortgage on any unit, upon its filing written request with the Association, shall be given written notice from the Association of any default by the mortgagor in the performance of the mortgagor's obligations under these Bylaws, the Declaration of Condominium or other condominium documents which is not cured within sixty (60) days.

6. All sums assessed but unpaid including, but not limited to, interest costs and attorneys fees With respect to a unit or against a unit owner shall constitute a lien on such unit prior to all other liens except (i) tax liens on the unit in favor of any assessing unit and special district, and (ii) all sums unpaid on any first mortgage recorded prior to the due date of the delinquent assessment. Such lien may be foreclosed by the Association in the manner and with the consequences provided in Section 499B,17 Code of Iowa in which event the unit owner

shall be required to pay a reasonable rental for the unit. The Association may sue for money judgment for unpaid assessment and interest or sums due without foreclosing or waiving any lien which it holds.

7. If a mortgagee or purchaser of a unit obtains possession as a result of a foreclosure of a first mortgage, or deed in lieu of foreclosure, such mortgagee or purchaser, his successors and assigns, shall not be liable for the assessments chargeable to such unit due prior to the issuance of a sheriff's deed or the conveyance by deed in lieu of foreclosure and such unpaid assessments shall thereafter be deemed to be common expenses collectible from all unit owners including the mortgagee or purchaser, his successors and assigns, all without prejudice to the right of the Association to collect the same from the defaulting unit owner personally. The grantee or other successor interest of an individual subject to a levy of assessment on account of default shall be liable for any such special assessment.

8. The depository of the Association shall be such bank or banks as shall be designated from time to time by the Directors and in which the moneys of the Association shall be deposited. Withdrawal of moneys from such accounts shall only be checks signed by such persons as are authorized by the Directors.

9. An accounting of the Association's books shall be made annually and a copy of the report shall be made available for inspection by each member not later than sixty (60) days after the close of the fiscal year for which the report is made.

ARTICLE VIII. REFERENDUM

Any vote or determination required or permitted to be made by the members of the Association and not required by law or any of the condominium documents to be made at a meeting of the members may be taken or made pursuant to a referendum ballot. Such ballot may be initiated by one-third of the Board of Directors, or upon the written petition of members owning collectively 33 1/3% of the total membership and voting units. If such referendum is initiated, the Secretary shall forthwith prepare and mail to each member a ballot returnable in not less than ten nor more than thirty days from the date of mailing. If prior or subsequent to such petition, but not subsequent to such tally, a special membership meeting has been called to consider the same subject matter, the special meeting shall prevail and the referendum vote shall not be tallied.

ARTICLE IX. AMENDMENT

1. These Bylaws may be amended, altered, repealed or new Bylaws adopted by the members at a regular or special meeting of or upon a referendum, ballot by the members upon the affirmative vote of owners of units to which at least 67% of the votes in the Association are allocated and the approval of eligible holders of first mortgages on units to which at least 67% of the votes of units subject to a mortgage appertain.

2. No amendment may be adopted at either a special or regular membership

meeting or by referendum not included in the notice thereof, except if notice of the proposed amendment has been given, However, a different amendment relative to the same subject matter may be adopted' by those present, in person or by proxy and possessing the requisite percentage of membership and/or lender voting units, provided further that no vote by proxy may be counted unless the proxy expressly provides for such contingency. Notice referred to herein shall be given in the manner prescribed in Article III, Paragraph 3 of these Bylaws and shall be given to the persons described in Article III, paragraph 4 and to any eligible holder of a first mortgage of record as provided in Article VII of the Declaration, which has made written request to the Association for such notice. More than one proposed amendment may be included in the notice of a meeting.

3. To the extent provided by Chapter 499B.14, Code of Iowa, no modification or amendment of these Bylaws shall be effective unless set forth in an amendment to the Declaration of Condominium, executed and recorded in the manner set forth in the declaration, and an amendment to these Bylaws shall constitute an amendment to the Declaration as provided for by law. Upon such recording such amendment shall be effective against all persons having an interest in a unit or the Regime regardless of whether such person had such interest at the time the amendment was adopted.

4. Unless required by the specific provisions of the Regime documents or by law, a supplemental Declaration of Condominium submitting further lands and units to the Regime, or an amendment to the Declaration of Condominium not overlapping or affecting the subject matter of these Bylaws shall not be considered an amendment of these Bylaws.

5. Developer may, until all phases of the condominium regime contemplated herein have been completed or so long as Developer owns any unit or until December 31, 2015, whichever is later, make minor amendments to this Declaration without the approval of the unit owners. Such amendment shall be for the purpose of clarification or correction of errors in the Declaration and shall not affect the substantive rights of a unit owner.

ARTICLE X **MERGER OR CONSOLIDATION**

The Association shall have the power to merge with or consolidate with condominium owners' association or council or co-owners so as to provide for management of the regime in connection with another condominium regime. Merger and consolidation shall be in accordance with the procedures set forth in Chapter 504A, Code of Iowa.

ARTICLE XL **GENERAL PROVISIONS**

1. The invalidity of any portion or provision of these Bylaws shall not affect the validity of the remaining provisions or portions thereof.

2. The association shall not have a corporate seal.

3. The Board of Directors may require fidelity bonds from all directors, officers, or agents handling or responsible for Association funds and the expense of such bonds shall be a common expense of the Association.

4. The Association shall at all times maintain complete and accurate written records of each unit and owner and the address of each, and setting forth the status of all assessments, , accounts and funds pertinent to that unit and owner, Any person may rely on a certificate made from such records by an officer or agent of the Association as to the status of all assessments. and` accounts.

5. Each member shall have the obligations as a member as are imposed upon him by the Regime documents as an owner, and no member shall have any power or authority to incur a mechanic's lien or other lien effective against the Regime property, except as the same may attach only against his appurtenant interest therein and be removable as such.

6. The Board of Directors may in its discretion issue written evidence of membership but the same shall be evidence thereof only and shall in no manner be transferable or negotiable, and the share of the member in the assets of the Association cannot be assigned, hypothecated or transferred in any manner except as an appurtenance to such assignment, hypothecation or transfer of his unit.

7. No provision or restriction otherwise void by reason of application of the rules against perpetuities or Section 558.68 of the Code of Iowa shall continue for a period longer than the life of the last to survive of the owners and shareholders of the Developer and their grandchildren being at the time of the initial recording of the Declaration of Condominium to the Regime and twenty-one (21) years thereafter.

8. Each owner or the lessee of his unit as applicable shall have a right to use and enjoy the common elements provided such use shall be limited to the use permitted by the Declaration of Condominium and other governing documents of the Regime.

ARTICLE XII. **DEFINITIONS**

Unless the context otherwise requires, the terms used herein shall have the meanings stated in the Act and the Declaration, and as follows:

1. Person – the term "person" shall include an individual, a corporation, or other legal entity or its representative.

2. Owner – the term "owner" shall mean any person who owns or holds for himself an interest in one or more units subject to the Regime provided that the holder of a leasehold interest in a unit shall not be an owner and further provided that the holder of an equitable title shall be an owner.

3. Unit – the term "unit" shall mean and refer to each of the condominium units located in the building situated upon the property designed, numbered and intended for

use as a residence separately or in conjunction with other units and not owned in common with other owners in the Regime.

4. Ownership units — the term "ownership units" means the number of ownership units, assigned to each condominium unit by the Declaration of Condominium for purposes of voting, assessment, and determination of each unit's appurtenant share of the common elements (provided, however, that such ownership units maybe used for other purposes).

5. Common expenses — common expenses include:

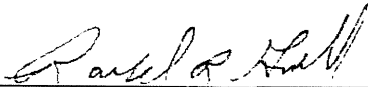
(a) expenses of administration, expenses of maintenance, operation, repair or replacement of common elements, and the positions Of units to be maintained by the Association..

(b) expenses declared common expenses by the Declaration or these Bylaws.

(c) any valid charge against the Regime as a whole.

6. Singular, plural gender — whenever the context so permits or requires the use of the singular shall include the plural, the singular and the use of any general shall include all genders.

7. Developer — the term "Developer" means Jerry's Homes, Inc., or its successors or assigns.



Sole Director

Dated this 10 day of January, 2011