



RE/MAX Lakes Realty provides these covenants/bylaws/horizontal property regime declarations as a convenience, and in no way guarantees the accuracy of these documents, and in no way represents that these documents are up to date and/or legally binding. It is the responsibility of any potential buyer, seller, investor, and/or real estate agent to contact any association contact and/or the Dickinson County recorder's office in order to satisfy themselves as to the very latest available documents.

These documents are the property of Sellboji.com, BojiHomes.com and RE/MAX Lakes Realty. The downloading of these documents for use by any other Real Estate Agency is strictly prohibited.

**BY-LAWS
OF
BRIDGES BAY RESORT GARAGES
A HORIZONTAL PROPERTY REGIME (CONDOMINIUM)**

The administration of the property submitted to the attached Declaration of Establishment of a Horizontal Property Regime (Condominium) to be known as Bridges Bay Resort Garages shall be governed by the following By-Laws, which are annexed to the Declaration and made a part thereof.

1. The administration of this Horizontal Property Regime shall be conducted by the Executive Board which shall constitute the Board of Administration within the meaning of Chapter 499B of the 2007 Code of Iowa.

2. The council of co-owners known as Bridges Bay Resort Garages Owners' Association shall be governed as follows:

A. The annual meetings of the Association shall be held on June 15 in each year at 10:00 o'clock a.m. for the purpose of electing a President, Vice President and Secretary-Treasurer, and for transacting any other business authorized to be transacted by the Association.

B. Meetings of the Association shall be held at the residence of the President, or such other suitable place convenient to the owners as may be designated by the President.

C. Special meetings of the Association may be called by the President but shall be called by the President upon the written request of at least two of the unit owners. Notice of such special meeting shall be given to all owners by ordinary mail addressed to their last known address not less than ten (10) days nor more than thirty (30) days prior to the date set for such meeting. The notice shall state the time and place of such meeting.

and the purpose thereof. No business may be conducted at such meeting other than as stated in the written notice unless all owners are personally in attendance (not including proxies). If the President fails or refuses to call a special meeting despite proper request, the Vice President or Secretary-Treasurer shall call the meeting.

D. Notice of a meeting may be waived in writing. Attendance by an owner at any meeting of the Association shall constitute a waiver of notice.

E. A quorum at Association meetings shall consist of a majority of the owners. Action approved by a majority of those present at a meeting at which a quorum is present shall be valid except where approval by a greater number of owners is required by the Declaration of these By-Laws. The joinder of an owner in the action of a meeting by signing and concurring in the minutes thereof shall constitute the presence of a member for the purpose of determining a quorum.

F. Votes may be cast in person or by proxy. Proxies must be in writing and filed with the Secretary before the time of the meeting. A proxy so filed shall constitute that owner's presence at the meeting except as stated in Paragraph 2.C above.

G. If any Association meeting cannot be held because a quorum is not in attendance the owners who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present.

H. The order of business at all annual meetings of the Association shall be as follows:

- i. Roll call and certification of proxies.
- ii. Proof of notice of meeting and waivers of notice.
- iii. Reading the minutes of the preceding meeting.
- iv. Report of officers.
- v. Report of committees.
- vi. Election of officers and director at large.

- vii. Unfinished business.
- viii. New business.
- ix. Adjournment.

I. The latest edition of Roberts Rules of Order shall govern meetings unless specifically provided otherwise.

3. The board of administration of this Association shall be the Executive Board or Board of Directors established as follows:

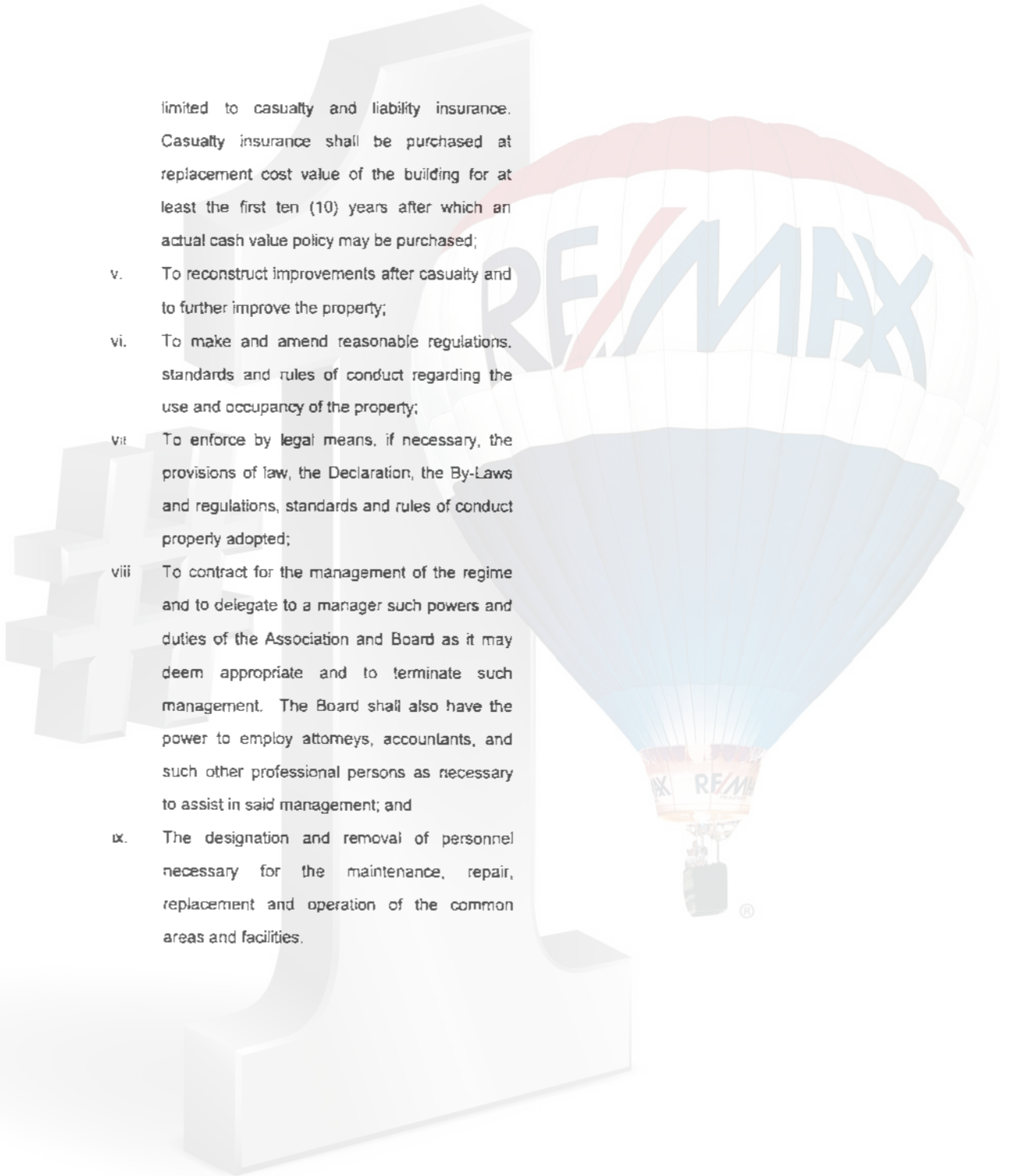
A. The Executive Board shall be in charge of the administration of this Horizontal Property Regime and shall consist of three persons who shall be the President, Vice President and Secretary-Treasurer of the Association, elected by the owners at the Association's annual meeting. They shall serve for a period of one (1) year and until their successors are elected, unless otherwise removed pursuant to Paragraph 3K below.

B. The powers and duties of the Executive Board shall include all the powers and duties existing under Chapter 499B of the 2007 Code of Iowa, the Declaration and these By-Laws. These powers and duties shall include but not be limited to the following, subject, however, to the provisions of the Declaration of these By-Laws:

- i. To make and collect assessments against members to pay the costs and expenses of the Horizontal Property Regime;
- ii. To use the proceeds of assessments in the exercise of the powers and duties;
- iii. To maintain, repair, furnish, replace and operate the property of the Horizontal Property Regime;
- iv. To purchase insurance upon the property and insurance for the operation of the Association and its members including but not necessarily

limited to casualty and liability insurance. Casualty insurance shall be purchased at replacement cost value of the building for at least the first ten (10) years after which an actual cash value policy may be purchased;

- v. To reconstruct improvements after casualty and to further improve the property;
- vi. To make and amend reasonable regulations, standards and rules of conduct regarding the use and occupancy of the property;
- vii. To enforce by legal means, if necessary, the provisions of law, the Declaration, the By-Laws and regulations, standards and rules of conduct properly adopted;
- viii. To contract for the management of the regime and to delegate to a manager such powers and duties of the Association and Board as it may deem appropriate and to terminate such management. The Board shall also have the power to employ attorneys, accountants, and such other professional persons as necessary to assist in said management; and
- ix. The designation and removal of personnel necessary for the maintenance, repair, replacement and operation of the common areas and facilities.



C. The officers of this Association shall have the following duties and responsibilities:

- i. The President shall be the chief executive officer of the Board and the Association. He or she shall have all the general duties and powers which are usually vested in the office of President, including, but not limited to, the power to appoint committees from among the owners from time to time, as he or she decides is appropriate to assist in the conduct of the affairs of the Association or Board;
- ii. The Vice President shall, in the absence of the President, perform the President's duties. The Vice President shall also perform such other duties and provide assistance to the President as requested or ordered by the Association, Board or President;
- iii. Secretary-Treasurer. The Secretary-Treasurer shall have the minute book wherein resolutions and other business of the Association shall be recorded, shall have charge of such books and papers as the Association or Board may direct, shall give all notice to members and directors or other notices required by law or this Declaration or By-Laws and shall in general, perform all duties incident to the office of the Secretary;

He or she shall have the responsibility for Association funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements of the Association and of the Board in books belonging to the Association or to the Board. All expenditures above \$1,000.00 shall not be made without approval of the Board unless this provision is amended by resolution of the Board. In general, the Treasurer shall keep the books in accordance with good accounting practices and perform all other duties incident to the office of Treasurer.

- iv. All officers shall be owners, spouses of owners or officers or agents of corporate or fiduciary owners but this shall not preclude the appointment and employment of non-owners as assistant secretary or assistant treasurer; and
- v. Compensation of all officers including assistant secretary and assistant treasurer shall be fixed by the Association.

D. Meetings of the Executive Board shall be held at the residence of the President or such other suitable place convenient to the directors as may be designated by the President.

E. The annual meeting of the Executive Board shall be held in each year immediately following the adjournment of the annual meeting of the Association. At

such meeting, the Board shall determine what time, if any, shall be established for periodic board meetings.

F. Special meetings of the Board may be called by the President and shall be called by the President if requested by the other two board members. Notice of special meetings of the board shall state the time and place of any such meeting and the purpose thereof and shall be mailed by ordinary mail to each board member at least three (3) days but not more than fifteen (15) days prior to such meeting. Such special meeting shall not consider other business other than that set out in the notice unless all board members are in attendance.

G. Board members may waive notice of the meeting in writing and their attendance at a meeting shall constitute a waiver of said notice

H. A quorum of the board shall be two (2). There shall be no proxies for Board meetings. A majority of those present shall be necessary for Board action.

I. Ordinary business and decisions and resolutions of the Board may be conducted and put into effect without a formal meeting of the Board provided the full particulars of the item are reduced to writing and signed by all Board members and filed with the Secretary who shall keep said written document with the minutes of the meeting of the Board.

J. If desired by the Association or by the Board a Blanket Fidelity Bond may be secured to cover anyone who may handle Association funds. The premium on such bonds shall be paid from Association funds.

K. Upon an affirmative vote of the majority of the owners any Board member may be removed either with or without cause and a successor elected at a special meeting of the Association. Assistant officers may be removed upon an affirmative vote of the majority of the members of the Board present at a meeting either with or without cause and successors may be elected at any meeting, regular or special.

L. Payment vouchers exceeding the amount established by paragraph 3.C.iii. above shall be approved by a majority of the Board with such approval noted in the minutes.

M. The joinder of any director in the action of a meeting of the Board by signing and concurring in the minutes thereof shall constitute the presence of such director for the purpose of determining a quorum.

N. Vacancies of the Executive Board shall be filled by the remaining Board members until the next annual election.

4. The fiscal management of this Association shall be subject to the following:

A. The Executive Board shall adopt a budget for each calendar year which shall include the following accounts:

i. Current expense, which shall include all funds and expenditures to be made within the year for which the funds are budgeted, including a reasonable amount for contingencies and working funds. Any balance in this fund at the end of each year may be applied to reduce the assessments for current expense for the succeeding year.

ii. Reserve for deferred maintenance which shall include funds for maintenance items which occur less frequently than annually.

iii. Reserve for replacement which shall include funds for repair or replacement required because of damage, depreciation or obsolescence.

iv. The budgets for ii. and iii. above may be zero as determined by the Board.

B. The budget assessments shall be made pro-rata according to the fraction assigned to the unit in the Declaration as it may be amended and shall be prepared and a copy mailed to each owner prior to the December 15 preceding the year for which the budget is made. Such assessment shall be paid in twelve equal payments

due on the first day of each month of the calendar year for which the assessments are made unless the Association provides otherwise. If no budget is prepared and no annual assessment made, the assessment shall be presumed to continue at the same amount as the previous year. In the event the annual assessment proves to be insufficient, the budget and assessments may be amended at any time by the Board but only at a special meeting after notice of said intention to amend the budget is given to all property owners.

C. If any owner shall be in default, by more than ten (10) days, in the payment of an installment, the Board may accelerate the remaining installments of the annual assessment upon notice to the unit owner and the entire balance shall be due within ten (10) days of receipt of such notice.

D. Assessments for non-emergency major improvements shall require the affirmative vote of sixty percent (60) of the unit owners. Major improvements shall be defined as those costing more than \$5,000.00.

E. Assessments for common expenses as a result of emergencies which cannot be paid from the annual assessments for common expenses shall be made only after notice of the need thereof to all unit owners. After such notice and upon approval by a simple majority of the owners the assessment shall become effective and shall be due within thirty (30) days of notice thereof.

F. An accounting shall be made of all Association accounts at least annually and a copy provided to each unit owner. The majority of the owners or of the Board may require an audit by an independent party.

G. No notice need be given of the Association's annual meeting nor the Board's annual or regular meetings.

5. When a mortgagee or purchaser of a unit obtains title as a result of foreclosure of a first mortgage, such mortgagee or purchaser shall not be liable for the assessments chargeable to such unit due prior to the acquisition of title. Such unpaid

assessment shall thereafter be deemed to be common expenses collectible from all unit owners including the mortgagee or purchaser.

In a voluntary conveyance, the Grantee of an apartment shall be jointly and severally liable with the Grantor for all unpaid assessments on that unit up to the time of the conveyance. The Grantees shall, however, retain the right to recover from the Grantor, any amounts paid by the Grantee therefore. Any Grantee under a voluntary conveyance shall be entitled to a statement from the Council of Co-Owners or its representatives stating the amount of the unpaid assessments against the Grantor and said Grantee shall not be liable for nor shall the apartment conveyed be subject to a lien for any unpaid assessments in excess of the amount appearing in said statement.

6. The Board shall, at the request of the owner or mortgagee of an unit, report in writing any unpaid assessments due from the owner or the fact that said assessments are paid.

7. Any instrument affecting an interest in real estate shall be executed by any two officers upon authorization of the Executive Board.

8. In the event the lien of the Association shall be foreclosed as provided in Section 499B.17 of the 2007 Code of Iowa, the unit owner shall be required to pay a reasonable rental for the unit and the Association shall be entitled to the appointment of a receiver to collect the same.

9. No modification of or amendment to the By-Laws shall be valid unless set forth in writing and duly recorded. These By-laws may be amended by the Association at a duly called meeting for such purpose. No amendment shall take effect unless approved by the owners representing at least 75% of the units.

INSTR. NO. 07-03207
BK _____ PAGE _____
2007 MAY 31 AM 11 08
JAN BORTSCHELLER
RECORDER
DICKINSON COUNTY, IOWA
FEES \$ 122.00

Prepared by: Earl H. Maahs 708 Lake Street Spirit Lake (712) 336-1292

DECLARATION OF ESTABLISHMENT

OF

A HORIZONTAL PROPERTY REGIME (CONDOMINIUM)

TO BE KNOWN AS

BRIDGES BAY RESORT GARAGES

The undersigned, BBR of SD, L.L.C., a South Dakota limited liability company, the owner and Developer of the real property described on Exhibit C attached hereto, hereby submits said property to a Horizontal Property Regime pursuant to the provisions of Chapter 499B, Code of Iowa (2007). In compliance with Sections 499B.3 and 499B.4, Code of Iowa (2007), the following declarations are made:

1. The description of the land and improvements hereby submitted to this Horizontal Property Regime are as legally described above and as depicted on the Site Plan. The Buildings located on said Land are hereby submitted to the regime. The Units in such Building, which are shown on the Site Plan (attached hereto as Exhibit A) and depicted on the building floor plans attached hereto as Exhibit B, are hereby submitted to the regime. Exhibits "A" and "B" contain and such contents shall govern, for purposes of this Declaration and for purposes of meeting certain requirements of Sections 499B.4 and 499B.6 of the Code of Iowa, the following:

MAY 31, 2007

A. The number identifying each Unit, the location and dimension of each Unit.

B. The full and exact copy of the plans of the units which show graphically all particulars of the units.

2. Ownership of the unit carries with it the ownership of an undivided interest in all general common elements and facilities as defined herein. These general common elements and facilities, which shall be held by the owners as tenants in common, shall be the land on which the building is erected, the foundations, the walls, floors, ceilings and roofs of each unit (except the interior surfaces and except partition walls within individual units), outside electrical lighting units and public utility lines which are utilized for or serve more than one unit, facilities and personal property required for the use of personnel engaged in performing services for the development and all other devices or installations existing for common use and defined as General Common Elements by Section 499B.2 of the 2007 Code of Iowa.

The owners of a unit shall be deemed to own the walls or partitions that are contained wholly within the particular unit and shall be deemed to own the inner decorated and/or finished surfaces of the perimeter walls, floor and ceiling including paint, vinyl tile, etc., which are deemed to be a permanent part of each unit. The owner of each unit shall be solely responsible for the care, maintenance, repair, replacement and restoration of each unit including, heating and air conditioning equipment or other equipment or personal property connected with such unit for its exclusive use, except as otherwise provided.

In the event pipes, wires, conduits or other public utility lines run through one unit which are utilized for or serve one or more other units, a valid easement for the

maintenance of said pipes, wire, conduits, or other public utility lines shall exist and in the event any part of the building is partially or totally destroyed and later rebuilt, repaired, or restored as hereinafter provided, a valid easement for replacement and maintenance of said pipes, wires, conduits or other public utility lines shall exist

3. The fractional interest which each unit bears to the entire Horizontal Property Regime is one-twenty-first (1/21). Voting rights regarding administration of the Horizontal Property Regime and payment of expenses relating to the general common elements and facilities shall be shared equally by each unit

4. In the event of damage or destruction of all or a part of the property, the property shall be rebuilt unless two-thirds (2/3) of the unit owners shall determine that the property shall not be rebuilt, repaired, restored and therefore sold. Each unit shall be entitled to one vote with the vote of any unsold unit to be cast by Developer or its successor in interest.

The Bridges Bay Resort Garages Owners' Association Board shall by a majority vote determine an appropriate amount of casualty and liability insurance coverage for the buildings, grounds, general common elements and facilities. Any policy purchased by the Owners' Association shall provide casualty coverage for the entire structure including utility lines within the walls. Roof and wall coverage shall include the sheetrock or other underlayment, but shall not extend beyond the sheetrock or underlayment. Coverage shall be replacement value for the like kind regarding construction of the existing structures. The cost of such casualty and liability coverage for the general common elements and facilities shall be shared equally by each unit. Each unit shall be individually responsible for such casualty and liability insurance as

they deem appropriate for the owner's individual unit. The personal property of the unit owners, including the inner decorated and/or finished surfaces of the walls, floors and ceilings will not be covered by the Owners' Association policy. Windows, doors and screens shall be insured by the Association

Notwithstanding the previous paragraph, the Board may elect to purchase an insurance policy which provides coverage for fixtures, installations or additions that are within individual units, including but not limited to paint, tile, cabinets and electrical fixtures. In the event the Board elects to do so, it shall give written notice thereof to each unit owner so that the unit owner may choose individual insurance which does not duplicate the Association insurance.

5 The administration of this Regime as it may be supplemented from time to time shall be vested in Bridges Bay Resort Garage Owners' Association, consisting of all of the owners of the units subject to the provisions herein. This Association shall be the "Council of Co-Owners" within the meaning of Chapter 499B of the 2007 Code of Iowa and have all powers and authority granted to it by said Chapter, including, but not limited to the responsibility for the care, maintenance, repair, replacement and restoration of the structure, common elements and facilities and the making of assessments chargeable to owners. All sums so assessed but unpaid shall constitute a lien on the respective unit prior to all other liens, except: (1) liens for taxes and assessments lawfully imposed by governmental authority against such property; and (2) all sums secured by mortgages of record. Such lien may be foreclosed by suit by Association or its representatives in like manner as a mortgage of real property provided that thirty (30) days written notice of the intention to foreclose shall be mailed, postage

prepaid, to the owner as shown by Association's record of ownership as set out below. In the event a lien of Association shall be foreclosed, the unit owner shall be required to pay a reasonable rental for the unit and Association shall be entitled to the appointment of a receiver to collect the same. Association or its representatives shall have the power to bid on such unit at foreclosure sale and to acquire, hold, lease, mortgage and convey such unit. Suit to recover a money judgment for unpaid common expenses shall be maintainable without foreclosing or waiving the lien securing the same.

6. The following restrictions and limitations shall apply to all units in Bridges Bay Resort Garages:

A. No noise or other activity shall be allowed which unduly interferes with the peaceful possession and proper use of the property by its owners, nor shall any fire hazard or accumulation of refuse or other material be allowed.

B. Storage of gasoline or other flammable fluids shall be limited to five gallons at any one time.

C. All garage doors shall be kept closed at all times except when being opened for purposes of ingress and egress, or when a unit owner, family member or guest is personally present in the garage area. No garage shall be used to store discarded items, junk or other unsightly materials. Garages shall not be used as a mechanical or woodworking shop or for commercial ventures. No vehicle maintenance or repair may be performed inside any of the buildings.

D. No signs shall be placed on the premises, including, but not limited to, signs placed on the exterior of any unit. This subparagraph shall not prohibit real estate for sale signs. However, for sale signs shall be limited to no more than two signs per unit with said signs to be no larger than four (4) square feet each. Any for sale signs

placed on the premises shall be removed as soon as practical after the unit advertised is sold.

E. The Owners' Association by a two-thirds (2/3) vote of those present at a duly called meeting shall have the authority to amend or rescind any part of this paragraph 6. Additionally, the Owners' Association by a two-thirds (2/3) vote of those present at a duly called meeting shall have authority to adopt and enforce other reasonable restrictions, rules and regulations relating to the use and enjoyment of the premises. Additionally, the owners of the Association, by two-thirds (2/3) vote of those present at a duly called meeting, shall have the authority to amend, alter or over-rule any regulations, standards and rules of conduct regarding the use and occupancy of the property adopted by the Board pursuant to section 3F of the By-Laws.

7 Notwithstanding any of the provisions of this Declaration or the By-Laws, the undersigned developers shall retain the right to name all officers of the Association who need not be owners of units until the entire property is fully developed and all units shall be sold. The Developer shall be required to pay assessments for all units held by it that are ready for occupancy. The Developer reserves the right to change the interior design and arrangement of all units owned by the developer at the time of such alteration so long as such alteration does not increase the number of units nor alter the boundaries of the common elements and facilities. If Developer makes such changes to a unit, those changes shall be shown by an amendment to this Declaration, which need be signed and acknowledged only by the undersigned developer and need not be approved by the Association, owners or mortgagees of the units herein.

8 Expansion of Condominium Regime.

A. The right to enlarge the condominium regime from time to time, is reserved exclusively to Developer and shall be exercised by Developer, if market conditions warrant. Developer shall have and exercise the right to enlarge the

condominium not only in its individual capacity but also as agent for the Owners of all Units in the condominium as now constituted or hereafter enlarged and such Unit Owners do hereby irrevocable appoint Developer as their agent for the purpose of so enlarging the condominium.

B. The right to enlarge the condominium regime by adding thereto additional buildings and/or additional Land upon which additional buildings, units, and other improvements exist or are to be constructed, shall be exercised by Developer, if at all by executing and acknowledging a supplemental declaration to such effect made pursuant to the Horizontal Property Act. Such supplemental declarations shall be designated by the title "First Supplemental Declaration of Condominium," "Second Supplemental Declaration of Condominium" and so forth in a numerical series. Each such supplemental declaration shall constitute an amendment of and, by appropriate reference thereto, shall be incorporated into this Declaration of Condominium by which the condominium is originally established. Such supplemental declaration shall be effective when recorded in the Office of the Recorder of Dickinson County, Iowa.

C. The land now included in the condominium regime consists of that described as the Land on Exhibit A hereof. The condominium regime may be enlarged, from time to time, by adding buildings on the Land and/or by adding or parcels and buildings thereon from the additional land lying contiguous to the Land already dedicated.

D. The additional buildings to be constructed upon the Land and upon any additional land shall all be added to the condominium regime by supplemental declaration, and the Units contained therein, shall be of a quality, type of construction,

and general character equal or superior to and compatible with the original Building located on the Land and the Units contained therein.

F. The buildings to be included in any additional phase and appurtenant improvements must be substantially completed before the phase can be added to the condominium regime by the filing of a Supplemental Declaration. All taxes and other assessments relating to the property in any additional phase covering any period prior to the addition of each phase must be paid or otherwise satisfactorily provided for by the Developer prior to filing the Supplemental Declaration for that phase.

G. The fractional interest in the common elements appurtenant to each Unit in the condominium regime as now constituted or hereafter enlarged shall be a fraction having as its numerator one and having as its denominator the total of all Units in the condominium regime

9. Except as set forth in paragraph 6 above, this Declaration may be amended in either of the following manners:

A. By written amendment signed by all owners, acknowledged and filed with the Dickinson County Recorder; or

B. By approval of an amendment by not less than a three-fourths ($3/4$) majority of the owners present at a meeting called for the purpose of discussing such amendment. Notice of such meeting shall designate the time and place for the meeting together with a general description of the proposed amendment with the notice to be given not less than thirty (30) nor more sixty (60) days from the date of the meeting. At such meeting the written proxy of an owner duly signed and notarized either setting forth the owner's vote on the proposed amendment or authorizing another owner to vote

on behalf of such absent owner shall be allowed and recognized by the presiding officer as a valid vote on the amendment.

C. No amendment shall be valid without the written approval of Developer as long Developer owns any unit. No amendment shall increase the number of units without approval of all unit owners.

10. Notwithstanding the above and the provisions of the By-Laws, the Developer shall retain the right to name all Directors of Association until all units have been sold. Such Directors need not be unit owners. Developer shall be required to pay assessments for all units held by it except for reserves.

In witness whereof, the undersigned, has executed this Declaration this _____ day of 5-14, 2007

BBR of SD, L.L.C.

[Signature]
Jon E. Broek, Member Manager

STATE OF IOWA, COUNTY OF DICKINSON, ss:

On this 14 day of May, 2007, before me, the undersigned, a Notary Public in and for the State of Iowa, personally appeared, Jon E. Broek, to me personally known, who, being by me duly sworn, did say that he is a Member Manager of said limited liability company; that no seal has been procured by the said limited liability company and that said instrument was signed on behalf of the said limited liability company by authority of its members; and Jon E. Broek acknowledged the execution of the instrument to be the voluntary act and deed of said limited liability company by it voluntarily executed.

[Signature]
Notary Public

