

BYLAWS

OF

SERRA RIDGE TOWNHOMES ASSOCIATION, INC.

ARTICLE I

ADOPTION OF APPLICABILITY OF BYLAWS

Section 1. Adoption of Bylaws. These Bylaws are adopted this 15th day of March, 1985, as the Bylaws of Serra Ridge Townhomes Association, Inc.

Section 2. Applicability of Bylaws. The name of the association to which these bylaws are applicable is "Serra Ridge Townhomes Association, Inc.", a Kansas not-for-profit corporation, the Articles of Incorporation for which were filed in the Office of the Kansas Secretary of State on the 6th day of November, 1984. Serra Ridge Townhomes Association, Inc. is hereinafter referred to as the "Association", and shall consist of members who are townhouse unit owners as referred to and defined in one certain Declaration which was recorded on the 21st day of May, 1985, in Book 582, pages 895, in the Office of the Register of Deeds of Leavenworth County, Kansas, and which is hereinafter referred to as the "Declaration". The terms and provisions of the Declaration are adopted and are incorporated herein by reference as though fully set forth herein. The property, which includes "common areas and facilities" and the "townhouse units", as defined in the Declaration shall be administered and governed by these bylaws and in accordance with the Declaration, the duly adopted Rules and Regulations, the Kansas Townhouse Ownership Act, and applicable local laws and ordinances.

Section 3. Application. All present and future townhouse unit owners, mortgagees, lessees and occupants of the townhouse units, their employees, agents, guests and invitees and all other persons who may use the facilities of the properties in any manner are subject to these Bylaws, the Declaration and the Rules and Regulations of the Association. The acceptance of a deed of conveyance, the entering into a contract for the purchase, or the entering into a lease for the occupancy or use of a townhouse unit shall constitute an agreement that the Declaration, these Bylaws and the Rules and Regulations, as they may be amended from time to time, are accepted, ratified and will be complied with.

Section 4. Office. The office of the Association shall be 1008 A 10th Ave, Leavenworth, Kansas, or at such other location as hereafter designated by the Board of Directors of the Association.

ARTICLE II

BOARD OF DIRECTORS

Section 1. Number and Qualification. The business of the Association shall be conducted by its Board of Directors. Until Class B membership shall terminate, as provided in paragraph 5.2 of the Declaration, the Board of Directors shall be composed of two (2) persons appointed by the Declarant. Thereafter, the Board of Directors shall be composed of five (5) persons, all of whom shall be townhouse unit owners, or in the case of partnership owners, shall be members or employees of such partnership, or in the case of corporate owners, shall be officers, stockholders, or employees of such corporations, or in the case of fiduciary owners shall be the fiduciaries or officers or employees of such fiduciaries.

Section 2. Powers and Duties. The Board of Directors shall have all of the powers and duties necessary for the administration of the affairs of the Association as stated herein, and may do all such acts and things to exercise and carry out such powers and duties subject to the provisions of the Declaration and these Bylaws and except as by law or by the Declaration or by these Bylaws may not be delegated to the Board of Directors by the townhouse unit owners. Such powers and duties of the Board of Directors shall include, but shall not be limited to, the following:

(a) Operating, caring for, and maintaining the common areas and facilities as they are defined in the Declaration;

(b) Determining and paying the common expenses required for the affairs of the Association, including, without limitation, the operation, care, upkeep and maintenance of the common areas and facilities;

(c) Assessing and collecting of common charges, to meet the common expenses, from the townhouse unit owners;

(d) Entering into contracts and agreements for and on behalf of the Association, including, but not limited to, providing recreational areas and facilities to the owners; and employment (including the right of dismissal) of a manager or management company, subject to the provisions of Section 3 hereinafter, and of personnel, contractors, and subcontractors necessary for maintaining and operating the common areas and facilities and for conducting the affairs of the Association;

(e) Adopting and amending rules and regulations including the initial rules and regulations attached hereto, as Schedule A, applicable to the operation and use of the properties;

(f) Opening of and maintaining bank accounts, writing checks on such accounts and making deposits and withdrawals on behalf of the Association, designating the signatories required therefor and borrowing money from banks to meet requirements from time to time for working capital, common expenses and emergencies; however, no single loan shall exceed \$6,000.00, loans at any time outstanding shall not exceed \$30,000.00 in the aggregate, and no loan shall be entered into having a maturity date in excess of five (5) years. Any loan or loans in excess of such limits or for a longer maturity shall be made only with the affirmative vote in person or by proxy of at least seventy-five percent (75%) of the townhouse unit owners at an annual or special meeting of townhouse unit owners. Loans on townhouse units acquired by the Association, as referred to in these Bylaws, shall not be deemed included in the limitations of this subparagraph (f);

(g) Purchasing or leasing or otherwise acquiring in the name of the Board of Directors, or its designee, corporate or otherwise, on behalf of all townhouse unit owners, townhouse units offered for sale or lease; or surrendered by their owners to the Board of Directors;

(h) Selling, leasing, mortgaging or otherwise dealing with townhouse units acquired by, and subleasing townhouse units leased by, the Board of Directors, or its designee, corporate or otherwise, on behalf of all townhouse unit owners;

(i) Organizing corporations to act as designees of the Board of Directors in acquiring title to townhouse units on behalf of all townhouse unit owners;

(j) Leasing or licensing the use of the common areas and facilities;

(k) Obtaining of insurance covering and applicable to the property, including the townhouse units, pursuant to the provisions of the Declaration;

(l) Paying real estate and personal property taxes, assessments and the like, if any, levied, assessed or charged against the common areas and facilities;

(m) Establishing committees for such purposes as it shall deem advisable, including an Executive Committee consisting of not more than three (3) board members to act

for and on behalf of the board between meetings of the board.

Section 3. Managing Agent and Manager. The Board of Directors may employ for the Association a management company or a manager, at a compensation established by the Board of Directors, to perform such duties and services as the Board of Directors shall authorize, including, but not limited to, the duties listed in subparagraphs (a), (b), (c), (d), (j), (k) and (l) of Section 2 of this Article II. No management contract or agreement shall, however, be for a period longer than three (3) years from the date of execution, and all such management contracts or agreements shall contain a provision allowing termination thereof by the Board of Directors at any time, with or without cause, on ninety (90) days prior written notice to the manager of management company. The Board of Directors may not delegate to the manager or management company any of the other duties set forth in Section 2 of this Article.

Section 4. Election and Terms of Office. At the first annual meeting of the townhouse unit owners, following the termination of Class B membership, the term of office of two (2) ~~members of the Board of Directors shall be fixed at three (3) years,~~ ^{the} the term of office of two (2) members of the Board of Directors shall be fixed at two (2) years, and the term of office of one (1) member of the Board of Directors shall be fixed at one (1) year. At the expiration of the initial term of office of each respective member of the Board of Directors, his successor shall be elected to serve for a term of three (3) years. the members of the Board of Directors shall hold office until their respective successors shall have been elected by the townhouse unit owners.

Section 5. Removal of Members of the Board of Directors. At any regular or special meeting of townhouse unit owners, any one or more of the members of the Board of Directors may be removed with or without cause by a majority of the townhouse unit owners present in person or by proxy, provided a quorum of townhouse unit owners are present in person or by proxy, as stated in Sections 7, 8 and 9 or Article III hereof, and a successor may then or thereafter be elected by the townhouse unit owners to fill the vacancy thus created. Any member of the Board of Directors whose removal has been proposed by the townhouse unit owners shall be given an opportunity to be heard at the meeting.

Section 6. Vacancies. Vacancies in the Board of Directors caused by any reason other than the removal of a member thereof by a vote of the townhouse unit owners, shall be filled by a vote of a majority of the members of the Board of Directors at a special meeting of the Board of Directors held for that purpose promptly after the occurrence of any such vacancy even though the members present at such meeting may constitute less than a quorum, and each person so elected shall be a member of the Board

of Directors until the next annual meeting of the townhouse unit owners, at which time the townhouse unit owners shall elect a member to the Board of Directors to serve for the remaining part of the unexpired term, if any, of the member whose absence created the vacancy, or if no unexpired term remains, to serve for a three (3) year term.

Section 7. Organization Meeting. The first meeting of the members of the Board of Directors following the first annual meeting of the townhouse unit owners shall be held within ten (10) days after said first annual meeting, at such time and place as shall be fixed by the townhouse unit owners at the meeting at which such Board of Directors shall have been elected, and no notice shall be necessary to the newly elected members of the Board of Directors in order legally to constitute such meeting.

Section 8. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority of the members of the Board of Directors. Notice of regular meetings of the Board of Directors shall be given by the President or Secretary to each member of the Board of Directors, in person or in mail, telephone or telegraph, at least five (5) business days prior to the day named for such meeting.

Section 9. Special Meetings. Special meetings of the Board of Directors may be called by the President on three (3) business days' notice to each member of the Board of Directors, given in person or by mail, telephone or telegraph, which notice shall inform as to the time, place and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice on the written request of at least three (3) members of the Board of Directors given as above described to the President and Secretary.

Section 10. Waiver of Notice. Any member of the Board of Directors may, at any time, waive notice of any meeting of the Board of Directors in writing and such waiver shall be deemed equivalent to the giving of such notice. Such waiver of notice may be signed either before or after the meeting. Attendance by a member of the Board of Directors at any meeting of the Board shall constitute a waiver of notice by him of the time and place thereof. If all the members of the Board of Directors are present at any meeting of the board, no notice shall be required and any business may be transacted at such meeting.

Section 11. Quorum of Board of Directors. Each member of the Board of Directors shall be entitled to one (1) vote in decisions or resolutions of the Board of Directors. At all meetings of the Board of Directors, a majority of the full Board of Directors shall constitute a quorum for the transaction of business, and the votes of a majority of the members of the Board of Directors present at a meeting at which a quorum is present

shall constitute the decisions of the Board of Directors. If at any meeting of the Board of Directors there shall be less than a quorum present, a majority of those present may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

Section 12. Fidelity Bonds. The Board of Directors may, in its discretion, obtain reasonable and customary fidelity bonds for all officers and employees of the Association handling or responsible for funds of the Association. The premiums on such bonds shall constitute a common expense of the Association.

Section 13. Compensation. No member of the Board of Directors shall receive any compensation from the Association for acting as such unless such compensation is approved by a majority of townhouse unit owners as hereinafter described in Sections 7, 8 and 9 of Article III.

Section 14. Liability of the Board of Directors. No member of the Board of Directors shall be liable to the townhouse unit owners for any mistake, judgment, negligence, or otherwise, in connection with his service on the Board of Directors, except for his own individual willful misconduct or gross negligence. The townhouse unit owners shall indemnify and hold harmless each member of the Board of Directors against all claims, damages, costs and expenses, including reasonable attorneys' fees, in connection with his service on the Board of Directors (unless due to his willful misconduct or gross neglect) or arising out of contracts made by the Board of Directors on behalf of the Association unless any such contract shall have been made contrary to or in violation of the provisions of the Declaration or of these Bylaws. Agreements made by the Board of Directors on behalf of the Association may provide that the members of the Board of Directors and its officers as the case may be, are acting only as agents for the townhouse unit owners and shall have no personal liability thereunder (except as townhouse unit owners).

ARTICLE III

MEMBERS

Section 1. Association Responsibilities and Annual Meetings. The townhouse unit owners will be members of the Serra Ridge Townhomes Association, Inc., a Kansas nonprofit corporation, which will have the responsibility, acting through its Board of Directors and the Association officers, subject to the terms and provisions of the Declaration and these Bylaws, of administering the affairs of the Association, establishing and collecting monthly and other assessments and as more particularly described in these Bylaws. Promptly after Class B membership

shall terminate, as provided in paragraph 5.2 of the Declaration, Declarant shall notify all townhouse unit owners thereof, and the first annual meeting of the townhouse unit owners shall be held within thirty (30) days thereafter on a call issued by the President. At such meeting all members of the Board of Directors appointed by Declarant shall resign as members of the Board of Directors, and all townhouse unit owners, including Declarant, if Declarant shall then own any townhouse units, shall elect a new Board of Directors. [Thereafter, the annual meetings of the townhouse unit owners shall be held on the 15th day of March of each succeeding year, unless such date shall occur on a Saturday or Sunday, in which event the meeting shall be held on the succeeding Monday.] At such meetings the Board of Directors shall be elected by ballot of the townhouse unit owners in accordance with Section 4 of Article II of these Bylaws. So long as Declarant shall own one (1) or more townhouse units, Declarant shall be entitled to elect at least one (1) member of the Board of Directors who shall serve for a term of one (1) year. The townhouse unit owners may transact such other business at such meeting as may properly come before them.

Section 2. Place of Meetings. Meetings of the members shall be held at the principal office of the Association or at such other suitable place convenient to the members as may be designated by the Board of Directors.

Section 3. Special Meetings. It shall be the duty of the President to call a special meeting of the members if so directed by resolution of the Board of Directors or, following the first annual meeting of members, upon a petition signed and presented to the Secretary by not less than twenty-five percent (25%) of the voting interest in the Association. The notice of any special meeting shall state the date, time and place of such meeting and the purposes thereof. No business shall be transacted at a special meeting except as stated in the notice.

Section 4. Notice of Meetings. It shall be the duty of the Secretary to deliver or mail a notice of each annual or special meeting of the members, at least ten (10) but not more than thirty (30) days prior to such meeting, stating the date, time and place where it is to be held, and in the case of a special meeting the purposes of the meeting, to each member of record at the time the notices are mailed. The delivery or mailing of a notice of a meeting to an owner's townhouse unit or to such other address as such owner has requested in writing that notice be sent, or to such owner's last known address as carried in the Association's records, shall be considered service of notice.

Section 5. Adjournment of Meetings. If any meeting of members cannot be held because a quorum has not attended in person or by proxy, a majority of the townhouse unit owners who are present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than forty-eight (48)

hours nor more than thirty (30) days from the time the meeting was originally called.

Section 6. Voting. The owner or owners of each townhouse unit, or some person designated by such owner or owners to act as proxy on his or their behalf and who need not be an owner, shall be entitled to cast one (1) vote at all meetings of members. If a townhouse unit is owned of record by one (1) person, his right to vote shall be established by filing with the Secretary of the Association a certified copy of the recorded deed to his townhouse unit. A contract purchaser of a townhouse unit shall be considered an owner for voting purposes by the filing of an affidavit of equitable interest in accordance with paragraph 11.12 of the Declaration. If a townhouse unit is owned of record by more than one (1) person, or by a partnership, corporation or corporate fiduciary, the person entitled to cast the vote or votes for that unit shall be designated by a certificate (a) in the case of the individual owners, or partnership owner, including those holding in a fiduciary capacity, signed by all of the record owners of the townhouse unit, a partner or fiduciary, respectively, and filed with the Secretary of the Association or (b) in the case of corporate or corporate fiduciary owners, signed by the President or Vice President and attested by the secretary of the corporation. Such certificate shall be valid until revoked or until superseded by a subsequent certificate or until a change in ownership of the townhouse unit owners. If a copy of a townhouse unit owner's recorded deed or certificate is not on file as required by this section, the vote of such owner(s) shall not be considered in determining the attendance of a quorum nor shall such vote be considered for any other purpose. The designation of any proxy shall be made in writing, signed by the person entitled to vote and shall be delivered to the Secretary prior to or at the meeting. A proxy shall be revocable at any time by written notice to the Secretary signed by the person entitled to vote.

Section 7. Majority of Members. As used in these Bylaws, any reference to a majority of members of the Association shall mean townhouse unit owners having more than fifty percent (50%) of the total votes of the townhouse unit owners who are present in person or by proxy and voting at any meeting of the members of the Association.

Section 8. Quorum. Except as otherwise provided in these Bylaws, the presence in person or by proxy of townhouse unit owners having at least fifty percent (50%) of the total authorized votes of all townhouse unit owners shall constitute a quorum at all meetings of the members.

Section 9. Majority Vote. The vote of a majority of members at a meeting at which a quorum shall be present shall be binding on all townhouse unit owners for all purposes except in

those instances stated in the Declaration, these Bylaws, or by law, where a higher percentage vote is required.

ARTICLE IV

OFFICERS

Section 1.. Designation. The principal officers of the Association shall be the President, the Vice President, the Secretary and the Treasurer, all of whom shall be elected by the Board of Directors. The Board of Directors may appoint an assistance treasurer, an assistant secretary, and such other officers as in its judgment may be necessary. The President and Vice President shall be members of the Board of Directors. Any number of offices may be held by the same person.

Section 2. Election of Officers. The officers of the Association shall be elected annually by the Board of Directors at the organization meeting of each new Board of Directors and shall hold office at the pleasure of the Board of Directors.

Section 3. Removal of Officers. Upon the affirmative vote of a majority of the members of the Board of Directors, any officer may be removed, either with or without cause, and his successor may be elected at any regular meeting of the Board of Directors, or at any special meeting of the Board of Directors called for such purpose.

Section 4. The President. Unless the Board of Directors otherwise provides, the President shall be the chief executive officer of the Association with such general executive powers and duties of supervision and management as are usually vested in the office of the chief executive officer of a corporation and he shall carry into effect all directions and resolutions of the Board of Directors. The President shall preside at all meetings of the Board of Directors and Association members. The President may execute all bonds, notes, contracts, deeds, mortgages and any other instruments for and in the name of the Association. He shall, unless the Board of Directors otherwise provides, be ex officio a member of all standing committees. He shall have such other or further duties and authority as may be prescribed elsewhere in these Bylaws or from time to time by the Board of Directors.

Section 5. Vice President. In the absence of the President or in the event of his disability, inability or refusal to act, the Vice President shall perform the duties and exercise the powers of the President and shall perform such other duties as the Board of Directors may from time to time prescribe.

Section 6. Secretary. The Secretary may attend all meetings of the Board of Directors and all meetings of the members of the Association and shall record or cause to be

recorded all votes taken and the minutes of all proceedings in a minute book of the Association to be kept for that purpose. He shall perform like duties for the executive and other standing committees when requested by the Board of Directors or any such committee to do so. It shall be the principal responsibility of the Secretary to give, or cause to be given, notice of all meetings of the Board of Directors and of the Association members, but this shall not lessen the authority of others to give such notice as is authorized elsewhere in these Bylaws. The Secretary shall cause all books, records, lists and information, or duplicates, required to be maintained in Kansas, or elsewhere, to be so maintained.

The Secretary shall keep in safe custody the seal of the Association, if such a seal is authorized by the Board of Directors, and shall have authority to affix the seal to any instrument requiring it, and when so affixed, he shall attest the seal by his signature. The Board of Directors may give general authority to any other officer to affix the seal of the Association and to attest the affixing by his signature.

The Secretary shall perform such other duties and have such other authority as may be prescribed elsewhere in these Bylaws or from time to time by the Board of Directors of the chief executive officer of the Association.

The Board of Directors shall have the right to designate an Assistant Secretary, who need not be a member of the Board of Directors, and in the absence of the Secretary or in the event of his disability, inability or refusal to act, the Assistant Secretary may perform the duties and exercise the powers to the Secretary, and shall perform such other duties as the Board of Directors may from time to time prescribe.

Section 7. Treasurer. The Treasurer shall have the responsibility for the safekeeping of the funds and securities of the Association, shall keep or cause to be kept full and accurate accounts of receipts and disbursements in books belonging to the Association and shall keep, or cause to be kept, all other books of account and accounting records of the Association. He shall deposit or cause to be deposited all moneys and other valuable effects in the name and to the credit of the Association in such depositories as may be designated by the Board of Directors or by any officer of the Association to whom such authority has been granted by the Board of Directors. He shall disburse, or permit to be disbursed, the funds of the Association as may be ordered, or authorized generally by the Board of Directors, and shall render to the chief executive officer of the Association and the Board of Directors whenever they may require it, an account of all his transactions as Treasurer and of those under his jurisdiction, and of the financial condition of the Association.

He shall perform such other duties and shall have such other responsibility and authority as may be prescribed elsewhere in

these Bylaws or from time to time by the Board of Directors. He shall have the general duties, powers and responsibility of a treasurer of a corporation. If required by the Board of Directors, he shall give the Association a bond in a sum and with one (1) or more sureties satisfactory to the Board of Directors, for the faithful performance of the duties of his office, and for the restoration to the Association, in the case of his death, resignation, retirement or removal from office, of all books, papers, vouchers, money and other property of whatever kind in his possession or under his control which belong to the Association.

Section 8. Agreements, Contracts, Deeds, Checks, etc. All agreements, contracts, deeds, leases, checks and other instruments of the Association shall be executed by the President or Vice President or by such other person or persons as may be designated by the Board of Directors.

Section 9. Compensation of Officers. No officer shall receive any compensation from the Association for acting as such unless such compensation is approved by a majority of the Association members as described in Sections 7, 8 and 9 of Article III hereof.

ARTICLE V

SALES AND LEASES OF TOWNHOUSES

Payment of Assessments. Notwithstanding Section 8.7 and Section 8.11 of the Declaration, no townhouse unit owner shall be permitted to convey, mortgage, pledge, hypothecate, sell or lease his townhouse unit unless and until he shall have paid in full to the Board of Directors all unpaid common charges and expenses theretofore assessed by the Board of Directors against his townhouse unit and until he shall have satisfied all unpaid liens against such townhouse unit, except a bona fide mortgage.

ARTICLE VI

RECORDS

Section 1. Records and Audits. The Board of Directors shall keep or cause to be kept detailed 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, and financial records and books of account of the Association, including a chronological listing of receipts and expenditures as well as a separate account for each townhouse unit which, among other matters, shall contain the amount of each assessment of common charges against such townhouse unit, the date when due, the amounts paid thereof, and the balance remaining unpaid. A written report summarizing all receipts and

expenditures of the Association shall be given by the Board of Directors to all townhouse unit owners at least semi-annually. In addition, an annual report of the assets and liabilities, including receipts and expenditures of the Association, prepared by an independent certified public accountant, shall be delivered by the Board of Directors to all townhouse unit owners, and to all mortgages of townhouse units who have requested the same, within sixty (60) days after the end of each calendar year.

Section 2. Statement of Account. Upon ten (10) days notice to the Board of Directors or manager and payment of a reasonable fee, any townhouse unit owner shall be furnished a statement of his account setting forth the amount of any unpaid assessments or other charges due and owing from such owner.

ARTICLE VII

DEFAULT

Section 1. Event of Default. Failure on the part of a townhouse unit owner to comply with any of the terms of the Declaration, these Bylaws, or the Rules and Regulations of the Association, shall constitute an event of default and shall be grounds for relief which may include, without limitation, an action by the Association to recover damages and for injunctive relief, or any combination thereof or any other appropriate relief.

Section 2. Enforcement. The Association, or any townhouse unit owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens, and charges now or hereafter imposed by the provisions of the Declaration, these Bylaws, or the Rules and Regulations of the Association. Failure by the Association or by any townhouse unit owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. The Association shall have the further right by three-fourth's vote of its Board of Directors to levy fines up to and including Five Hundred Dollars (\$500.00) against any townhouse unit owner who has breached or threatens to breach any of the provisions of the Declaration, these Bylaws of the Association, or the Rules and Regulations of the Association, and to charge such fines as an additional assessment against such townhouse unit owner.

Section 3. Negligence. A townhouse unit owner shall be liable for the expense of any maintenance, repair or replacement to or of the common areas and facilities or any townhouse unit, including his own, rendered necessary by his act, neglect or carelessness, or by that of any member of his household, or his or their guests, employees, agents or lessees, but only to the extent that such expense is not fully covered by the proceeds of insurance carried by the Association. A townhouse unit owner

shall pay the Association the amount of any increase in its insurance premiums occasioned by the townhouse unit owner's use, misuse, occupancy or abandonment of a townhouse unit or its appurtenances, or of the common areas and facilities.

Section 4. Costs of Attorney's Fees. In any proceeding arising because of an alleged failure of a townhouse unit owner to comply with the terms of the Declaration, these Bylaws, or the Rules and Regulations of the Association, as they may be amended from time to time, the Association shall be entitled to recover the costs of the proceeding and such reasonable attorney's fees as may be awarded by the Court.

Section 5. Abatement and Enjoinment of Violations by Townhouse Unit Owners. The violation of any of the Rules and Regulations adopted by the Board of Directors, or the breach of any Bylaw, or the breach of any provision of the Declaration, shall give the Board of Directors the right, in addition to any other rights set forth herein: (a) to enter on or in the lot or townhouse unit on or in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting townhouse unit owner, any structure, thing or condition that may exist therein contrary to the intent and meaning of the provisions hereof, and the Board of Directors shall not thereby be deemed guilty in any manner of trespass; and/or (b) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach. In the event any action is brought against a townhouse unit owner claiming, asserting or enforcing a lien against the townhouse unit or common areas and facilities, the townhouse unit owner shall give prompt written notice thereof to the Board of Directors.

Section 6. Remedies Cumulative. All rights, remedies and privileges granted to the Association or any townhouse unit owner or owners pursuant to the terms, provisions, covenants, or conditions of this Declaration, the Bylaws or the Rules and Regulations of the Association, shall be deemed to be cumulative and the exercise of any one or more of them shall not be deemed to constitute an election of remedies, nor shall it preclude the party thus exercising the same from exercising such other additional rights, remedies or privileges as may be available to such party at law or in equity.

ARTICLE VIII

COVENANTS COMMITTEE

Section 1. Number, Qualification, and Term. The Covenants Committee shall consist of three (3) members. Until Class B membership shall terminate, and thereafter until their successors have been elected by the townhouse unit owners, the Board of Directors designated by the Declarant shall have the right to

select and appoint the members of the Covenants Committee. The term of office for each member shall be one (1) year. .

Section 2. Purpose. It is deemed in the best interest of all townhouse unit owners, occupants, mortgagees, and the general common welfare that the properties always be maintained in a manner which provides for visual harmony and soundness of repair and that such activities as take place within the properties be neither deleterious to the property values and attractiveness of the properties, nor deleterious to the comfort of the townhouse unit owners or their guests or tenants, and, in pursuit thereof, a Covenants Committee shall be established.

Section 3. Operation. The Covenants Committee shall regulate the external design, appearance, use, and maintenance of the common areas and the townhouse units. On behalf of and as agent for each townhouse unit owner, and upon any townhouse unit owner's petition, the Covenants Committee shall have standing to notify and issue a cease and desist request to another townhouse unit owner, his guests, invitees, or tenants whose actions may be deemed inconsistent with the provisions of the Declaration, these Bylaws, duly adopted Rules and Regulations, resolutions of the Board of Directors, and the general common good and welfare of the townhouse unit owners. In addition to the above responsibilities and duties, the Covenants Committee shall from time to time, and as required, provide interpretations of the Declaration, these Bylaws, Rules and Regulations, and resolutions; provided, however, that a vote of a majority of the Board of Directors may alter, reserve, or overturn an interpretative ruling of the Covenants Committee. Any action of the Covenants Committee may be appealed to the Board of Directors by any party or parties deemed by the Board of Directors to have standing as an aggrieved party or parties. An appeal to be successful shall require an affirmative vote of a majority of the Board of Directors.

Section 4. Agent. For purposes of interpreting the scope of authority of the Covenants Committee within the context of the overall structural powers, authorities, and responsibilities vested in the various entities which are part of the legal, administrative, and operational aspects of the properties, the Covenants Committee shall be deemed an agent of the townhouse unit owners, the Association, the Board of Directors, or any individual owner, as the context or provisions of the Declaration, Bylaws, Rules and Regulations, and resolutions indicate; provided, however, that the Board of Directors may on a case-by-case basis, and upon a quorum of the Board of Directors, vote to relieve the Covenants Committee of the powers of agent as to powers for which it has ultimate responsibility. The manner in which the Covenants Committee shall carry out its duties and obligations shall be provided for in duly adopted resolutions of the Board of Directors.

ARTICLE IX

MISCELLANEOUS

Section 1. Notices. All notices to the Association or to the Board of Directors hereunder, except as otherwise provided herein, shall be in writing and sent by registered or certified mail to the Board of Directors at its office at 4008 A 10th Ave Leavenworth, Kansas 66048., or to such other address as the Board of Directors may hereafter designate from time to time. Notice to any townhouse unit, except as otherwise provided herein, shall be deemed given when sent by regular or certified United States mail to his townhouse unit address or to such other address requested by the townhouse unit owner or prior notice to the Association. All notices to contract sellers or mortgagees of townhouse units shall be sent by regular or certified United States mail to their respective addresses, as designated by them from time to time, in writing, to the Association. All notices sent by regular or certified United States mail shall be deemed to have been given when deposited in the United States mail in the manner aforementioned.

Section 2. Invalidity. The invalidity of any part of these Bylaws shall not impair or affect in any manner the validity, enforceability or effect of the other parts of these Bylaws.

Section 3. Captions. The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these Bylaws or the intent of any provision thereof.

Section 4. Gender. The use of the masculine gender in these Bylaws shall be deemed to include the feminine gender and the use of the singular shall be deemed to include the plural, whenever the context so requires.

Section 5. Waiver. No restriction, condition, obligation or provision contained in these Bylaws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur.

Section 6. Rules of Conduct. Reasonable rules and regulations concerning the use of the townhouse units and the common areas and facilities may be made by the Board of Directors from time to time. Copies of such rules and regulations shall be furnished by the Board of Directors to each townhouse unit owner prior to the time when the same shall become effective. Initial rules and regulations, which shall be effective until superseded or amended by the Board of Directors, as above referred to, are annexed hereto and made a part hereof as Schedule A. ✓

ARTICLE X

AMENDMENT TO BYLAWS

These Bylaws may be modified or amended only by the Declarant, or the Declarant and the Board of Directors, until Class B membership shall terminate. Thereafter these Bylaws may be modified or amended by the vote of eighty percent (80%) of the townhouse unit owners at a meeting of townhouse unit owners duly held for such purpose, or by the vote of eighty percent (80%) of the directors.

ARTICLE XI

CONFLICTS

Section 1. Conflicts. These Bylaws are set forth to comply with and supplement the requirements and provisions of the Kansas Townhouse Ownership Act, and the Declaration. In case any of these Bylaws are contrary to or in conflict with the provisions of said Act or Declaration, as the case may be, the applicable provisions of said Act and Declaration shall control.

The foregoing were adopted as the Bylaws of Serra Ridge Townhomes Association, Inc., a corporation not for profit under the laws of the State of Kansas, at the first meeting of its Board of Directors on the 15th day of March, 1985.

SERRA RIDGE TOWNHOMES
ASSOCIATION, INC.

By: 
R. R. CHAMBERS
President