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FOR PLAT SEE
2002, 2126-A

CERTIFICATE OF ZONING ADMINISTRATOR
FOR
PRAIRIE RIDGE ESTATES SUBDIVISION
IN
MADISON COUNTY, IOWA

NICKI UTSLER
RECORDER
MADISON COUNTY, IOWA

I, C. J. Nicholl, Zoning Administrator of Madison County, Iowa, do hereby certify that the Subdivision Plat to which this Certificate is attached is a plat of a subdivision known and designated as the Prairie Ridge Estates Subdivision, Madison County, Iowa and that the real estate described in this plat is as follows:


The North Half (1/2) of the Northeast Quarter (1/4), the Southwest Quarter (1/4) of the Northeast Quarter (1/4) and the Northeast Quarter (1/4) of the Northwest Quarter (1/4) of Section 20, Township 77 North, Range 27 West of the 5th P.M., Madison County. Said Parcel contains 161.166 acres, including 3.586 acres of county Road Right-of-Way.

The undersigned Zoning Administrator further certifies that following described documents attached to this Certificate are the true and correct documents submitted in connection with this subdivision plat:

1. Consent and Dedication of Plat executed by the proprietor for this Subdivision;
2. Consent and Dedication of Plat executed by the Mortgagee;
3. Restrictive Covenants executed by the proprietor for this Subdivision;
4. Certificate of the Treasurer of Madison County, Iowa for this Subdivision;
5. Certificate of the Recorder of Madison County, Iowa for this Subdivision;
6. Certificate of the Clerk of Court of Madison County, Iowa for this Subdivision;
7. Certificate of Engineer of Madison County, Iowa, for this Subdivision;
8. Title Opinion of Attorney at law for this Subdivision showing the land title to be in the name of the proprietor;
9. Resolution of Approval of the Final Subdivision Plat for this Subdivision by the Madison County Board of Supervisors;
10. 8 1/2 x 14 inch Final Plat;
11. 8 1/2 x 14 inch Final Plat- Mylar Copy; and,
12. Final Plat.


all of which is hereby duly certified in accordance with the Subdivision Ordinance of Madison County, Iowa.

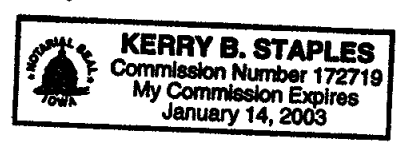
Dated on this 30th day of April, 2002, at Winterset, Iowa.


C. J. Nicholl, Zoning Administrator
Madison County, Iowa

State of Iowa)
) ss
Madison County)

On this 30th day of April, 2002, before me, the undersigned, a Notary Public in and for the State of Iowa, personally appeared, C. J. Nicholl, Madison County Zoning Administrator, to me known to be the identical person named in the foregoing instrument and who executed the foregoing instrument, and acknowledged that he executed the same as his voluntary act and deed.

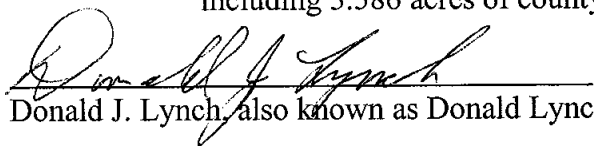

_____, Notary Public



**DEDICATION OF PLAT
TO PRAIRIE RIDGE ESTATES SUBDIVISION
IN
MADISON COUNTY, IOWA**

I, Donald J. Lynch, a single person, hereby certify that he is the sole owner and proprietor of the real property described below and that the disposition of this real property subdivided as shown by the accompanying final plat for the Prairie Ridge Estates Subdivision in Madison County, Iowa, is in accordance with his free consent and in accordance with his desire as owner and proprietor. The undersigned owner and proprietor do hereby dedicate to the public and convey any and all easements and any other public right-of-way as shown on that plat designated for public use. The real property covered by this Dedication of Plat is described as follows:


The North Half (1/2) of the Northeast Quarter (1/4) , the Southwest Quarter (1/4) of the Northeast Quarter (1/4) and the Northeast Quarter (1/4) of the Northwest Quarter (1/4) of Section 20, Township 77 North, Range 27 West of the 5th P.M., Madison County. Said Parcel contains 161.166 acres, including 3.586 acres of county Road Right-of-Way.


Donald J. Lynch, also known as Donald Lynch, Owner

STATE OF IOWA, COUNTY OF MADISON, ss:

On this 25th day of March, 2002, before me, the undersigned, a Notary Public in and for said State, personally appeared DONALD J. LYNCH, to me known to be the person named in and who executed the foregoing instrument, and acknowledged that he executed the same as his voluntary act and deed.




Terri Collins Notary Public in and for said State.

**CONSENT TO PLATTING BY MORTGAGEE
TO
PRAIRIE RIDGE ESTATES SUBDIVISION IN MADISON COUNTY, IOWA**

The Farmers and Merchants State Bank hereby states that the Prairie Ridge Estates Subdivision of the following described real estate is prepared with its free consent and in accordance with its desires upon the real estate legally described as:

The North Half (1/2) of the Northeast Quarter (1/4) , the Southwest Quarter (1/4) of the Northeast Quarter (1/4) and the Northeast Quarter (1/4) of the Northwest Quarter (1/4) of Section 20, Township 77 North, Range 27 West of the 5th P.M., Madison County. Said Parcel contains 161.166 acres, including 3.586 acres of county Road Right-of-Way.

The Farmers and Merchants State Bank hereby releases from the lien of its mortgage that portion of the above described real estate which is dedicated to the public and/or conveyed to the governing body as provided by Iowa Code Chapter 354.

The aforementioned mortgage is dated September 19, 2000 and filed for record on September 20, 2000 in the Office of the Madison County Recorder in Mortgage Record Book 220 at Page 735.

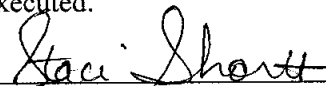
Dated on this 25th day of March, 2002, at Winterset, Iowa.

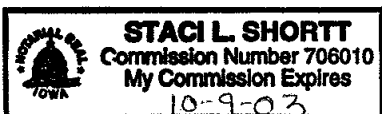
FARMERS AND MERCHANTS STATE BANK

By: 
Shane Pashek, Vice-President

STATE OF IOWA, COUNTY OF MADISON, ss:

On this 25th day of March, 2002, before me, the undersigned, a Notary Public in and for the said State, personally appeared Shane Pashek, personally known, who being by me duly sworn, did say that he is the VICE-PRESIDENT of the corporation executing the within and foregoing instrument, that the instrument was signed on behalf of the corporation by authority of its Board of Directors; and that Shane Pashek as an officer acknowledged the execution of the foregoing instrument to be the voluntary act and deed of the corporation, by it and by them voluntarily executed.


Notary Public in and for said State.



Flander, Casper and Rosien, P. C.

ATTORNEYS AT LAW
223 EAST COURT AVENUE
P.O. BOX 67

WINTERSET, IOWA 50273-0067

TELEPHONE: (515) 462-4912
FAX: (515) 462-3392

LEONARD M. FLANDER
JOHN E. CASPER
JANE E. ROSIEN

January 28, 2002

Madison County Zoning Administrator
Madison County Courthouse
Winterset, Iowa 50273

I, John E. Casper, do hereby certify that I am an attorney licensed to practice under the laws of the State of Iowa; that I have examined an abstract of title showing the chain of title to the real estate described below from the root of title to January 18, 2002 at 8:00 o'clock a.m. In my opinion the fee simple title to the real property described below is in the name of the proprietor, Donald Lynch. In my opinion, no mortgages, liens or other encumbrances exist against the following described real property as of January 18, 2002 at 8:00 o'clock a.m., except for the mortgage lien of the Farmers and Merchants State Bank shown in Mortgage Record Book 2001 at Page 754 of the Madison County Recorder's Office.

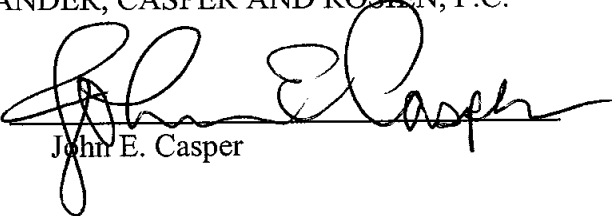
This attorney's opinion is for the real estate legally described as:

The North Half (1/2) of the Northeast Quarter (1/4), the Southwest Quarter (1/4) of the Northeast Quarter (1/4) and the Northeast Quarter (1/4) of the Northwest Quarter (1/4) of Section 20, Township 77 North, Range 27 West of the 5th P.M., Madison County. Said Parcel contains 161.166 acres, including 3.586 acres of county Road Right-of-Way.

Dated at Winterset, Iowa on this 28th day of January, 2002.

FLANDER, CASPER AND ROSIEN, P.C.

By:

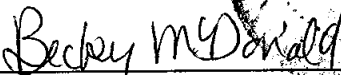

John E. Casper

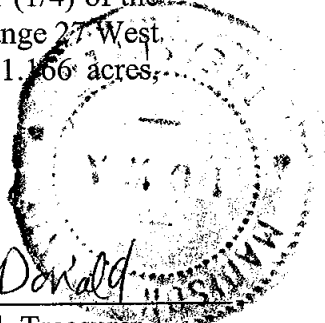
**CERTIFICATE OF THE COUNTY TREASURER
OF MADISON COUNTY, IOWA
FOR
PRAIRIE RIDGE ESTATES SUBDIVISION
IN MADISON COUNTY, IOWA**

I, Becky McDonald, do hereby certify that I am the duly elected and acting Treasurer of Madison County, Iowa; that I have examined the records in the Office of the Madison County Treasurer; and, that there are no certified taxes and no certified special assessments forming a lien against the following described real estate:

The North Half (1/2) of the Northeast Quarter (1/4) , the Southwest Quarter (1/4) of the Northeast Quarter (1/4) and the Northeast Quarter (1/4) of the Northwest Quarter (1/4) of Section 20, Township 77 North, Range 27 West of the 5th P.M., Madison County. Said Parcel contains 161.166 acres, including 3.586 acres of county Road Right-of-Way.

Dated on this 25th day of March, 2002 at Winterset, Iowa.


Becky McDonald, Treasurer
of Madison County, Iowa



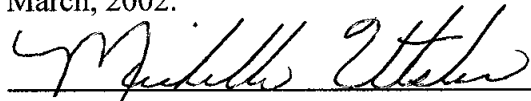
**CERTIFICATE OF THE COUNTY RECORDER
OF MADISON COUNTY, IOWA**

I, Michelle Utsler, do hereby certify that I am the duly elected and acting Recorder of Madison County, Iowa; that Donald J. Lynch, is the fee simple owner and record title holder of the following described real estate:

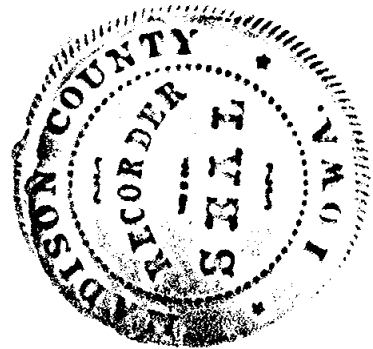
The North Half (1/2) of the Northeast Quarter (1/4), the Southwest Quarter (1/4) of the Northeast Quarter (1/4) and the Northeast Quarter (1/4) of the Northwest Quarter (1/4) of Section 20, Township 77 North, Range 27 West of the 5th P.M., Madison County. Said Parcel contains 161.166 acres, including 3.586 acres of county Road Right-of-Way.

and that this real estate is free and clear of all liens and encumbrances, except for the mortgage lien in favor of the Farmers and Merchants State Bank shown in Mortgage Record Book 220 at Page 735.

Dated at Winterset, Iowa on this 25th day of March, 2002.



Michelle Utsler, Recorder of
Madison County, Iowa



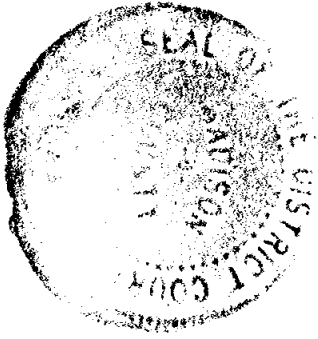
**CERTIFICATE OF THE CLERK OF THE DISTRICT COURT
OF MADISON COUNTY, IOWA**

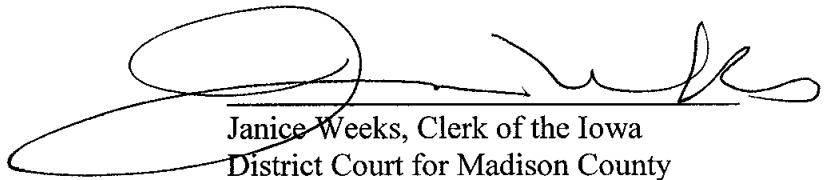
I, Janice Weeks, do hereby certify that I am the duly appointed and acting Clerk of the Iowa District Court for Madison County; that I have examined the records in the Office of the District Court for Madison County, Iowa; and, that the following described real estate:

The North Half (1/2) of the Northeast Quarter (1/4) , the Southwest Quarter (1/4) of the Northeast Quarter (1/4) and the Northeast Quarter (1/4) of the Northwest Quarter (1/4) of Section 20, Township 77 North, Range 27 West of the 5th P.M., Madison County. Said Parcel contains 161.166 acres, including 3.586 acres of county Road Right-of-Way.

is free from all judgments, attachments, mechanic's or other liens of any kind as shown by these official records.

Dated at Winterset, Iowa on this 25th day of March, 2002.





Janice Weeks, Clerk of the Iowa
District Court for Madison County

**DECLARATION OF ASSOCIATION
FOR
PRAIRIE RIDGE ESTATES SUBDIVISION
IN
MADISON COUNTY, IOWA**

This Declaration is made by DONALD J. LYNCH, hereafter referred to as the Declarant. Pursuant to Chapter 499B of the Code of Iowa, known as the Iowa Horizontal Property Act, hereafter the Act.

RECITALS:

- A. Declarant is the owner of certain real property which is being subdivided under the laws of the State of Iowa and of Madison County, Iowa, all of which land is described in this Declaration.
- B. Declarant intends, by filing this Declaration, to submit and convey the land within the Subdivision to the provisions of the Iowa Horizontal Property Act.

Now, therefore, the Declarant, the fee simple titleholder to the property described in this Declaration, expressly intends to, and by recording this Declaration, does hereby submit the land and the Property to the Association Regime pursuant to the provisions of this Act.

ARTICLE 1 NAME.

The name of the Association Regime is PRAIRIE RIDGE ESTATES ASSOCIATION, INC.

ARTICLE 2 LOCATION, LEGAL DESCRIPTION, BUILDING, SURVEY AND FLOOR PLANS.

- 2.1 The Association Regime is located at 1583 Upland Trail, Prole, Madison County, Iowa.
- 2.2 The legal description of the parcel of real property submitted to the Regime is shown on Exhibit "A" attached to this Declaration and incorporated by this reference and is hereafter referred to as the "land".
- 2.3 Attached as Exhibit "B" is a duly certified Plat of Survey of the Land submitted to this Regime and the Plat of the lots, which lots are shown and designated by number. Such Exhibit contains and shall govern for the purposes of this Declaration and for purposes of the Act the following requirements:
 - a. The dimensions, area and location of common elements affording access to each lot.

b. The lot number of each lot, statements of its location, approximate area, and other data necessary for its proper identification.

c. Each lot is an unimproved area without structures located thereon.

ARTICLE 3 DEFINITIONS.

3.1 As used in this Declaration, unless the context requires otherwise, the following terms shall have the following meaning:

a. "Act" means Chapter 499B of the Code of Iowa known as the Horizontal Property Act.

b. "Association" means the Prairie Ridge Estates Association, Inc. and its successors and assigns and shall, for the purpose of this Declaration, be the "Council of Co-Owners" as defined in the Act.

c. "Board" means the Board of Directors of the Prairie Ridge Estates Association, Inc.

d. "Bylaws" means the Bylaws of the Association, attached as an Exhibit to this Declaration as may be amended from time to time.

e. "Association Documents" means this Declaration, all Exhibits attached to this Declaration, including the Articles of Incorporation and the Bylaws of the Association and supplements and amendments thereto, all of which by this reference are made a part of these documents.

f. "Common Elements" or "General Common Elements" means all the Property which is shown on the Final Plat of the Subdivision of the land described on Exhibit "A" to be used as private drive right-of-way and utility access easements to the lots within the Subdivision.

g. "Common Expense" means expenditures made or liabilities incurred by or on behalf of the Association, together with any allocations to reserves; and, shall include all expenses declared to be common expenses by this Declaration.

h. "Declarant" means Donald J. Lynch.

i. "Land" means the parcel of real estate described on Exhibit "A" and submitted pursuant to this Declaration and shall mean the "parcel of real property" as defined in the Act.

j. "Majority of Owners" means the owners of more than fifty percent (50%) of the votes of the Association. Wherever, in this Declaration, a specific percentage of lot owners is stated, the same shall mean that percentage of lot owners who in the aggregate have such specified percentage of the votes in the Association.

k. "Property" means all real property submitted to the Association Regime including all

easements, rights and appurtenances belonging thereto.

l. "Lot" means one or more units of the Land designated on the Final Plat to the Prairie Ridge Estates Subdivision.

m. "Lot Owner" means a person, corporation or other legal entity capable of holding or owning an interest in real property who owns all or an interest in a lot within the Regime and shall have the same meaning as "Owner" or "Co-Owner" as provided in the Act.

3.2 Other Definitions.

Certain other terms are defined at various places in this Declaration and, to the extent not defined in this Article, that definition shall control. To the extent not limited or contradicted by this Declaration, the definitions contained in the Act shall apply.

3.3 Plural and Gender.

Wherever the context so permits or requires, the singular shall include the plural and the plural the singular and the usage of any gender shall include all genders.

ARTICLE 4 DESCRIPTION OF LOTS.

4.1 Types of Lots.

This Association shall have one type of lot which shall be unimproved land with access to Rural Water services to be within the vicinity of each lot.

ARTICLE 5 OWNERSHIP, COMMON EXPENSE LIABILITY, VOTES AND USE OF COMMON ELEMENTS.

5.1 Allocation of Undivided Interest, Common Expenses, and Votes.

On Exhibit "C" attached to this Declaration and incorporated into this document is an allocation of the undivided interest in the common elements, common expenses and votes in the Association for each lot within the Subdivision. The Association shall not own the fee simple title to any common area. The Association by this Declaration shall have control, management and the right of access to the Common Areas with the fee simple title to the Common Areas remaining with the lots with the Subdivision as shown on the Final Plat of the Subdivision.

5.2 Use of Common Elements.

Each lot owner shall have the right to use the common elements in common with all other lot owners, as may be required for the purposes of access, ingress to, egress from, use, occupancy and enjoyment of the respective lot owned by such lot owners. Such right to use the common elements shall extend to not only each lot owner, but also to their agents, servants, tenants, family

member, customers, invitees and licensees. Such rights to use the common elements shall be subject to and governed by the provisions of the Act, Declaration, Bylaws and the Rules and Regulations of the Association. In addition, the Association shall have the authority to control, grant concessions or grant easements with respect to parts of the common elements, subject to the provisions of the Declarations and Bylaws. All income derived by the Association from concessions or other sources shall be held and used for the benefit of the members of the Association pursuant to such Rules, Regulations, and Resolutions as the Board may adopt.

ARTICLE 6 MANAGEMENT, ADMINISTRATION, COMMON EXPENSES AND ASSESSMENTS.

6.1 Association and Membership.

The management and administration of the Property shall be governed and managed by the Prairie Ridge Estates Association, Inc., a non-profit membership corporation organized and existing under Chapter 504A of the Code of Iowa. Copies of its Articles of Incorporation and of its Bylaws are attached to this Declaration as Exhibits "D" and "E", respectively. Whenever a vote or other action of the unit owners as a group is required the mechanics of conducting such a vote or taking such action shall be under the control and supervision of the Association. The action of the Association shall constitute the action of the owners or of the Council of Co-Owners whenever such action is permitted or required by this Declaration or by the Act. Each lot owner shall be a member of the Association so long as they are a lot owner. A lot owner's membership shall automatically terminate when the person ceases to be a lot owner. Upon the conveyance or transfer of a lot owner's ownership interest to a new lot owner, the new lot owner shall simultaneously succeed to the former lot owner's membership in the Association.

6.2 Common Expense Allocation.

a. The cost of maintaining the private drive right-of-way including any repair, replacement, improvement or alteration thereof will be a common expense allocated to all lots in proportion to their common expense liability.

b. If any lot owner or occupant fails to perform any obligation imposed under the Declaration or the bylaws or the rules and Regulations, then the Association may, but is not obligated to, perform the same for the lot owner's account and for such purpose may enter upon the lots, may make necessary repairs, advance expenses or other sums necessary to cure the default, and for any such expense, may levy a special assessment upon the lot.

c. Each lot owner shall be liable for the expense of any maintenance, repair or replacement to common elements rendered necessary by their act, neglect or carelessness or by that of any member of their family or their guests, employees, agents or lessees, but only to the extent that such expense is not met by the proceeds of insurance carried by the Association. Nothing contained in this Declaration, however, shall be construed so as to modify any waiver by insurance companies of the rights of subrogation.

6.3 Payment of Common Expenses and Lien.

Payment of common expenses shall be by assessments made by the Association against each lot and lot owner. The Association may provide that assessments be payable monthly or at other intervals. If default is made in the payment of the installments, the Association may declare the entire annual assessment to be accelerated and to be immediately due and payable. If any lot owner shall fail or refuse to make any such payment of the common expenses when due, the amount thereof together with interest on the unpaid amount at the maximum rate as may then be permitted under the laws of the State of Iowa accruing from and after the date the common expenses become due and payable, shall constitute a lien on the interest of such lot owner in the Property and their lot from the first date that the interest provided by this Declaration begins to accrue.

6.4 Enforcement of the Lien.

The Board may bring an action at law against the lot owner personally obligated to pay the item for the collection of their unpaid proportionate share of the common expenses, or to foreclose the lien against the lot or lots owned by such lot owner, plus the interest, costs and reasonable attorney's fees of any such action shall be added to the amount of such assessment. Each lot owner, by their acceptance of a deed to a lot, expressly vests in the Board or its agents the right and power to bring all actions against such lot owner personally for the collection of such charges as a debt and to enforce the lien by all methods available for the enforcement of such liens. The lien provided by this section shall be in favor of the Association and shall be for the common benefit of all lot owners. The Board acting on behalf of the lot owners shall have the power to bid upon an interest foreclosed at foreclosure sale and to acquire and hold, lease, mortgage and convey the same.

6.5 No Avoidance.

Each owner shall be liable for all assessments made by the Association against their lot for common expenses. The liability of a lot owner for all assessments made by the Association may not be avoided by waiver of the use or enjoyment of any common element or by abandonment of a lot for which an assessment is made.

6.6 Limitation of Association's Liability.

The Association shall not be liable for injury or damage to property caused by or on the common elements or by another owner or person in the Regime, or resulting from electricity, water, rain, air, dust, dirt or sand which may leak or flow from any of its pipes, drains, conduits, appliances or equipment or from any other place unless caused by negligence of the Association. No diminution or abatement of common expense assessments shall be claimed or allowed for inconveniences or discomfort arising from the making or repairs or improvements to the common areas or from any action taken to comply with any law, ordinance or orders of a governmental authority.

6.7 Indemnification of Board and Officers.

Each member of the Association shall be indemnified by the Association against all expenses and liabilities including attorney's fees reasonably incurred by or imposed upon them in connection with any proceedings to which they may be a party, or in which they may become involved by reason of their being or having been an officer or director of the Association or any settlement thereof, whether or not he is an officer or director at the time such expenses are incurred, except in such cases where such person is adjudged guilty of or liable for willful misfeasance or malfeasance in the performance of their duties; provided that in the event of a settlement the indemnification shall apply only when the Board of Directors of the Association approves such settlement and reimbursement as being for the best interest of the Association.

6.8 Association as Attorney in Fact for Owners.

The Association is hereby irrevocably appointed attorney in fact for the owners of each and every unit to manage, control and deal with the interest of such owners in the common elements so as to permit the Association to fulfill all its duties and obligations under this Declaration and to exercise all its rights under this Declaration, to deal with the Prairie Ridge Estates common area improvements upon its destruction or obsolescence as provided by this Declaration, and to deal with and handle insurance and insurance proceeds. The acceptance by any person or entity of any interest in any lot shall constitute an appointment of the Association as an attorney in fact as provided above.

6.9 Subordination of Assessment Liens.

If any lot subject to a lien created by any provision of this Declaration shall be subject to the lien of a first mortgage of record:

- i. the foreclosure of any lien created by anything set forth in this Declaration shall not operate to affect or impair the lien of such mortgage; and,
- ii. the foreclosure of the lien of such mortgage or the acceptance of a deed in lieu of the foreclosure by the mortgagee shall not operate to affect or impair the lien except that assessment liens, if any, as shall have come due at the time of the expiration of the applicable redemption period and issuance of a Sheriff's Deed resulting from a decree of foreclosure or the appointment of a Receiver in foreclosure proceedings or the acceptance of the deed in lieu of foreclosure shall be subordinate to the lien of the Mortgage with the foreclosure-purchases and purchases therefrom taking title free of assessment, if any, that have come due at the time of the expiration of the applicable redemption period and the issuance of a Sheriff's Deed resulting from a decree of foreclosure or the appointment of a receiver in foreclosure proceedings or deed given in lieu of foreclosure, but subject to assessment liens that shall have come due subsequent to the expiration of the applicable redemption period and issuance of a Sheriff's Deed resulting from a decree of foreclosure or the appointment of a Receiver in foreclosure proceedings or the acceptance of a deed in lieu of foreclosure. All assessments liens as shall have come due at the time of the expiration of the applicable redemption period and issuance of a Sheriff's Deed resulting from a decree of foreclosure or the appointment of a receiver in foreclosure proceedings or the acceptance of a deed in lieu of foreclosure and have not been paid shall be deemed to be an expense of the Association, but this shall not derogate the Association's right to collect these sums from the defaulting owner

personally.

ARTICLE 7 DECLARANT'S RESERVED RIGHTS AND POWERS.

7.1 Declarant's use and Ownership.

Declarant is irrevocably and perpetually empowered, notwithstanding any use restriction or other provision hereof to the contrary, to sell, lease or rent lots not previously sold by the Declarant to any person and shall have the right to transact on the Property any business relating to construction, sale, lease or rental of such lots signs, employees and equipment and materials on the premises, and to use common elements to show such lots. Declarant retains the right to be the owner of unsold lots under the same terms and conditions as other owners including membership in the Association save for this right to sell, rent, or lease.

7.2 Control of Association.

Declarant shall have exclusive control of the Association until this control is transferred pursuant to the Bylaws. This control shall include but not be limited to the right to name all Directors of the Association. This reservation of control of the Association by Declarant shall be for a period of ten (10) years from the date of the first conveyance of a lot whose owner is other than Declarant. Provided, however, Declarant specifically reserves the right to relinquish control of the Association at any time prior to the end of the ten (10) year period provided in this section.

7.3 Membership in Association and Common Expense Liability.

During the period of Declarant's control of the Association, for those lots which are owned by Declarant, Declarant shall be entitled to membership in the Association. Further, Declarant shall be liable for one hundred percent (100%) of the common expense allocated to the lot or lots owned by Declarant.

7.4 Right to Amend Plans or Subdivide Units.

Declarant reserves the right to change the design and arrangement of all lots, to subdivide or resubdivide the lots and to alter the boundaries between lots, so long as Declarant owns the lots so altered. If Declarant shall make any changes in lots so authorized, such changes shall be reflected by an amendment to the Declaration. An Amendment made pursuant to this paragraph need be signed and acknowledged only by the Declarant its agents or assigns and need not be approved by the Association, lot owners or mortgagees, whether or not elsewhere required for an amendment. Provided, however, no change pursuant to this paragraph shall alter the boundaries of the common elements without amendment of this Declaration by approval of the Association, affected lot owners and affected mortgagees provided. Except as set forth In this Article and except as set forth in Article 11, lots may not be further subdivided.

7.5 Amendments.

Declarant may, during this period of Declarant's control of the Association, make minor amendments to this Declaration and the Exhibits attached hereto without the approval of the lot owners or mortgagees. Such amendments shall be solely for the purpose of clarification or correction of errors in this Declaration and Exhibits and shall not affect the substantive rights of any lot owner or mortgagee.

ARTICLE 8 MAINTENANCE, ALTERATION AND IMPROVEMENT.

8.1 Maintenance by Association.

- a. The Association shall maintain, repair and replace all common elements.
- b. The Association shall repair incidental damage caused to a lot through maintenance by the Association.
- c. All expenses incurred by the Association under this section shall be common expenses allocated pursuant to Article 6 above.

8.2 Maintenance by Owner.

- a. Each lot owner at their own expense shall maintain the any utility fixtures and accessory equipment servicing their lot only for its exclusive use.
- b. The lot owner shall maintain at their expense any improvement or other alteration made by them.
- c. The owner of each lot shall promptly report to the Association any defects or other maintenance needs which are the responsibility of the Association.

8.4 Alterations to Common Elements.

Except as permitted by the Act and except as set forth in this Declaration, common elements shall not be altered or removed and no improvements shall be constructed or made thereon except by the Association or by others upon the prior written consent of the Association. The Association's consent shall be requested by a written petition submitted to the Association by the lot owner. Unless the Association has given the lot owner a notice requesting further information, denying or limiting its consent within ninety (90) days after the delivery of the petition to the Association, the consent may be deemed given to the lot owner. The Association may require that a lot owner furnish adequate plans and specifications to describe the nature of the proposed changes and alterations.

8.5 Access to Lots.

The authorized representatives of the Association or Board shall be entitled to reasonable access to the individual lots and common elements as may be required in connection with the preservation of the common elements in the event of an emergency, or in connection with

maintenance, repairs or replacements within, on or under the common elements or to comply with the requirements of any governmental authority.

ARTICLE 9 USE OF LOTS AND RESTRICTIONS.

9.1 Use and Restrictions.

Subject to the provisions of the Association Documents, the following shall govern and restrict the use, occupancy and alienation of units:

a. All lots shall have a single-family residence as the principal permitted use. Each lot shall have only one (1) principal structure located thereon. The residential dwelling structure shall be at least one thousand five hundred (1500) square feet in habitable, finished living area within the dwelling not limited to the main entry level, but excluding from this minimum area that portion of the structure used as a basement or as an unfinished portion of the structure. No mobile homes shall be erected or placed on any of said lots. Modular homes and manufactures homes shall be permitted to be erected or placed on these lots, but all residential dwelling structures shall have a continuous, concrete foundation with a full basement. For the purpose of this Declaration the following definitions shall apply.

1) "*Mobile home*" means any vehicle without motive power used or so manufactured or constructed as to permit it being used as a conveyance upon the public streets and highways and so designed, constructed, or reconstructed as will permit the vehicle to be used as a place for human habitation by one or more persons.

2) "*Modular home*" means a factory-built structure which is manufactured to be used as a place of human habitation, is constructed to comply with the Iowa state building code for modular factory-built structures, and must display the seal issued by the estate building code commissioner.

3) "*Manufactured home*" means a factory-built structure used as a place for human habitation, but which is not constructed to equipped with a permanent hitch or other devise allowing it to be moved other than for the purpose of moving to a permanent site, and which does not have permanently attached to its body or frame any wheels or axles.

b. No hog confinement, nursery or finishing structure, cattle finishing structure, poultry laying or raising houses shall be erected on any of the above described lots.

c. The requirements contained in the Madison County Zoning Ordinance as to lot area, width and yard requirements shall apply to all lots. Specifically, a setback of fifty (50) feet from all streets, roads and private drives shall apply.

d. These lots described above shall not be further subdivided under the Subdivision Ordinance and Zoning Ordinance of Madison County, Iowa.

e. No trailer, basement, tent, shack, garage, barn or other accessory building in the tract shall at any time be used as a residence, temporarily or permanently, nor shall any residence of a temporary character be permitted.

f. No building shall be erected on any lot unless the design and location is in harmony with the existing structures and locations in the Subdivision and does not violate any of these Declarations and Covenants.

g. The titleholder of each parcel, vacant or improved, shall keep their lot or lots free of weeds and debris, and shall not engage in any activity which is a nuisance. Each lot shall be maintained so as to have a neat and groomed appearance. Each Owner shall take such measures as may be reasonably necessary so as to not allow soil erosion, noxious and offensive odors, waste, effluents, and pests on such lot.

h. No towers shall be constructed on any lot; however, antenna and satellite dishes are permissible provided that the same are screened in such fashion so as to not be visible from the common areas or any other lot.

i. If any lot owner decides to erect an interior or partition fence upon their lot, the total cost of installation of such fence shall be borne by this lot owner as well as the cost of all future maintenance of the fence. No adjoining lot owner shall be required to participate in the cost of the erection or maintenance of any fence. Any fence erected shall be the sole property of the lot owner and can be removed by such lot owner at their discretion. Nothing in this paragraph shall be deemed to preclude a fencing agreement between adjoining lot owners for erection and maintenance of a common fence; however, for any such common fence agreement to be enforceable upon future Lot owners, such fencing agreement must be in writing and filed of record in the Madison County Recorder's office in order to apprise prospective purchasers of their obligations with respect to such fencing. No chain link fence, snow fence or other temporary fence of any kind shall be permitted on any lot, except that a chain link fence may be permitted around a dog run or tennis court.

j. All fencing shall be a "tight" fence as defined by the Code of Iowa or better.

k. The Association shall have the duty to settle any and all issues concerning the lot owner's compliance with the fencing provisions of this Declaration.

l. With respect to exterior partition fences it shall be the responsibility and obligation of each lot owner to maintain a lawful partition fence separating their lot from adjoining unplatted real estate not within this Subdivision.

m. There is no common sewage system available for use within the Subdivision, and it shall be the responsibility of each of the owners of the respective lots to provide a septic system for use with the residence constructed upon each lot.

n. No animals shall be kept or maintained on any of the lots except ordinary household pets, provided that no more than three (3) horses may be maintained on any lot. Ducks and geese

shall be permitted on any tract upon which a pond is located or later constructed.

9.2 Rules and Regulations.

The Association shall have the authority to amend and adopt reasonable rules and regulations governing the use of the property and such rules shall be observed and obeyed by the owners, their guests, and licensees. Such rules after being properly adopted shall have the same force and effect as if contained in this Declaration. The initial Rules and Regulations promulgated by the Declarant shall be deemed properly adopted by the Association without any formal action.

9.3 Amendment to Declaration.

The Association shall thereafter have the right to file among the land records an amendment to this Declaration to incorporate all necessary changes.

ARTICLE 10 INSURANCE.

10.1 Duty of the Association.

The Association shall obtain and maintain at all times, to the extent available and/or feasible, at least:

a. The liability insurance in such amounts and in such forms as may be considered appropriate by the Association incident to the ownership and/or use of the Common Areas or any portion thereof; and,

b. Such other policies of insurance including insurance for other risks of a similar or dissimilar nature, as are or shall hereafter be considered appropriate by the Association.

10.2 Premiums and Terms.

a. The premiums for the insurance coverage shall be a common expense to be paid by monthly assessment levied by the Association against owners of each of the lots.

b. The Association, or its designee, shall have the exclusive authority to adjust losses under the insurance policies.

c. In no event shall the insurance coverage obtained and maintained by the Association be brought into contribution with insurance purchased by owners of lots or their mortgagees.

d. Each lot owner may obtain additional insurance at their own expense upon their lot provided that no owner shall maintain insurance coverage which will tend to decrease the amount which the Association may realize under any insurance policy which it may have in force on the

Common Areas.

ARTICLE 11 REMEDIES.

In addition to the remedies to enforce the lien provided in Article 6, the Association shall have the right to enforce the provisions of the Act, this Declaration and Exhibits hereto, and any Rules and Regulations properly adopted by the Association against an individual lot owner or the occupant of any lot. The Association shall have the right to proceed at law or in equity to enforce any lien or any of the above items against the lot owner including an action for damages or Injunction. In the event of any such action, the lot owner agrees to pay all costs including reasonable attorney's fees. In the event of any default by any lot owner under the terms of this Declaration, the Association shall have the right to correct such default and seek reimbursement from the lot owner. Any such costs, damages, or expenses in connection with this paragraph shall be a lien against the lot owner enforceable at law or in equity.

ARTICLE 12 AMENDMENTS.

12.1 Unanimous Amendment.

The provisions of this Articles 7, 9 and 12 may be amended by the Association only by written agreement of all lot owners and all first mortgagees. Further, no amendment shall change the allocation of undivided interest in the common elements or common expenses or number of votes unless the record owner of the lot concerned and all mortgagees of record thereon shall affirmatively join in the adoption of such amendment.

12.2 Other Amendments.

All other amendments except as provided in Article 13 and the Act, may be made by the Association pursuant to written agreement of lot owners to which at least two-thirds of the votes in the Association are allocated and two-thirds of the first mortgagees of the lots (each mortgagee having one vote per lot financed).

12.3 Amendments Requiring Consent of Declarant.

No Amendment affecting the provisions of Article 7 of this Declaration can be made without the written consent of the Declarant.

ARTICLE 13 MISCELLANEOUS.

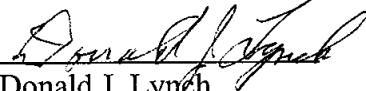
13.1 Severability.

Invalidity of a covenant, restriction, agreement, undertaking or other provision of any Association document or Exhibit thereto shall not affect the validity of the remaining portions thereof.

13.2 Incorporation.

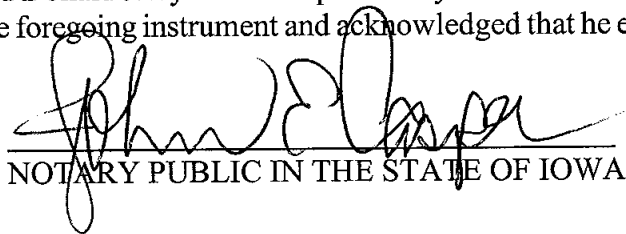
Exhibits attached hereto and described in this Declaration are hereby made a part hereof with the same force and effect as other provisions of this document; provided that, whatever specifically provided, modification of certain Exhibits shall not be deemed an amendment of this Declaration.

IN WITNESS WHEREOF, this Declaration has been executed on this 22nd day of March, 2002.


Donald J. Lynch
Declarant

STATE OF IOWA :
: ss
COUNTY OF MADISON:

On this 22nd day of March, 2002, before me, the undersigned a Notary Public in and for said County and State, personally appeared Donald J. Lynch to me personally known to be the identical person named in and who executed the foregoing instrument and acknowledged that he executed the same as their voluntary act and deed.


NOTARY PUBLIC IN THE STATE OF IOWA

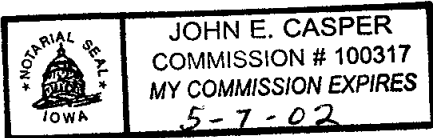


EXHIBIT "A"

The North Half ($\frac{1}{2}$) of the Northeast Quarter ($\frac{1}{4}$), the Southwest Quarter ($\frac{1}{4}$) of the Northeast Quarter ($\frac{1}{4}$) and the Northeast Quarter ($\frac{1}{4}$) of the Northwest Quarter ($\frac{1}{4}$) of Section 20, Township 77 North, Range 27 West of the 5th P.M., Madison County. Said Parcel contains 161.166 acres, including 3.586 acres of county Road Right-of-Way.

EXHIBIT "C"

ALLOCATION OF UNDIVIDED INTERESTS SCHEDULE

The Subdivision consists of twenty-four (24) Lots. Each Lot shall have an undivided one-twenty-fourth (1/24th) interest in all common areas; shall bear a one-twenty-fourth (1/24th) responsibility for all common expenses; and, shall have the right to cast one vote on all matters before the Association.

**ARTICLES OF INCORPORATION
OF
PRAIRIE RIDGE ESTATES ASSOCIATION, INC.**

The undersigned, acting as the incorporator of a corporation pursuant to the provisions of the Iowa Nonprofit Corporation Act under Chapter 504A of the Code of Iowa, adopts the following Articles of Incorporation for such corporation.

ARTICLE I

The Corporation shall be known as PRAIRIE RIDGE ESTATES ASSOCIATION, INC. and its principal offices shall be located at 1583 Upland Trail, Prole, Madison County, Iowa.

ARTICLE II

The existence of this Corporation shall commence with the date these Articles are filed with the Secretary of State and the period of its duration is perpetual.

ARTICLE III

- A. The purpose and objective of the Corporation is to provide an entity to act as a "Management Association" within the meaning of Section 528 of the Internal Revenue Code of 1986 to conduct the business and affairs of, and to act for, the co-owners of that Horizontal Property Regime created and submitted pursuant to the provisions of Chapter 499B of the Code of Iowa, to be known as the Prairie Ridge Estates Association (hereinafter sometimes referred to as "Regime") and to be located on the real estate situated in Madison County, Iowa.
- B. The Corporation shall have all powers and purposes granted or implied to a Council of Co-owners under the provisions of Chapter 499B of the Code of Iowa and as are granted or implied by the Declaration of Association establishing this regime with all of such powers to constitute the lawful purposes of the Corporation.
- C. The purposes of the Corporation are exclusively not for private profit or gain and no part of its activities shall consist of carrying on political propaganda or otherwise attempting to influence legislation. The Corporation shall make no distribution of income to its members, directors or officers.
- D. The Corporation shall have unlimited power to engage in and do any lawful act concerning any and all lawful businesses for which corporations may be organized under this Act and consistent with the provisions herein.

ARTICLE IV

The address of the initial registered office of the Corporation is 1583 Upland Trail, Prole. Madison County, Iowa 50273 and the name of its initial registered agent at such address is Donald J. Lynch.

ARTICLE V

The Corporation shall have members who shall be those persons described as members in the bylaws of the Corporation. The voting rights of the members shall be as provided in the Declaration of Association and the Bylaws of the Corporation.

ARTICLE VI

The number of directors constituting the initial Board of Directors of the Corporation is one (1). The names and addresses of the persons who are to serve as the initial directors are:

NAME	ADDRESS
Donald J. Lynch	1583 Upland Trail, Prole, Iowa 50229

The terms of office of the initial Board of Directors shall be until successor Directors shall have been elected and shall have qualified. Until the terms of the initial Board of Directors expire, they shall be subject to removal only by Prairie Ridge Estates Association as provided in the Declaration and Bylaws.

ARTICLE VII

The initial Bylaws of the Corporation and amendments thereto shall be adopted by its initial Board of Directors, but the power to thereafter alter, amend or repeal the same or adopt new Bylaws is vested in the Board of Directors of the Corporation subject to the restrictions contained in the Declaration of Association.

ARTICLE VIII

In the event of liquidation, assets of the Corporation, if any remain, shall be distributed to the members in accordance with their proportionate share of undivided interests in the common elements existing in the Association Regime as determined by the Declaration and the Bylaws.

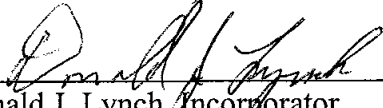
ARTICLE IX

Neither the members, the Board of Directors, corporate officers nor their private property shall be liable for corporate debts, obligations or undertakings. A director, officer, member, or other volunteer is not personally liable in that capacity for a claim based upon an act or omission of the person performed in the discharge of the person's duties, except as provided by law.

ARTICLE X

The name and address of the incorporator is Donald J. Lynch residing at 1583 Upland Trail, Prole, Madison County, Iowa 50229.

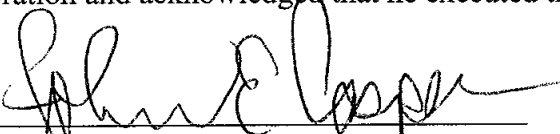
Dated at Winterset, Iowa on this 6th day of March, 2002.



Donald J. Lynch, Incorporator

STATE OF IOWA)
 SS
COUNTY OF MADISON)

On this 6th day of March, 2002, before me, a Notary Public in and for the State of Iowa, personally appeared Donald J. Lynch, who is the person named in and who executed the foregoing Articles of Incorporation and acknowledged that he executed the same as his voluntary act and deed.



NOTARY PUBLIC FOR STATE OF IOWA



EXHIBIT "E"

**BYLAWS
OF
PRAIRIE RIDGE ESTATES ASSOCIATION, INC.**

AN IOWA NON-PROFIT CORPORATION

1. IDENTIFY:

The following shall and do constitute the Bylaws of Prairie Ridge Estates Association, Inc., a non-profit corporation, hereinafter called the Association. The Bylaws are subject to the Declaration of Association of the Prairie Ridge Estates Subdivision, hereinafter referred to as the Declaration. The Association has been organized for the purpose of administering the common areas of the Prairie Ridge Estates Subdivision and is organized under the Iowa Horizontal Property Act.

Terms used in these bylaws shall have the same meaning ascribed by the Declaration. The term "Majority of members," as used herein, shall mean 51% or more of the votes in accordance with the percentages assigned in the Declaration to the subdivision lots for voting purposes.

2. MEMBERS:

The qualification of members and the manner of their admission into the Association shall be as follows:

A. A lot owner in the Prairie Ridge Estates Subdivision shall by virtue of such interest be a member of this Association.

B. If more than one person is an owner of the same lot, all such owners shall be members and remain jointly and severally liable for all membership obligations. In such cases, or if more than one fiduciary or other official is acting in the premises, the votes entitled to be cast by the owner of that lot shall be cast by the person named for that purpose on a certificate signed by all such owners or fiduciaries or other officials and filed with the Association, and such person shall be deemed to hold ownership lots appurtenant to such unit for purposes of voting and determining the representation of such ownership lots at any meeting or for purposes otherwise provided herein. If such certificate is not executed and filed with the Association, such membership shall not be in good standing and the votes appurtenant to that lot shall not be considered in determining a quorum of any vote or for any other purpose until this Bylaw has been followed. Any certificate properly filed with the Association shall continue in full force until the instrument is revoked.

C. It shall be the duty of each lot owner to register with the Secretary of the Association the fact of ownership and the address of the owner. The owner shall register with the Secretary of the Association the name of any tenant which occupies the lot. The Secretary shall

obligation of such lot owner under the Declaration, Bylaws and Rules and Regulations.

D. The share of a member in the funds and assets of the Association cannot be assigned, pledged, encumbered or transferred in any manner, except as an appurtenance to a lot in the Subdivision.

3 . MEMBERS MEETINGS AND VOTING:

A. Transfer of Declarant Control. The Declarant as identified in the Declaration retains control of the Association as limited by the Declaration. In no event shall the period of Declarant control exceed a period ending ten (10) years after the first conveyance of a lot to a lot owner other than Declarant or sixty days after the conveyance of ninety percent (90%) of the lots in the Subdivision to lot owners other than the Declarant, whichever is earlier.

B. As soon as practicable after the conveyance of seventy-five (75%) of the lots to lot owners other than Declarant, the Declarant shall notify all members of the Association of a meeting of the Association to be held no later than sixty days after the conveyance of seventy-five (75%) of the lots to lot owners other than Declarant. At such meeting, at least one-third of all members of the Board of Directors of the Association shall be elected by lot owners other than the Declarant.

C. Prior to the first annual meeting of members, there shall be a meeting of the Association at least once a year.

D. Except for the first annual meeting, the annual meeting of members shall be held on the fourth Friday in January every year following the year in which Declarant control terminates and at such time and place as is specified by the Board of Directors for the purpose of electing the Board of Directors and transacting any appropriate other business.

E. Special meetings of the members may be called at any time by the President, or the Vice President, or by the Board of Directors, and must be called by the President upon receipt of written requests from a majority of the members.

F. Notice of all meetings of the members stating the time and place and the objects for which the meeting is called shall be given by the Secretary. The Secretary shall, at least twenty-one days in advance of any annual meeting or regularly scheduled meeting, and at least seven days in advance of any other meeting, send to each member notice of the time, place and tentative agenda of the meeting. The notice shall be sent by United States mail to all members of record at the address of their respective lots and to other addresses an any of them may have designated to the Secretary.

G. Only members shown on the Roll as of the date of meeting shall be entitled to attend and vote, except that the mortgagees of any lot may attend and participate in any general or special meetings but shall have no vote unless granted by written proxy.

H. A quorum at meetings of the members shall consist of a majority of the voting power of the Association computed in accordance with the percentage set forth in Exhibit " _ " attached to the Declaration. The members present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough members to leave less than a quorum.

I. Any meeting may be adjourned to another time and place without further notice.

J. All lot owners of a lot shall collectively have that percentage vote set forth in Exhibit _ to the Declaration. Where there is more than one lot owner of a lot, any one thereof may cast the vote allocated to that lot. In the event there is a dispute among such lot owners, the matter shall be referred to the Board of Directors who shall decide by whom the vote is to be cast, and such decision will be final.

K. No vote in the Association shall be deemed to inure to any lot during the time when the owner thereof is the Association.

(1). Votes may be cast in person or by written proxy. Proxies must be filed with the Secretary before the appointed time of the meeting and shall be valid until revoked in writing.

(2). If any meeting cannot be organized for lack of a quorum, the meeting shall be adjourned from time to time until a quorum is present.

(3). When a quorum is present at any meeting, any question brought before the meeting shall be decided by a majority of the voting power present in person or by proxy unless the question is one where a different vote is required by express provision of law, the Declaration or these Bylaws.

(4). At the beginning of each meeting, the Secretary shall tender and certify the Roll showing a list of all the members entitled to vote at such meeting, the percentage voting power of each and the name of the person entitled to cast each such member's vote by virtue of a certificate or proxy then in effect.

(5). There shall be no cumulative voting.

(6). The order of business at the annual meetings of the members and as far is practical at all other meetings of members shall be:

(a) election of chairperson of the meeting if there is no Association President or Vice President.

(b) Calling of the roll and certifying of proxies.

(c) Proof of notice of meeting or waiver of notice.

(d) Reading and disposal of any unapproved minutes.

- (e) Reports of officers.
- (f) Reports of committees.
- (g) Appointment of tellers for election.
- (h) Election of Directors.
- (i) Unfinished business.
- (j) New business.
- (k) Adjournment.

(7). Conduct of each meeting shall be governed by Robert's Rules of Order, Revised.

4. BOARD OF DIRECTORS:

A. During the period of Declarant control, the Board of Directors shall consist of one (1) person. Thereafter the Board of Directors shall consist of five (5) persons. The term of office of three (3) such directors elected at the first annual meeting shall expire at the third annual meeting and the term of office of two (2) directors elected at the first annual meeting shall expire at the second annual meeting. Candidates for the Board positions shall be identified as candidates for one or two year terms. Thereafter, at the expiration of the term of office of each director, their successor shall be elected to serve for a term of two years.

B. Directors shall hold office until their respective successors have been elected.

C. Nominations for all available directorships shall be taken before voting. Only one vote shall be taken, and those nominees receiving the most number of votes shall be elected so as to fill the number of directorships. At the first annual meeting the candidates for director shall be divided into two classes, the one year term and the two year term. All members must vote for the number of directors to be elected.

D. A Director may be removed by a sixty percent (60%) vote of the members of the Association at a special meeting noticed for that purpose. The vacancy so created shall be filled by the persons entitled to vote at the same meeting.

E. 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 Directors. Written notice of regular meetings shall be given to each Director personally or by mail, at least seven (7) days prior to the date established for such meeting unless such notice is waived in writing.

F. Special meetings of the Board of Directors may be called by the President and must be called by the Secretary at the written request of one-third (1/3) of the Directors. Not less than seven (7) days written notice of any special meeting shall be given personally or by mail, which notice shall state the time, place and purpose of the meeting.

G. Any Director may in writing waive notice of a meeting before or after the meeting and such waiver shall be deemed equivalent to the giving of notice.

H. A quorum at a Director's meeting shall consist of a majority in number of the Directors. The acts of the board approved by a majority at a meeting at which a quorum in present shall constitute the acts of the Board of Directors. If during any meeting of the Board of Directors there should be less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is present. A quorum must be present at any time business is being transacted. At an adjourned meeting any business which might have been transacted at the meeting as originally called may be transacted without further notice.

I. The presiding officer of a meeting of the Directors shall be the President, and in his absence the Vice President. In the absence of the President and Vice President, the majority in number of the Directors may designate one of their number to preside.

J. Directors shall receive no compensation for their services; provided, however, they are entitled to reimbursement for expenses which are authorized by the Board.

K. Any action that could be taken at a meeting of the Board of Directors may be taken without a meeting when authorized in writing by all of the Directors.

5. POWERS AND DUTIES OF THE BOARD OF DIRECTORS:

A. All of the powers of the Association, including those existing under the common law, statutes, the Articles of Incorporation and those powers designated for the Association by the Act and the documents establishing the Subdivision, shall be exercised by the Board of Directors. Such powers shall include, but shall not be limited to, the following:

(1) To elect annually the Officers of the Association.

(2) To prepare and render to the members, on or before December 1st of each year beginning with the year 2003, a proposed budget for the fiscal year beginning the following January 1, showing anticipated income and operating expenses, including reasonable reserves. A copy of such proposed budget shall be given to each lot owner not later than December 1.

(3) To submit at each annual meeting of the members a statement of the business transacted during the preceding year, a report of the general financial condition of the Association and its tangible property. This statement and report may be incorporated in an Annual Report, which the Directors shall also prepare and provide to the members. The Annual Report shall contain, at a minimum, the following:

(a) A statement of any capital expenditures in excess of 2% of the current budget or \$3,000.00, whichever in the greater, anticipated by the Association during the current year or succeeding two fiscal years;

(b) A statement of the status and amount of any reserve or replacement

fund and any portion of the fund designated for any specified project by the Board of Directors;

(c) A copy of the statement of financial condition for the Association for the last fiscal year;

(d) A statement of the status of any pending suits or judgments in which the Association is a party;

(e) A statement of the insurance coverage provided by the Association; and,

(f) A statement of any unpaid assessments by the Association on individual lots, identifying the lot number and the amount of the unpaid assessment.

(4) To make and collect assessments to pay common expenses.

(5) To use the proceeds of assessments in the exercise of its powers and duties.

(6) To maintain, repair, and replace the common elements.

(7) To restore improvements after damage except as provided for in the Declaration.

(8) To establish and amend rules and regulations respecting the use of the property.

(9) To enforce by legal means the provisions of the Declaration of Association, the Subdivision Documents, the Articles of Incorporation, the Bylaws of the Association and the Rules and Regulations for the use of the Property.

(10) To contract for management of the property and to delegate to such management powers and duties of the Association except such powers and duties as the Subdivision Documents or the Act require approval of the Board of Directors or the membership of the Association.

(11) To purchase such policies of insurance as required by the Declaration and such other policies as it deems appropriate.

(12) To purchase and own personal property for use in the common elements.

(13) To pay common expenses.

(14) To employ personnel at a reasonable compensation to perform the services

required for proper administration of the purposes of the Association.

(15) To fill vacancies in the Board by a vote of the majority of the remaining Directors at a special meeting of the Board held for that purpose promptly after the occurrence of any such vacancy. Each person so elected shall be a Director for the remainder of the term of the Director replaced.

(16) To implement the provisions contained in the Declaration of Easements.

B. The Board shall make and file all elections and documents required in order to become exempt from taxation, insofar as possible, the income of the Association consisting of assessments paid by owners.

OFFICERS:

A. The officers of this Association shall be a President (who shall be a Director), a Vice President, a Treasurer, and a Secretary. Each officer shall be a member of the Association or an officer or an agent of a corporate Association member and, except for the President, may or may not be a member of the Board of Directors. Each officer shall be elected annually by the Board of Directors and may be peremptorily removed by vote of the Directors at any meeting. The Board of Directors shall from time to time elect such other officers and designate their powers and duties as the Board shall find to be required to manage the affairs of the Association.

B. The President shall be the chief executive officer of the Association. The President shall have all of the powers and duties which are usually vested in the office of the President of a corporation, including, but not limited to, the duty to preside at all Directors and members meetings, and the general supervision over other officer and the affairs of the Association. Two officers, at least one of whom shall be the President or Vice President, shall execute all contracts, agreements and obligations of the Association except as such authority may be otherwise delegated by resolution of the Board of Directors.

C. The Vice President shall in the absence or disability of the President exercise the powers and perform the duties of the President. The Vice President shall also generally assist the President and exercise such other powers and perform such other duties as shall be prescribed by the Directors.

D. The Secretary shall keep the minutes of all proceedings of the members. The Secretary shall attend to the giving and serving of all notices to the members and Directors and other notices required by law. The Association shall have no corporate seal. The Secretary shall keep the records of the Association, except those of the Treasurer, and shall perform all other duties incident to the office of Secretary of a corporation and as may be required by the Directors or the President.

E. The Treasurer shall have custody of all intangible property of the Association, including funds,

securities and evidences of indebtedness and shall give bond in such sum and with such sureties as the Directors may require. The Treasurer shall (1) keep the assessment rolls and accounts of the members; (2) keep the books of the Association in accordance with good accounting practices and shall submit them together with all the vouchers, receipts, records and other papers to the Directors for their examination and approval as often as they may require; and, (3) deposit all monies and other valuable effects in the name of or to the credit of the Association in such depositories as may be designated by the Board of Directors and shall disburse the funds of the Association as ordered by the Board and shall perform all other duties incident to the office of Treasurer. If a managing agent or manager be employed, the Board of Directors may designate some or all of the forgoing functions to be entrusted to such person or entity subject to bonding and subject to overseeing control by the Treasurer.

F. Officers of the corporation shall receive no compensation for their services in such capacity; provided however, they are entitled to reimbursement for expenses which are authorized by the Board.

7. FISCAL MANAGEMENT:

A. All funds and the titles of all properties acquired by the Association, and the proceeds thereof, after deducting therefrom the costs incurred by the Association in acquiring the same, shall be held for the benefit of the members for the purposes stated in the Declaration and herein.

B. The depositories of the Association shall be such financial institutions as designated from time to time by the Directors and in which the monies of the Association shall be deposited. Withdrawal of monies from such accounts shall be only by instruments signed by such persons as are authorized by the Directors.

C. The books, accounts and records of the Association shall be open to inspection by any Director at all times. Members of the Association shall have the right to inspect the books, accounts and records of the Association during reasonable business hours.

D. An audit of the accounts of the Association shall be made annually and a copy of the report shall be available for inspection by each member not later than May 1 of the year following the year for which the report is made.

F. Fidelity bonds may, but need not, be required by the Board of Directors or all officers and employees of the Association and from any contractor handling or responsible for Association funds. The amount of such bonds shall be determined by the Directors. The premiums on such bonds may be paid by the Association.

G. Payment vouchers shall be approved by the officer or officers designated by the Board of Directors, or authority to approve vouchers may be delegated to the manager at the discretion of the Board of Directors.

8. ASSESSMENTS:

Unless otherwise specified the term "Assessments" includes annual and special common expense assessments.

Assessments shall be levied in accordance with the Declaration by a majority vote of all of the members of the Board of Directors of the Association, in each instance supported by a budget and paid by the members to the Association in accordance with the following provisions:

A. All owners of a lot shall be jointly and severally liable for the common expenses which are assessed against the lot.

B. All sums collected by the Association as assessments may be commingled in a single fund.

C. All assessments, both annual and special, shall become a lien on the lot on the date they become payable. In case any installment is not paid within thirty (30) days after it becomes payable, the Board of Directors may declare the entire assessment payable without further notice.

D. Annual assessments shall be made in advance on or before the second Monday in December of the year preceding that for which the assessments are payable and special assessments shall be made at such other additional times in the judgment of the Board of Directors additional common expense assessments are required for the proper management, maintenance and operation of the condominium. Such annual assessments shall be payable in equal monthly installment beginning with January 1 and on the 1st day of each month thereafter. Special assessments shall be due and payable as determined by the Board of Directors. If an annual assessment is not made, there shall not an assessment in the amount of the last prior annual assessment which shall be payable as above set forth.

E. The assessments against all lots shall be set forth upon the roll which shall be available in the office of the Association for inspection at all reasonable times by members or their duly authorized representatives. Such roll shall indicate for each unit the name, address and interest of the member, the assessments or other obligations owing to the Association and the amounts of all assessments or other obligations which are unpaid.

F. Assessments and installments thereof paid on or before fifteen (15) days after the date when payable shall not bear interest or penalty, but all sums not paid on or before fifteen (15) days after the data when payable shall bear Interest and/or penalty as determined by the Association to the extent permitted by law from the date when payable until paid. All payments upon account shall be applied first to interest and/or penalty and then to the assessment payment first payable. All interest and penalties collected shall be credited to the Common Expense Account.

9. COMPLIANCE AND DEFAULT:

Each member shall be governed by and shall comply with the terms of the Declaration, Bylaws and Rules and Regulations adopted pursuant thereto as any of the same may be amended from time to time. A default shall entitle the Association or other members to the following relief:

A. Failure to comply with any of the terms of the Declaration, Bylaws or Rules and Regulations adopted pursuant thereto, shall be grounds for relief which may include, without intending to limit the same, to an action to recover sums due for damages, injunctive relief, foreclosure of lien, or any combination thereof, and which relief may be sought by the Association, or if appropriate, by an aggrieved member.

B. In the event any installment of an annual or special assessment is not paid when due, the Board shall have the right and duty to attempt to secure payment thereof and expenses of collection including attorney's fees shall be paid by the lot owner which expenses and fees shall be included in the assessment lien on the lot. The Board shall have the right and duty to recover the unpaid assessments, interest and penalties by remedies provided by law, these Bylaws, the Declaration and Rules and Regulations.

C. The failure of the Association or of a member to enforce any right, provision, covenant or condition which any be granted by the Declaration or Bylaws shall not constitute waiver of the right of the Association or member to enforce such right, provision, covenant or condition in the future.

D. All rights, remedies and privileges granted to the Association or a member, pursuant to any terms, provisions, covenant or conditions of the Declaration or Bylaws shall not be deemed to be cumulative, and the exercise of any one or more shall not be deemed to constitute an election of remedies.

E. Failure to enforce any provision of the Declaration, Bylaws or Rules and Regulations shall not constitute a waiver or limit the enforceability of such provisions on any subsequent occurrences.

10. AMENDMENTS:

These Bylaws may be amended only upon the affirmative vote of Sixty-six and Two-thirds percent (66 2/3%) of the percentages assigned in the Declaration to the units for voting purposes, except as provided in Article 17 of the Declaration.

11. RULES AND REGULATIONS:

The Board of Directors of the Association or the membership of the Association may promulgate rules and regulations; provided, however, that copies of such

rules and regulations shall be given to each lot prior to the time that the same become effective.

12. INDEMNIFICATION OF OFFICERS AND DIRECTORS:

The Association shall, to the extent such liability is not covered by insurance, indemnify every director and officer, their heirs, executors and administrators against all loss, cost and expense, including attorney's fees reasonably incurred in connection with any action, suit or proceeding to which they may be a party by reason of being or having been a director or officer of the Association, except as to matters as to which they shall be finally adjudged in such action, suit or proceeding to be liable for gross negligence or willful misconduct. In the event of a settlement, indemnification shall be provided only in connection with such matters covered by the settlement as to which the Association is advised by legal counsel that the person to be indemnified has not been guilty of gross negligence or willful misconduct in the performance of their duty as such director or officer in relation to the matter involved. The foregoing rights shall not be exclusive of other rights to which such director or officer may be entitled. All liability, loss, damage, costs and expenses incurred or suffered by the Association by reason of, arising out of or in connection with the foregoing indemnification provisions shall be common expenses; provided, however, that nothing in this section shall be deemed to obligate the Association to indemnify any member who is or has been a director or officer of the Association, with respect to any duties or obligations assumed or damage or liabilities incurred solely in their capacity as a unit owner.

13. SEVERABILITY:

If any part of these Bylaws shall be ruled invalid or ineffective for any reason whatsoever, the balance shall nevertheless remain in full force and effect.

14. GENERAL PROVISIONS:

- A. The invalidity of any portion or provision of these Bylaws shall not affect the validity of the remaining provisions or portions hereof.
- B. The Association shall not have a corporate seal.
- C. The Association shall at all times maintain complete and accurate written records of each lot and owner and the address of each, and setting forth the status of all assessments, accounts and funds pertinent to that lot 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.
- D. Each member shall have the obligations as such member as are imposed upon them by the Subdivision 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 Common Areas managed by the Association, except as the same may attach only against the owner's appurtenant

interest therein and be removable as such.

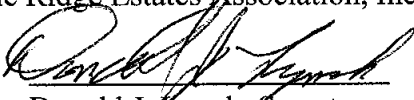
E. The Board of Directors may in its discretion issue written evidence of membership but the same shall be evidence thereof only and shall in no manner be transferable or negotiable, and the share of the member in the assets of the Association cannot be assigned, hypothecated, or transferred in any manner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

F. No provision or restriction otherwise void by reason of application of the rule 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 the Developer and their children in being at the time of the initial recording of the Declaration of Association to the Regime and twenty-one (21) years thereafter.

G. Each owner or the lessee of the lot as applicable shall have a right to use and enjoy the common elements provided such use shall be limited to the uses permitted by the Declaration of Association and other governing documents of the Regime.

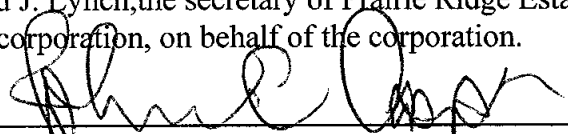
The undersigned certifies that the foregoing Bylaws were adopted as the Bylaws of Prairie Ridge Estates Association, Inc., a non-profit corporation under the laws of the State of Iowa, by action of its Board of Directors at the first meeting thereof effective on 22nd day of March, 2002.

Prairie Ridge Estates Association, Inc.

By 
Donald J. Lynch, Secretary

STATE OF IOWA)
 SS
COUNTY OF MADISON)

The foregoing instrument was acknowledged before me on this 22nd day of March, 2002 by Donald J. Lynch, the secretary of Prairie Ridge Estates Association, Inc., an Iowa non-profit corporation, on behalf of the corporation.



John E. Casper, NOTARY PUBLIC FOR THE STATE OF IOWA



**RESOLUTION APPROVING FINAL PLAT OF PRAIRIE RIDGE ESTATES
SUBDIVISION IN MADISON COUNTY, IOWA**

Whereas, a Final Plat has been filed in the Office of the Zoning Administrator of Madison County, Iowa, for a proposed subdivision to be known as the Prairie Ridge Estates Subdivision in Madison County, Iowa;

Whereas, the Final Plat comprises the real estate legally described as:

The North Half (1/2) of the Northeast Quarter (1/4), the Southwest Quarter (1/4) of the Northeast Quarter (1/4) and the Northeast Quarter (1/4) of the Northwest Quarter (1/4) of Section 20, Township 77 North, Range 27 West of the 5th P.M., Madison County. Said Parcel contains 161.166 acres, including 3.586 acres of county Road Right-of-Way;

Whereas, the Final Plat has been duly approved by the Planning and Zoning Commission in accordance with the County Subdivision Ordinance and the laws of the State of Iowa;

Whereas, the Final Plat is accompanied by all the documents required by law including the plat dedication by the proprietor, the certificate of the County Treasurer, the certificate of the County Recorder, the certificate of the Clerk of Court and the title opinion of the attorney;

Whereas, the Madison County Board of Supervisors finds that this rural subdivision is not within two (2) miles of any City incorporated under the laws of the State of Iowa and is not thereby subject to any concurrent jurisdiction of any other subdivision laws or ordinances; and,

Whereas, the Madison County Board of Supervisors finds that this plat conforms in all respects to the provisions of the Subdivision Ordinance of Madison County and to the laws of the State of Iowa and should now be approved in all respects.

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of Madison County, Iowa, that the subdivision plat known as the Prairie Ridge Estates Subdivision in Madison County, Iowa be and is hereby approved in all respects; the dedication and/or conveyance of public areas within the plat, if any, be and are hereby approved and accepted in all respects; and, the Madison County Zoning Administrator be and is hereby directed to certify this Resolution, the Subdivision Plat and all other accompanying documents to the Office of the Madison County Recorder for recording in the manner provided by law.

Passed and approved by the Board of Supervisors on this 23rd day of April, 2002, at Winterset, Iowa.

Madison County Board of Supervisors

By Robert Weeks
Robert Weeks, Chairperson
Madison County Board of Supervisors

Attest:

Joan Welch
Joan Welch, Madison County Auditor
Secretary of the Board of Supervisors

PREPARER
INFORMATION John E. Casper 223 East Court Ave., Winterset, IA 50273 Telephone: (515-462-4912

AGREEMENT

THIS AGREEMENT made and entered into by and between Donald J. Lynch as the proprietor of the Prairie Ridge Estates Subdivision and Todd Hagan, Madison County Engineer.

NOW THEREFORE IT IS AGREED as follows:

1. The proprietor of the Prairie Ridge Estates Subdivision, a Plat of the following-described real estate:

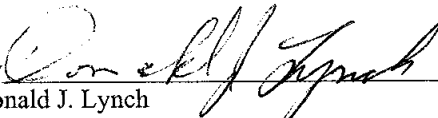
The North Half (1/2) of the Northeast Quarter (1/4) , the Southwest Quarter (1/4) of the Northeast Quarter (1/4) and the Northeast Quarter (1/4) of the Northwest Quarter (1/4) of Section 20, Township 77 North, Range 27 West of the 5th P.M., Madison County. Said Parcel contains 161.166 acres, including 3.586 acres of county Road Right-of-Way.

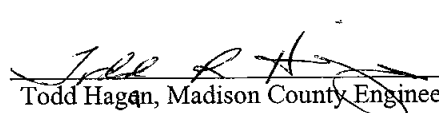
hereby agree that the private roads located within the Prairie Ridge Estates Subdivision shall remain at all times as private roads and no such road right of way is being dedicated to Madison County, Iowa. The undersigned proprietor consents and agrees that any such road right of way incident to this Subdivision shall not be maintained in any manner by Madison County, Iowa, or the Madison County Engineer's Department.

Dated at Winterset, Iowa on this 25th day of March, 2002.

PRAIRIE RIDGE ESTATES SUBDIVISION

MADISON COUNTY, IOWA

By 
Donald J. Lynch
Proprietor

By 
Todd Hagan, Madison County Engineer

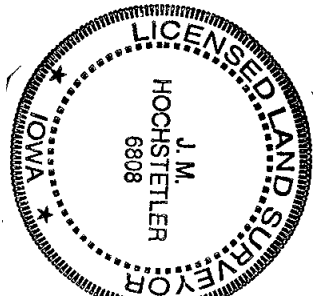
FOR DEDICATION,
RESOLUTION &
CERTIFICATES,
SEE RECORD 2002-2126

FILED NO. 2126-A
BOOK 2002 PAGE 2126-A
2002 MAY -2 PM 1:49

MICKI UTSLER
RECORDER
(515) 462-3995

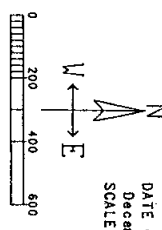
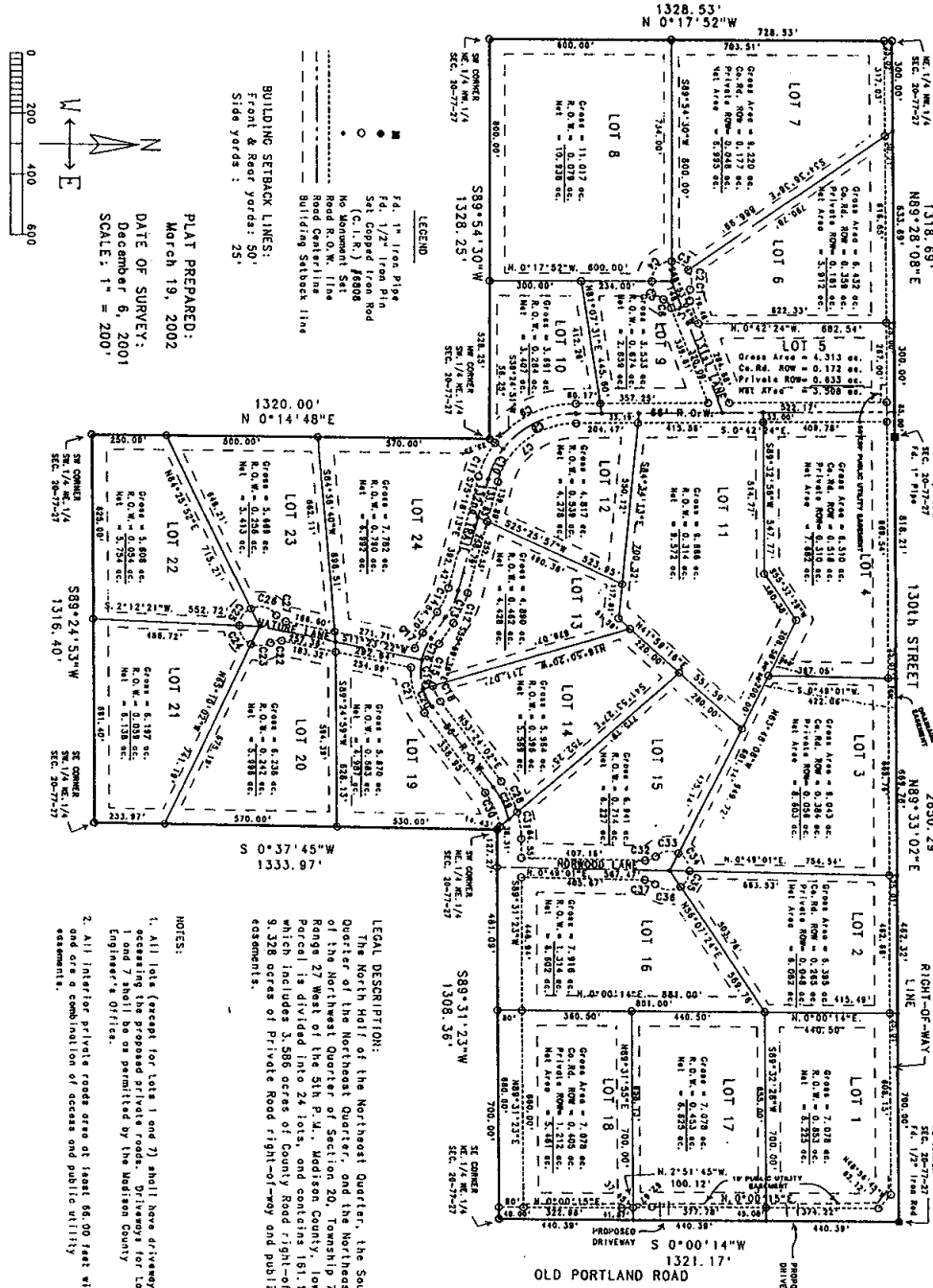
VANCE & HOCHSTETLER, P.C. CONSULTING ENGINEERS, WINTERSET, IOWA
CHARLES T. VANCE, 110 WEST GREEN ST., WINTERSET, IOWA 50273
JAMES M HOCHSTETLER, 110 WEST GREEN ST., WINTERSET, IOWA 50273

FINAL PLAT
PRAIRIE RIDGE ESTATES



I hereby certify that this land surveying document was prepared by me or under my direct personal supervision and that I am a duly licensed Land Surveyor under the laws of the State of Iowa.

J.M. Hochstetler
J.M. HOCHSTETLER
License number 6808 Date 4/12/2002
My license renewal date is December 31 2003
Pages or sheets covered by this seat: 1



PLAT PREPARED:
March 19, 2002
DATE OF SURVEY:
December 6, 2001
SCALE: 1" = 200'

- LEGEND
- Fd. 1" Iron Pipe
 - Sd. Coped Iron Pin (C.I.P.) 6808
 - No Monument Set
 - Road R.O.W. Line
 - Road Centerline
 - Building Setback Line
- BUILDING SETBACK LINES:
Front & Rear yards: 50'
Side yards: 25'

- NOTES:
- All lots (except for lots 1 and 2) shall have driveways decreasing the proposed private roads. Driveways for lots 1 and 2 shall be as permitted by the Madison County Engineer's Office.
 - All interior private roads are at least 66.00 feet wide, and are a combination of access and public utility easements.

LEGAL DESCRIPTION:
The North Half of the Northeast Quarter, the Southwest Quarter of the Northeast Quarter, and the Northeast Quarter of the Northwest Quarter of Section 20, Township 77 North, Range 27 West of the 5th P.M., Madison County, Iowa. Said parcel is divided into 24 lots, and contains 181.166 acres, which includes 3.588 acres of County Road Right-of-Way and 3.328 acres of Private Road Right-of-Way and public utility easements.

CURVE TABLE

CURVE	RADIUS	DELTA	LENGTH	CHORD
C1	50.00'	44°18'51"	38.67'	N.88°57'31"W
C2	50.00'	57°48'51"	66.59'	S.84°17'40"W
C3	66.00'	50°28'54"	63.91'	S.27°38'57"W
C4	66.00'	90°12'22"	103.91'	S.45°11'41"E
C5	66.00'	65°07'56"	75.03'	N.57°08'10"E
C6	50.00'	44°18'52"	38.67'	N.48°43'38"E
C7	267.00'	74°35'28"	352.26'	S.38°00'19"E
C8	300.00'	52°52'45"	276.87'	S.27°08'48"E
C9	300.00'	52°52'45"	307.33'	S.27°08'48"E
C10	300.00'	21°42'43"	113.68'	S.64°27'09"E
C11	333.00'	19°18'39"	128.19'	S.65°38'56"E
C12	333.00'	19°18'39"	112.23'	S.65°38'56"E
C13	300.00'	19°18'39"	101.11'	S.65°38'56"E
C14	267.00'	19°18'39"	88.99'	S.65°38'56"E
C15	167.00'	50°50'19"	148.18'	S.81°25'18"E
C16	200.00'	22°38'37"	78.92'	S.67°18'34"E
C17	233.00'	14°28'05"	58.64'	S.63°14'23"E
C18	167.00'	19°45'51"	57.61'	N.63°16'51"E
C19	200.00'	28°13'52"	98.54'	N.67°18'51"E
C20	200.00'	28°13'52"	98.54'	N.67°18'51"E
C21	233.00'	39°45'01"	169.09'	N.72°18'20"E
C22	50.00'	44°18'52"	38.67'	S.107°48'04"E
C23	50.00'	57°48'52"	66.53'	S.107°48'04"E
C24	66.00'	67°32'23"	77.61'	S.56°31'08"W
C25	66.00'	62°13'31"	71.66'	N.56°40'53"W
C26	66.00'	81°16'22"	93.62'	N.15°04'03"E
C27	50.00'	44°18'52"	38.67'	N.33°32'48"E
C28	333.00'	20°16'52"	117.87'	N.63°32'48"E
C29	300.00'	23°20'13"	122.19'	N.65°03'58"E
C30	267.00'	27°16'48"	127.12'	N.67°02'11"E
C31	333.00'	15°50'41"	92.09'	N.81°38'02"E
C32	50.00'	44°18'52"	38.67'	N.21°20'25"W
C33	66.00'	69°41'43"	80.26'	N.08°38'59"W
C34	66.00'	64°37'08"	74.44'	N.50°30'26"E
C35	66.00'	55°17'23"	63.71'	S.61°31'48"E
C36	66.00'	79°00'29"	91.01'	S.09°37'38"W
C37	50.00'	44°18'52"	38.67'	S.22°56'27"W

OWNER/SUBDIVIDER:
Dana & Lynn
1355 Op Long Trail
Profil, IA, 50229

ENGINEER/SURVEYOR:
Vance & Hochstetler, PC
Consulting Engineers
110 West Green Street
Winter, IA, 50273
Ph: (515) 462-3995
Fax: (515) 462-3943