

BY-LAWS
OF LAKESHORE TOWNHOUSES CONDOMINIUM

ARTICLE I
PLAN OF UNIT OWNERSHIP

Section 1. Ownership. The property upon which the Lakeshore Townhouses are situated in Lee's Summit, Jackson County, Missouri (hereinafter "condominium") has been submitted to the provisions of Chapter 448, Revised Statutes of Missouri 1969, by the Declaration recorded in the office of the Recorder of Deeds for Jackson County, Missouri, at Independence, simultaneously herewith.

Section 2. Applicability of By-Laws. The provisions of these By-Laws are applicable to the condominium and to the use and occupancy thereof. The term "condominium" property as used herein shall include the land, the building, and all other improvements thereon, all easements, rights and appurtenances belonging thereto, and all other property, personal or mixed, intended for use in connection therewith, all of which are intended to be submitted to the provisions of Chapter 448, Revised Statutes of Missouri 1969.

Section 3. Application. All present and future owners, mortgagees, lessees, and occupants of units, and their employees and any other persons who may use the facilities of the condominium in any manner, are subject to these By-Laws, the Declaration, and rules and regulations pertaining to use and operation of the condominium property. The acceptance of a deed or conveyance, or the entering into of a lease, or the act of occupancy of an apartment unit shall constitute an acceptance of the provisions of these instruments and an agreement to comply therewith.

Section 4. Office. The office of the condominium and of the Board of Managers shall be located at Lakewood Clubhouse, Lake Drive,
Lee's Summit, Missouri.

ARTICLE II
BOARD OF MANAGERS

Section 1. Number and Qualification. The affairs of the condominium shall be governed by a Board of Managers. Until all units have been sold by Farm and Home Savings Association, a Missouri corporation, hereinafter

called the "Developer," and thereafter until their successors shall be elected by the unit owners, the Board of Managers shall consist of such persons as shall have been designated by the Developer. Thereafter the Board of Managers shall be composed of three (3) directors, all of whom shall be owners or spouses of owners or mortgagees of units.

Section 2. Powers and Duties. The Board of Managers shall have the powers and duties necessary for the administration of the affairs of the condominium, except such powers and duties as by law or by the Declaration or by these By-Laws may not be delegated to the Board of Managers by the unit owners. All such powers, duties, rights and responsibilities may be transferred and assigned pursuant to the Condominium Act and the Declaration of Condominium Ownership and Supplementary Declaration of Covenants, Restrictions and Conditions, dated August 28, 1973, and filed of record in the office of the Recorder of Deeds for Jackson County, Missouri, at Independence, to the Lakewood Property Owners Association, Inc., a Missouri not-for-profit corporation, organized in accordance with the Lakewood Declaration of Covenants, Conditions and Restrictions, dated August 28, 1973, and filed of record with the said Recorder of Deeds. The powers and duties to be exercised by the Board of Managers shall include, but shall not be limited to, the following:

- (a) Operation, care, upkeep and maintenance of the common elements;
- (b) Determination of the amounts required for operation, maintenance and other affairs of the condominium;
- (c) Collection of the common charges from the unit owners;
- (d) Employment and dismissal of the personnel, as necessary for the efficient maintenance and operation of the condominium;
- (e) Adoption and amendment of rules and regulations covering the details of the operation and use of the condominium property;
- (f) Opening of bank accounts on behalf of the condominium and designating the signatories required therefor;
- (g) Purchasing, leasing, or otherwise acquiring in the name of the Board of Managers, or its designee, corporate or otherwise, on behalf of all unit owners, units offered for sale or lease or surrendered by their owners to the Board of Managers;
- (h) Obtaining insurance for the condominium property, including the units; and
- (i) Making repairs, additions, and improvements to, or alterations of, the condominium property, and repairs to and

restoration of the property in accordance with the other provisions of these By-Laws, after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings.

Section 3. Managing Agent and Manager. The Board of Managers may employ for the condominium a managing agent and a manager at a compensation established by the Board of Managers, to perform such duties and services as the Board of Managers shall authorize, including, but not limited to, the duties listed in subdivisions (a), (c), (d), (h), and (i) of Section 2 of this Article II.

Section 4. Election and Term of Office. At the first annual meeting of the unit owners, the term of office of the three directors on the Board of Managers shall be fixed at one year. At the expiration of the initial term of office of each respective director on the Board of Managers, his successor shall be elected to serve for a term of one year. The directors on the Board of Managers shall hold office until their respective successors shall have been elected by the unit owners.

Section 5. Removal of Members of the Board of Managers. At any regular or special meeting of unit owners, any one or more of the directors on the Board of Managers may be removed with or without cause by a majority of the unit owners and a successor may then and there or thereafter be elected to fill the vacancy thus created. Any member of the Board of Managers whose removal has been proposed by the unit owners shall be given an opportunity to be heard at the meeting.

Section 6. Vacancies. Vacancies in the Board of Managers caused by any reason other than the removal of a director by a vote of the unit owners shall be filled by vote of a majority of the remaining directors at a special meeting of the Board of Managers held for that purpose promptly after the occurrence of any such vacancy, even though the directors present at such meeting may constitute less than a quorum, and each person so elected shall be a director and member of the Board of Managers for the remainder of the term of the director so removed and until a successor shall be elected at the next annual meeting of the unit owners.

Section 7. Organization Meeting. The first meeting of the directors following the annual meeting of the unit owners shall be held within ten days thereafter, at such time and place as shall be fixed by the unit

owners at the meeting at which such Board of Managers shall have been elected, and no notice shall be necessary to the newly elected directors in order legally to constitute such meeting, providing a majority of the whole Board of Managers shall be present thereat.

Section 8. Regular Meetings. Regular meetings of the Board of Managers may be held at such time and place as shall be determined from time to time by a majority of the directors, but at least two such meetings shall be held during each fiscal year. Notice of regular meetings of the Board of Managers shall be given to each director by mail or telegraph at least three business days prior to the day named for such meeting.

Section 9. Special Meetings. Special meetings of the Board of Managers may be called by the president on three business days' notice to each director, given by mail or telegraph, which notice shall state the time, place, and purpose of the meeting. Special meetings of the Board of Managers shall be called by the president or secretary in like manner and on like notice on the written request of at least three directors.

Section 10. Waiver of Notice. Any director may, at any time, waive notice of any meeting of the Board of Managers in writing, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a director at any meeting of the board shall constitute a waiver of notice by him of the time and place thereof. If all the 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 Managers. At all meetings of the Board of Managers, a majority of the directors thereof shall constitute a quorum for the transaction of business, and the votes of a majority of the directors present at a meeting at which a quorum is present shall constitute the decision of the Board of Managers. If at any meeting of the Board of Managers 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 Managers shall obtain adequate fidelity bonds for all officers and employees of the condominium

handling or responsible for condominium funds. The premiums on such bonds shall constitute a common expense.

Section 13. Compensation. No director shall receive any compensation from the condominium for acting as such.

ARTICLE III

UNIT OWNERS

Section 1. Annual Meetings. Promptly after all units shall have been sold by the Developer, the Developer shall notify all unit owners thereof, and the first annual meeting of the unit owners shall be held within 30 days thereafter on a call issued by the president. At such meeting the directors shall resign as members of the Board of Managers, and all the unit owners shall elect a new Board of Managers. Thereafter, the annual meetings of the unit owners shall be held on the 15th day of January 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 Managers shall be elected by ballot of the unit owners in accordance with the requirements of Section 4 of Article II of these By-Laws. The unit owners may transact such other business at such meetings as may properly come before them.

Section 2. Place of Meetings. Meetings of the unit owners shall be held at the principal office of the condominium or at such other suitable place convenient to the owners as may be designated by the Board of Managers.

Section 3. Special Meetings. It shall be the duty of the president to call a special meeting of the unit owners if so directed by resolution of the Board of Managers or upon a petition signed and presented to the secretary by unit owners owning a total of at least 25% of the common interest. The notice of any special meeting shall state the time, place, and purpose of the meeting. No business shall be transacted at a special meeting except as stated in the notice.

Section 4. Notice of Meetings. The secretary shall mail to each unit owner of record a notice of each annual or special meeting of the unit owners, at least 10 but not more than 20 days prior to such meeting, stating the purpose thereof as well as the time and place where it is to be held, at the building or at such other address as such unit owner shall have designated by notice in writing to the secretary. The mailing of a notice of meeting in the manner provided in this section shall be considered service of notice.

Section 5. Adjournment of Meetings. If any meeting of unit owners cannot be held because a quorum has not attended, a majority in common interest of the unit owners who are present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than 48 hours from the time the original meeting was called.

Section 6. Order of Business. The order of business at all meetings of the unit owners shall be as follows:

- (a) Roll call;
- (b) Proof of notice of meeting;
- (c) Reading of minutes of preceding meeting;
- (d) Reports of officers;
- (e) Report of Board of Managers;
- (f) Reports of committees;
- (g) Election of inspectors of election (when so required)
- (h) Election of members of the Board of Managers (when so required);
- (i) Unfinished business; and
- (j) New business.

Section 7. Title to Units. Title to units may be taken in the name of an individual or in the names of two or more persons, as tenants in common or as joint tenants or as tenants by the entirety, or in the name of a corporation or partnership, or in the name of a fiduciary.

Section 8. Voting. The owner or owners of each 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 the votes appurtenant to such unit at all meetings of unit owners. The designation of any proxy shall be made in writing to the secretary, and shall be revocable at any time by written notice to the secretary by the owner or owners so designating. The total number of votes of all unit owners shall be 1,000, and each unit owner shall be entitled to cast one vote at all meetings of the unit owners for each one per cent of interest in the common elements applicable to his or its unit.

Section 9. Majority of Unit Owners. As used in these By-Laws the term "majority of unit owners" shall mean those unit owners having more than 50% of the total authorized votes of all unit owners present in person

or by proxy and voting at any meeting of the unit owners, determined in accordance with the provisions of Section 8 of this Article III.

Section 10. Quorum. Except as otherwise provided in these By-Laws, the presence in person or by proxy of unit owners having one-third of the total authorized votes of all unit owners shall constitute a quorum at all meetings of the unit owners.

Section 11. Majority Vote. The vote of a majority of unit owners at a meeting at which a quorum shall be present shall be binding upon all unit owners for all purposes except where a higher percentage vote is required by law, by the Declaration, or by these By-Laws.

Section 12. Percent of Ownership. For all purposes relating to these By-Laws, the Articles of Incorporation of Lakeshore Townhouses Association and the Declaration of Condominium Ownership, heretofore identified, the percentage of ownership in the common areas for each unit shall be:

Building 1, Unit 1	-	9.26%
Building 1, Unit 2	-	8.98 %
Building 1, Unit 3	-	7.74%
Building 2, Unit 1	-	11.51%
Building 2, Unit 2	-	11.51%
Building 3, Unit 1	-	12.57%
Building 3, Unit 2	-	10.82%
Building 4, Unit 1	-	9.02%
Building 4, Unit 2	-	8.61%
Building 4, Unit 3	-	9.98%

ARTICLE IV

OFFICERS

Section 1. Designation. The principal officers of the condominium shall be the president, the vice president, the secretary, and the treasurer, all of whom shall be elected by the Board of Managers. The Board of Managers may appoint an assistant treasurer, an assistant secretary, and such other officers as in its judgment may be necessary. The president and vice president must be directors.

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

Section 3. Removal of Officers. Upon the affirmative vote of a majority of the 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 Managers, or at any special meeting of the Board of Managers called for such purpose.

Section 4. President. The president shall be the chief executive officer of the condominium. He shall preside at all meetings of the unit owners and of the Board of Managers.

Section 5. Vice President. The vice president shall take the place of the president and perform his duties whenever the president shall be absent or unable to act. If neither the president nor the vice president is able to act, the Board of Managers shall appoint some other director to act in place of the president, on an interim basis. The vice president shall also perform such other duties as shall from time to time be imposed upon him by the Board of Managers or by the president.

Section 6. Secretary. The secretary shall keep the minutes of all meetings of the unit owners and of the Board of Managers; he shall have charge of such books and papers as the Board of Managers may direct; and he shall, in general, perform all the duties incident to the office of secretary.

Section 7. Treasurer. The treasurer shall have the responsibility for condominium funds and securities and shall be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements, and for the preparation of all required financial statements. He shall be responsible for the deposit of all moneys and other valuable effects in the name of the Board of Managers or the managing agent in such depositories as may from time to time be designated by the Board of Managers.

Section 8. Agreements, Contracts, Deeds, Checks, Etc. All agreements, contracts, deeds, leases, checks, and other instruments of the condominium shall be executed by any two officers of the condominium or by such other person or persons as may be designated by the Board of Managers.

Section 9. Compensation of Officers. No officer shall receive any compensation from the condominium for acting as such.

ARTICLE V

OPERATION OF THE PROPERTY

Section 1. Apportionment of Expenses. Every unit owner shall pay his proportionate share of the expenses of administration, maintenance and repair of the common elements and Lakewood assessments as provided for in paragraph 5.4 of Article V of the Declaration of Condominium Ownership and of any other expense lawfully agreed upon. Such proportionate share shall be in the same ratio as his percentage of ownership in the common elements as set forth in these By-Laws. Payment thereof shall be in the amounts and at the time as determined by the unit owners or the Board of Managers, as hereinafter provided.

Section 2. Preparation of Budget and Accounting. Each year on or before December 1, the Association shall estimate the total amount necessary to pay the cost of wages, materials, insurance, participation in the lake association, services, and supplies which will be required during the ensuing calendar year for the rendering of all services, together with a reasonable amount considered by the Association to be necessary for a reserve for contingencies and replacements, and shall on or before December 15 notify each unit owner in writing as to the amount of such estimate, with reasonable itemization thereof. Said "estimated annual maintenance and improvement requirement" shall be assessed to the owners according to each owner's percentage of ownership in the common elements as set forth in these By-Laws. On or before January 1 of the ensuing year, and the first day of each and every month of said year, each owner shall be obligated to pay to the Association, or as it may direct, 1/12 of the assessment made pursuant to this paragraph. On or before the date of the annual meeting of each calendar year, the Association shall supply to all owners an itemized accounting of the maintenance expense for the preceding calendar year actually incurred and paid, together with a tabulation of the amounts collected pursuant to the estimates provided, and showing the net amount over or short of the actual expenditures plus reserves.

Section 3. Reserve. The Association shall build up and maintain a reasonable reserve for contingencies and replacements. Extraordinary expenditures not originally included in the annual estimate which may become necessary during the year shall be charged first against such reserve.

If said "estimated annual maintenance and improvement requirement" proves inadequate for any reason, including nonpayment of any owner's assessment, the Association may at any time levy a further assessment, which shall be assessed to the owners according to each owner's percentage of ownership in the common elements. The Association shall serve notice of such further assessment on all owners by a statement in writing giving the amount and reasons therefor, and such further assessment shall become effective with the monthly maintenance payment which is due more than 10 days after the delivery or mailing of such notice of further assessment. All owners shall be obligated to pay the adjusted monthly amount.

Section 4. Initial Assessment Period. When the first Board elected hereunder takes office, the Association shall determine the "estimated annual maintenance and improvement requirement," as hereinabove defined, for the period commencing 30 days after said election and ending on December 31 of the calendar year in which said election occurs. Assessments shall be levied against the owners during said period as provided in Section 2 of this Article.

Section 5. Failure to Prepare Estimate. The failure or delay of the Association to prepare or serve the annual or adjusted estimate on the owner shall not constitute a waiver or release in any manner of such owner's obligation to pay the maintenance costs and necessary reserves, as herein provided, whenever the same shall be determined, and in the absence of any annual estimate or adjusted estimate, the owner shall continue to pay the monthly maintenance charge at the then existing monthly maintenance payment which is due more than 10 days after such new annual or adjusted estimate shall have been mailed or delivered.

Section 6. Accounting Records. The manager or Board of Managers, as the case may be, shall keep detailed, accurate records in chronological order of the receipts and expenditures affecting the common elements, specifying and itemizing the maintenance and repair expenses of the common elements and any other expenses incurred. Such records and the vouchers authorizing the payments shall be available for examination by the unit owners at convenient hours of week days.

Section 7. Use of Funds. All funds collected hereunder shall be held and expended for the purposes designated herein.

Section 8. Unpaid Assessments a Lien. If any unit owner fails or refuses to make any payment of any assessments when due, the balance of all assessments payable during the year in which such default occurs shall become due and payable, and the amount thereof shall constitute a lien on the interest of such unit owner in the property, and upon the recording of notice thereof by the manager or Board of Managers shall be a lien upon such unit owner's interest in the property prior to all other liens and encumbrances, recorded or unrecorded, except only taxes, special assessments and special taxes theretofore or thereafter levied by any political subdivision or municipal corporation of this state and other state or federal taxes which by law are a lien on the interest of such unit owner prior to preexisting recorded encumbrances thereon, and encumbrances on the interest of such unit owner recorded prior to the date such notice is recorded which by law would be a lien thereon prior to subsequently recorded encumbrances, but only if such prior recorded encumbrance contains a statement of a mailing address in the State of Missouri where notice may be mailed to the encumbrancer thereunder. Any encumbrancer whose lien is junior to the lien of the assessment herein provided may from time to time request in writing a written statement from the manager or Board of Managers setting forth the unpaid assessment with respect to the unit covered by his encumbrance, and unless the request is complied with within 20 days all unpaid common expenses which became due prior to the date of the making of such request shall be subordinate to the lien of such encumbrance. Any encumbrancer holding a lien on a unit may pay any unpaid assessment payable with respect to such unit and upon such payment such encumbrancer shall have a lien on such unit for the amounts paid at the same rank as the lien of his encumbrance. Each assessment, together with such interest thereon and costs of collection thereof, shall also be the personal obligation of the person who was the unit owner at the time when the assessment fell due.

Section 9. Foreclosure of Liens. The lien to secure payment of assessments shall be in favor of the members of the Board of Managers and their successors in office and shall be for the benefit of all other unit owners, and may be foreclosed by an action brought in the name of the Board of Managers in like manner as a mortgage of real property, as provided in Sections 443.190, 443.200, 443.210, 443.220, 443.230, 443.240, 443.250,

443.260, 443.270, 443.280, 443.290, 443.300 and 443.310, Revised Statutes of Missouri 1969. The members of the Board of Managers and their successors in office, acting on behalf of the other unit owners, shall have the power to bid in the interest so foreclosed at foreclosure sale, and to acquire and hold, lease, mortgage and convey the same.

Section 10. Interest of Grantee Under Foreclosure Deed. In the event any person acquires or is entitled to the issuance of a sheriff's or other official deed in foreclosure of the lien for assessments above provided, the deed conveying the interest of any unit owner and the interest so acquired shall be subject to the terms, provisions, covenants, conditions and limitations contained in the Declaration, the plat, the By-Laws or any deed affecting such interest then in force.

Section 11. Separateness of Liens. In the event any lien exists against two or more units and the indebtedness secured by such lien is due and payable, the unit owner of any unit so affected may remove the unit and the undivided interest in the common elements appertaining thereto from the lien by payment of the proportional amount of the indebtedness which is attributable to such unit. In the event the lien exists against the property, the amount of such proportional payment shall be computed on the basis of the percentages set forth in these By-Laws. Upon payment as herein provided, the lienor shall execute and deliver to the unit owner a release of such unit and the undivided interest in the common elements appertaining thereto from the lien. Any such proportional payment and release shall not prevent the lienor from proceeding to enforce his rights against any unit or interest with respect to which the lien has not been so paid or released.

Section 12. Liens, Consent. No labor performed or materials furnished with the consent of or at the request of a unit owner or his agent or his contractor or subcontractor shall be the basis for the filing of a lien against the interest of any other unit owner, or against any part thereof, unless such other owner has expressly consented to or requested the same. Express consent shall be deemed to have been given by the owner of any unit in the case of emergency repairs thereto. Labor performed or materials furnished for the common elements, if duly authorized by the Board of Managers, shall be deemed to be performed with the express consent of each unit owner and shall be the basis for the filing of a lien against the

property, and shall be subject to the provisions of Section 11 of this Article.

Section 13. Taxes Assessed and Levied Against Units. Real property taxes, special assessments, and any other special taxes or charges of the State of Missouri or of any political subdivision thereof, or other lawful taxing or assessing body, which are authorized by law to be assessed against and levied upon real property shall be assessed against and levied upon each unit and the owner's corresponding percentage of ownership in the common elements as a tract, and not upon the property as a whole.

Section 14. Interest Acquired by Tax Deed, Subject to What. In the event any person acquires or is entitled to the issuance of a tax deed conveying the interest of any unit owner, the interest so acquired shall be subject to the terms, provisions, covenants, conditions and limitations contained in the Declaration, the plat, the By-Laws, or any deed affecting such interest then in force.

Section 15. Nonuser. No owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the common elements or abandonment of his or her unit.

Section 16. Insurance. The board shall maintain the following insurance in force and effect:

(a) A policy or policies of insurance for the property against loss or damage by fire and such other hazards as are covered under standard extended coverage provisions for the full insurable replacement cost of the common elements and the units. The insurance coverage shall be written in the name of, and proceeds thereof shall be payable to, the manager or the Board of Managers of the Association, as trustee for each of the unit owners in the percentages established in these By-Laws or amendments thereto, if any. The policy or policies of insurance may contain a loss payable clause containing the words, "To the holder or holders of mortgages or deeds of trust of record, if any, as their interests may appear" without specifically naming the holder or holders of mortgages or deeds of trust of record, as trustees for each of the unit owners in the percentages established in these By-Laws or any amended By-Laws or Declaration. The trustees shall have full power to adjust all insurance losses by suit or otherwise and payment accepted by the trustees hereunder shall constitute a discharge to the insurer. Premiums for the insurance shall be common expenses.

(b) A policy or policies insuring the Association, the members of the board, and the unit owners against any liability to the public or to the owners (of units and of the common elements, and their invitees or tenants), incident to the ownership and/or use of the common elements and units, the liability under which insurance shall be not less than One Hundred Thousand Dollars (\$100,000) for any one person injured, Three Hundred Thousand Dollars (\$300,000) for any one accident, and Ten Thousand Dollars (\$10,000) for property

damage (such limits to be reviewed at least annually by the Association and increased in its discretion), payable to the Association, as trustees for the unit owners.

(c) Workmen's compensation insurance to the extent necessary to comply with any applicable laws.

Section 17. Repair or Reconstruction after Damage or Disaster.

A. Sufficient Insurance. In case of fire or any other disaster the insurance proceeds, if sufficient to reconstruct the building, shall be applied to such reconstruction. "Reconstruction of the building," as used in this paragraph and paragraph B, means restoring the building to substantially the same condition in which it existed prior to the fire or other disaster, with each unit and the common elements having the same vertical and horizontal boundaries as before.

B. Insufficient Insurance. In case of fire or other disaster, if the insurance proceeds are insufficient to reconstruct the building and the unit owners and all other parties in interest do not voluntarily make provision for reconstruction of the building within 180 days from the date of damage or destruction, the Board of Managers may record a notice setting forth such facts, and upon the recording of such notice:

(a) The property shall be deemed to be owned in common by the unit owners.

(b) The undivided interest in the property owned in common which shall appertain to each unit owner shall be the percentage of undivided interest previously owned by such owner in the common elements.

(c) Any liens affecting any of the units shall be deemed to be transferred in accordance with the existing priorities to the undivided interest of the unit owner in the property as provided herein.

(d) The property shall be subject to an action for partition at the suit of any unit owner, in which event the net proceeds of sale, together with the net proceeds of the insurance on the property, if any, shall be considered as one fund and shall be divided among all the unit owners in a percentage equal to the percentage of undivided interest owned by each owner in the property, after first paying out of the respective shares of the unit owners, to the extent sufficient for the purpose, all liens on the undivided interest in the property owned by each unit owner.

Section 18. Maintenance and Repair.

A. All maintenance of and repairs to any unit, structural or nonstructural, ordinary or extraordinary (other than maintenance of and repairs to any common elements contained therein not necessitated by the negligence, misuse, or neglect of the owner of such unit) shall be made by the owner of such unit. Each unit owner shall be responsible for all

damages to any other apartment unit and to the common elements resulting from his failure to effect such maintenance and repairs.

B. All maintenance, repairs, and replacements to the common elements, whether located inside or outside of the units (unless necessitated by the negligence, misuse, or neglect of a unit owner, in which case such expense shall be charged to such unit owner), shall be made by the Board of Managers and be charged to all the unit owners as part of the annual maintenance and improvement expense.

Section 19. Use of Units. In order to provide for congenial occupancy of the condominium property and for the protection of the values of the units, the use of the condominium property shall be subject to the following limitations:

(a) The units shall be used for residences only.

(b) The common elements shall be used only for the furnishing of the services and facilities for which they are reasonably suited and which are incidental to the use and occupancy of units.

(c) No nuisances shall be allowed on the condominium property, nor shall any use or practice be allowed which is a source of annoyance to its residents or which interferes with the peaceful possession or proper use of the condominium property by its residents.

(d) No immoral, improper, offensive or unlawful use shall be made of the condominium property or any part thereof, and all valid laws, zoning ordinances, and regulations of all governmental bodies having jurisdiction thereof shall be complied with. Such compliance shall be accomplished at the sole expense of the unit owners or the Board of Managers, whichever shall have the obligation to maintain or repair such portion of the condominium property.

(e) No portion of a unit (other than the entire unit) may be rented, and no transient tenants may be accommodated therein.

Section 20. Use of Common Elements and Facilities. A unit owner shall not place any furniture, packages or objects in the public halls, stairways, drives, parking places, yards or other common areas or common facilities.

Section 21. Rights of Access. A unit owner shall grant a right of access to his unit to the manager, the managing agent, and any other person authorized by the Board of Managers, the manager, or the managing agent, to make inspections, to correct any condition originating in his unit and threatening another unit or a common element, to install, alter or repair mechanical or electrical services or other common elements in his

unit or elsewhere in the building, and to correct any condition which violates the provisions of any mortgage covering another unit. Requests for such entry shall be made in advance and such entry shall be scheduled for a time reasonably convenient to the unit owner. However, in case of an emergency, such right of entry shall be immediate, whether the unit owner is present at the time or not.

Section 22. Rules of Conduct. Rules and regulations concerning the use of the units and the common elements may be promulgated and amended by the Board of Managers with the approval of a majority of the unit owners. Copies of such rules and regulations shall be furnished by the Board of Managers to each unit owner prior to their effective date.

ARTICLE VI

RECORDS

Section 1. Records and Audits. The Board of Managers or the managing agent shall keep detailed records of the actions of the Board of Managers and the managing agent, minutes of the meetings of the Board of Managers, minutes of the meetings of the unit owners, and financial records and books of account of the condominium, including a chronological listing of receipts and expenditures, as well as a separate account for each unit which, among other things, shall contain the amount of each assessment of common charges against such unit, the date when due, the amounts paid thereon, and the balance remaining unpaid. A written report summarizing all receipts and expenditures of the condominium shall be rendered by the Board of Managers to all unit owners at least annually.

ARTICLE VII

MISCELLANEOUS

Section 1. Notices. All notices to the Board of Managers shall be sent by registered or certified mail, c/o the managing agent, or if there is no managing agent to the office of the Board of Managers or to such other address as the Board of Managers may hereafter designate from time to time. All notices to any unit owner shall be sent by registered or certified mail to the building or to such other address as may have been designated by him from time to time in writing to the Board of Managers. All notices shall be deemed to have been given when mailed, except notices of change of address, which shall be deemed to have been given when received.

Section 2. Invalidity. The invalidity of any part of these By-Laws shall not impair or affect in any manner the validity, enforceability, or effect of the balance of these By-Laws.

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 By-Laws, or the intent of any provision thereof.

Section 4. Gender. The use of the masculine gender in these By-Laws 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 By-Laws 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.

ARTICLE VIII

AMENDMENTS TO BY-LAWS

Section 1. Amendments to By-Laws. Except as hereinafter provided otherwise, these By-Laws may be modified or amended by the vote of 66 2/3% in number and in common interest of all unit owners at a meeting of unit owners duly held for such purposes. Such amendments will be filed of record with the Recorder of Deeds for Jackson County, Missouri, at Independence, prior to the time they shall become effective.