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BY-LAWS
OF
LIGHTHOUSE POINT OWNERS ASSOCIATION, INCORPORATED
(A nonprofit Iowa corporation)

I - Scope and Definitions

1. These are the by-laws of Lighthouse Point Owners Association, Incorporated, a nonprofit corporation organized under Chapter 504A, Code of Iowa, as the council of co-owners of Lighthouse Point, a condominium regime, situated in Wahpeton, Dickinson County, Iowa, established by the Declaration of Condominium therefor dated the 28th day of January, 1973.

2. The term "regime" means the horizontal property (condominium) regime known as Lighthouse Point and situated and located on and including the following described real estate situated in Dickinson County, Iowa, to wit:

A part of Lot 18 of the plat of Green Acres, Town of Wahpeton, Dickinson County, Iowa described as follows:

Commencing at the Southwest corner of Government Lot 1, Section 26, Township 99 North, Range 37 West of the 5th P.M. Dickinson County, Iowa; thence N 0° 20' E along the centerline of Iowa Highway No. 32 a distance of 591.50 feet; thence S 89° 38' E 564.00 feet to the point of beginning. Thence S 89° 38' E 229.71 feet to the Westerly right-of-way line of Emerson Street; thence S 4° 58' E along said Westerly right-of-way line a distance of 563.52 feet to the South line of Lot 18; thence due West along the said South line a distance of 282.10 feet; thence N 0° 22' E 562.89 feet to the point of beginning.

3. The term "person" shall include a corporation or other entity or representative. All terms and all references to plural, singular or gender as defined in the Declaration shall have the same meaning herein unless otherwise specified or required by context.

II - Members and Voting Rights

1. The owners of a unit or units lawfully submitted to the regime shall constitute the members of the corporation, and membership shall automatically cease when ownership of such is terminated. Developer shall be a member and have the rights of membership with respect to completed but unsold units that have been so submitted.

2. The Association may at all times recognize and carry on its rolls as members those who are owners of record of a unit, but if ownership is acquired or terminated but not of record, or, if other than by way of conveyance or other formal instrument of transfer (such as by death, judicial act, or dissolution), the person acquiring or succeeding to ownership shall present to the Board of Directors of the corporation evidence satisfactory to it of facts evidencing lawful ownership status. A fiduciary or other official acting in a representative capacity shall exercise all membership rights and privileges of the owner or property right in respect to which he is serving. It shall be the duty of an owner becoming such to notify the Association in writing for membership purposes, but failure to do so shall not relieve any owner of his membership obligation.

3. If more than one person owns an interest in the same unit, all such persons 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 owners of that unit shall be cast by the person named on a certificate signed by all owners or fiduciaries or other officials. If such certificate is not executed and filed with the Board of Directors such membership shall not be in good standing and the votes appurtenant to that unit shall not be counted or voted in determining a quorum or the outcome of any vote unless all owners, or fiduciaries, or officials are present and concur in the casting of such votes. This restriction shall not, however, reduce or affect the total number of votes entitled to be cast which shall be and remain at 100 or any percentage of such total number of votes as is required for any purpose as set forth in any of the condominium documents.

4. The total number of votes outstanding and entitled to be cast by all members as owners of the units of the condominium regime is 100. Each member shall be entitled to such number of such total number of votes on all matters to be determined by the members of the corporation either as such or as unit owners as is equal to the percentage interest appurtenant to his unit as determined by Exhibit A - 6 to the Declaration of Condominium. All votes cast by a member as such or as an owner shall be cast as a bloc and may not be divided.

III - Membership Meetings.

1. The annual meeting and any special meeting need not be held at the registered office of the corporation, but shall be held within Dickinson County, Iowa, and all such meetings, annual or special, shall be held at such particular time and place as is set forth in the Notice thereof.

2. At any annual or special meeting, the presence of members, in person or by proxy, who are entitled to cast a majority of the total number of votes outstanding as determined by the Declaration shall constitute a quorum for the transaction of business. All action taken by the members or submitted to them for consideration shall be carried or approved upon the favorable vote of a majority of the votes represented and entitled to be cast at the meeting unless a different rule is provided herein or by the Articles of Incorporation, the Declaration, by law or any agreement to which the Association is a party, or by any agreement, covenant or encumbrance binding on the owners or the Association. If neither the President or Vice-President or any officer is available to preside, a chairman shall be elected.

3. A special meeting of the members may be called by the President or in the event of his absence or disability by the Vice-President, or by one-third of the directors, or by such number of members who are entitled collectively to cast at least 25% of the total number of votes outstanding and entitled to be cast.

4. It shall be the duty of the secretary or his designate to give written notice to members of the time and place of the annual meeting. The person or persons calling a special meeting pursuant to paragraph 3 shall give like written notice of the time and place of such special meeting. All notices shall set forth the purpose or purposes for which the meeting will be held and no action shall be taken at a special meeting which is not directly related to the purposes of the special meeting as defined in this notice.

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

- A. Election of chairman, if required.
- B. Calling roll and certifying of proxies.
- C. Proof of notice and meeting or waiver of notice.
- D. Reading and disposal of any unapproved minutes.
- E. Reports of officers, if applicable.
- F. Reports of committees, if applicable.
- G. Election of inspectors of election, if applicable.
- H. Election of directors, if applicable.

- I. Unfinished business.
- J. New Business.
- K. Adjournment.

and Robert's Rules of Order shall govern unless specifically superseded.

6. At all membership meetings, the presence of an owner and the exercise of the voting rights of the owner by proxy shall be permitted and recognized, provided, such proxy must be in writing and signed by all persons (if more than one) possessing an ownership interest in the unit in question and shall set forth the percentage interest appurtenant to that unit and number of votes entitled to be cast by the owner - member, and the period for which the proxy is to be in force and effect. The decision of the Board of Directors as to the sufficiency of any proxy for recognition shall be final and not subject to appeal to the members.

7. Notice shall be given by mailing or delivering the same not less than ten, nor more than fifty days prior to the date of the meeting. By way of authorization and not limitation, notice is duly given: If addressed to the member at the address of his unit within the condominium regime unless at the time of giving such notice he has in writing directed a different mailing address to be carried on the corporate rolls; if a unit is owned in common or jointly, to the person named in the certificate required by Article II(3); by one notice addressed and mailed to co-owners having the same address; if there has been a change in ownership of a unit and the Association has not been notified in writing, to the person(s) and address that would govern per Association records if such change of ownership had not occurred; to a record owner.

8. The annual meeting of the members of the Association shall be held on the 5th day of July each year at 7:00 P.M., provided, the first annual meeting shall not be held until such day in the year 1978, or, until such day in such prior year by which date a total of at least 64 townhouse and/or two bedroom units have been sold, paid for in full, and deeded to new owners, whichever first occurs, all pursuant to the provisions of the Declaration of Condominium in which the Developer has retained the right to name all directors until such time. The provisions of this paragraph shall not inhibit the calling or holding of any special meeting.

IV - Board of Directors

1. The corporation and its affairs shall be governed, managed, and administered by a Board of Directors. The initial Board is three in number and shall be composed of the Developer and/or of the nominees or appointees of the Developer and such directors need not be members of the corporation. From and after the first annual meeting of the members, the Board of Directors shall be selected from the members of the corporation except that an officer or designated agent of a corporate member may qualify to serve as a director.

2. From and after the first annual membership meeting, the Board of Directors shall be six in number, and at the first meeting, the terms of the initial directors shall expire and the full complement of six directors shall be elected. Thereafter, the term of office for each director shall be three years, except that at the first annual meeting two directors shall be elected for a one-year term, two directors shall be elected for a two-year term, and two directors shall be elected for a three-year term so that at each annual meeting subsequent to the first annual meeting, the terms of office of one-third of the Board shall expire and new directors shall be elected accordingly, but there shall be no limitation on the number of terms during which a director may serve. All directors shall serve until their successors are duly designated and qualified. If prior to the date of the first annual meeting as herein provided, a total of 64 townhouse or two bedroom units have been constructed, submitted, and sold, and Developer and its nominees all resign as directors, three successor directors may be elected at a special membership meeting to serve until the date of the first annual meeting.

3. Election of directors shall be by ballot in which each member shall cast the number of votes he is entitled to cast for as many different directors as there are vacancies to fill. A director or directors receiving a majority of the votes entitled to be cast at the meeting shall be elected. If all positions are not thus filled, as many additional ballots shall be taken as may be required and in each such case, the nominee receiving the least number of votes in the previous ballot shall be eliminated from further consideration.

4. Vacancies in the Board of Directors may be filled until the date of the first or any annual meeting by vote of the majority of the directors remaining in office, whether those remaining constitute a quorum or not.

5. The initial directors shall not be subject to removal. Thereafter a director may be removed from office at a special meeting called for such purpose if 75% of the total number of votes outstanding and entitled to be cast are voted in favor of such removal.

6. The initial directors shall serve without compensation, but thereafter directors may receive such compensation as is approved by the members at any annual or special meeting.

7. A majority of the Board of Directors may, by resolution, set a time and place for regular meetings and no notice thereof shall be required until such resolution is rescinded. Special meetings of the directors may be called by the President or any two directors. Not less than two days notice shall be given, personally or by mail, telephone, or telegraph, which notice shall state the time, place and purpose of the meeting.

8. The Board of Directors, by resolution approved by all members thereof, may designate from among its membership an executive committee or other committees and by such resolution provide the extent and manner to which the same may have and exercise the authority of the Board.

V - Officers

1. The officers of the corporation shall be the President, who shall be a director, a Vice-President, who shall be a director, a Treasurer, and a Secretary, all of whom shall be elected annually by the Board of Directors, except that the initial officers and their successors until the first annual meeting shall be chosen by the initial Board of Directors and shall serve until the first annual membership meeting, and the initial officers need not be members of the corporation. The Board of Directors may from time to time create and fill other offices and designate the powers and duties thereof. Each officer shall have the powers and duties usually vested in such office, and such authority as is committed to the office by the By-Laws or by specific grant from the Board, but subject at all times to the provisions of the By-Laws and to the control of the Board of Directors.

2. The President shall be the chief executive officer of the Corporation. He shall preside at all membership meetings and shall have power to appoint committees from among the members to assist in the conduct of the affairs of the Corporation.

3. The Vice-President shall preside over membership meetings in the absence or disability of the President, and shall otherwise exercise the powers and duties of the President in the event of the absence or disability of the President, and shall generally assist the President and exercise such other powers and duties as are prescribed by the Directors.

4. The Secretary shall keep the minutes of all proceedings of membership meetings and directors' meetings and shall have custody and control of the minute book of the Corporation, and shall keep or be in charge and control of the records of the Corporation except those of the Treasurer, and shall give notice where required or directed to do so.

5. The Treasurer shall have control of the funds and other property of the Association and shall keep the financial books and records thereof.

6. The compensation of all officers and employees shall be fixed by the directors. This provision shall not preclude the Board of Directors from employing a director as an employee, nor the contracting with a director for management of the condominium.

7. Any deed or contract for sale of real estate or lease (or assignment of such contract or lease) may be executed by the President or Vice-President and any officer other than the President or Vice-President. Any lien held by the Association may be released by any of the officers of the Association. The Board of Directors may, in addition, authorize the execution of the kinds of instruments above mentioned or other instruments required to be executed on behalf of the Association in such manner as it shall by resolution direct.

VI - Powers and Duties of the Board of Directors

All of the powers and duties of the corporation shall be exercised by the Board of Directors including those existing under the common law and statutes, the Articles of Incorporation, and the documents establish-

ing the condominium. Such powers and duties of the directors shall be exercised in accordance with the provisions of the Declaration of Condominium which governs the use of the land, and shall include in addition to those elsewhere provided for, but shall not be limited to the following:

1. To make and collect assessments against members for all common expenses.

2. To use the proceeds of assessments in the exercise of its powers and duties.

3. The maintenance, repair, replacement, and operation of the condominium property including all common areas, elements and facilities, and units as applicable and the construction of new improvements or alterations if authorized, and making or providing for payment for all such work and approving or delegating to the officers authority to approve vouchers therefor.

4. The reconstruction, repair, restoration, or rebuilding of the condominium property and of any units as applicable after casualty or otherwise.

5. To make and amend regulations, restricting the use and occupancy of the property in the condominium and in their discretion to permit or forbid an action or conduct as discretion is committed to them in the condominium documents.

6. To enforce by legal means the provisions of the condominium documents, the Articles of Incorporation, the By-Laws of the corporation, and the regulations for the use of the property in the condominium.

7. To contract for management of the condominium and to delegate to such contractor all powers and duties of the corporation except such as are specifically required by the condominium documents to have approval of the Board of Directors or the membership of the corporation; to employ, designate and remove any personnel necessary for the maintenance, repair and replacement of the common areas and facilities.

8. To pay taxes and assessments which are liens against any part of the condominium other than individual units and the appurtenances thereto, and to assess the same against the units subject to such liens.

9. To carry insurance for the protection of unit owners and the Corporation against casualty, liabilities, and other contingencies.

10. To pay the cost of all utility or other services rendered to any of the condominium property which is not billed directly to owners of individual units.

11. To interpret and apply the provisions of the condominium documents in matters of dispute between unit owners or between owners and the Association, which determination shall be binding on the unit owners; to conduct or supervise all votes or determinations by members other than at a membership meeting; to cast or give proxy for casting the votes entitled to be cast with respect to any unit owned by the Association.

12. To join in the expense of construction and/or operation of any facility on or off the condominium property which serves or is available for all members of the regime (except those owning garage/storage units only) whether exclusively so or not.

13. To purchase and to otherwise accept or acquire title to and ownership in the name of the Association of units within the regime and to sell, lease or mortgage in its discretion units owned by the Association; to lease as landlord any portion of the common elements and to lease as tenant any unit; to borrow in the name of the Association funds for any legitimate purpose and to assign as security therefor the assessment receivables due the Association, provided: The authority of the Board to borrow in excess of \$1,000.00 other than in connection with the mortgage of a unit owned by the Association to the amount of the loan value thereof and the authority of the Board to purchase a unit other than from funds in reserve or contingency accounts for that purpose shall be subject to ratification by the owners entitled to cast 75 % of the total number of votes outstanding and entitled to be cast as determined at a special meeting for that purpose or by referendum ballot. It is understood, however, that neither the Board nor the members shall have any power to affect or encumber the common elements of the regime or any unit or their fractional interest appurtenant to that unit except in respect to units and the appurtenant interest thereto as are owned by the Association.

14. To allow anyone not otherwise entitled to do so to use any of the common facilities or areas of the regime upon such charge or other condition as the Board may impose.

VII - Common Expenses; Assessments and Collection

1. All valid charges to the owners and Association as a whole shall be common expenses of the Association which common expenses shall include all those legitimately assumed by it in connection with its powers, duties and obligations as set forth in any of the condominium documents and

as are necessary or implied in connection with the powers and duties of the Board of Directors and the provisions of Chapter 499B and 504A, Code of Iowa. Snow removal and lawn care in connection with common land and the upkeep of the building exteriors shall be assumed by the Association as common expense. Maintenance of roadway Easements A, B, C and D whether within or without the regime, of the pool, and all other common elements shall be common expenses as shall maintenance of that portion of Emerson Street and parking adjacent thereto paved by Developer as set forth in the Declaration, even though without the regime if the directors so decide in the event the municipality does not maintain the same. A contribution as the Board may determine to make to the maintenance or expense of facilities without the regime which are available to owners within the regime shall be a common expense.

2. Assessments against the units and the owners thereof shall be made by the Association in order to provide funds for the discharge of all common expense of the Association, which assessments, in addition to being and constituting a lien against the unit in question and the appurtenances thereto, shall also be a personal liability of the owner thereof and jointly and severally so if more than one owner. All assessments and funds collected therefrom shall be charged or credited to the owner's account. Unless specifically otherwise provided, as for example in the case of "special" assessments, each unit and owner shall be liable and subjected only to the proportionate share of the total common expense and assessments made therefor as is derived by multiplying the total assessment by the percentage interest of ownership of the common elements which is appurtenant to that unit as set forth in Exhibit A - 6 to the Declaration of Condominium. Certain common expense as for increased insurance premiums pursuant to these By-Laws or the Declaration or arising from the failure of an owner to provide maintenance or other owner defaults, or for excessive utility service or other expense as might otherwise be common expense arising out of any permitted use or activity of or within any commercial unit or garage/storage area may be recovered by an assessment made only against a particular unit or units and the owner or owners thereof, which assessments are referred to in the condominium documents as "special" assessments and shall be made in the necessary amounts therefor and without regard to the percent age of interest formula. The expense of water service furnished to the condominium property is a common expense but the assessments therefor may be made either according to the percentage interest appurtenant to each unit or as "special" assessments on some other equitable pro rated basis. Special assessments shall be due and payable according to the terms thereof.

3. Where a mortgagee or purchaser of a unit obtains title as a result of foreclosure of a first mortgage, such mortgagee or purchaser, his successors and assigns, shall not be liable for the assessments chargeable to such unit due prior to the acquisition of title and such unpaid

assessment shall thereafter be deemed to be common expenses collectible from all unit owners including the mortgagee or purchaser, his successors and assigns. The owner of a unit pursuant to a voluntary conveyance or by inheritance or devise shall be jointly and severally liable with the grantor or prior owner for all unpaid assessments whether generally or "specially" levied against said unit and the grantor or prior owner thereof but without prejudice to the right of such grantee or devisee to recover from the prior owner the amounts paid therefor.

4. The Board of Directors shall adopt a budget each year for such one year period as it elects to report on for income tax purposes which shall include the estimated funds required to defray the following common expenses:

(a) Current expense, which shall include all funds and expenditures to be made within the year for which the funds are budgeted (except expenditures chargeable to reserves or emergency funds) including a reasonable allowance for contingencies and working funds, and the assessment for current expense may sometimes be referred to as the working capital assessment and the funds thereof as the working capital fund. Any balance in this fund at the end of each year may be applied to reduce the assessments for current expense for the succeeding year.

(b) Reserves for deferred maintenance, which shall include funds for maintenance items which occur less frequently than annually and for replacement of common property required on account of depreciation or obsolescence; reserves for replacement, which shall include generally funds for repair, reconstruction and the like required because of damage, destruction or other hazards; and reserves for alteration or improvement as permitted by Article IX(7) of the Declaration, which terms shall include reserves for the purpose of acquisition by the Association of a unit(s).

Upon the determination of such budget, the directors shall each year levy an assessment for the amount to be thus assessed against such unit at least thirty days prior to the one year period covered by such budget and assessments. Notwithstanding the foregoing, the Board of Directors may discontinue a regular annual assessment for reserves or transfer such portion thereof to another fund or account if in its judgment the amount remaining is sufficient to satisfy the best interests of the members.

5. The Board may also make and levy, from time to time, assessments for common emergency or extraordinary expenses, which term shall be strictly construed and such emergency assessments shall be due and payable according to the terms thereof. Funds required for the purchase of a unit as authorized or for alteration or improvement pursuant to Article IX (7) of the Declaration or otherwise chargeable to reserve

accounts may be raised by emergency assessments to the extent funds are not available from reserve accounts, provided, if the total amount of any emergency assessment (i. e., before allocation of the total among the respective units) exceeds \$3,500.00 it must be ratified by the members pursuant to Article VI(13) hereof.

6. The regular annual assessments made for current expense and reserves shall be due from and paid by the unit owners as to their shares thereof in twelve equal monthly installments payable on the first day of each month during the one year period in question. If any installments of any assessment of any kind or character is in default for more than thirty days, the Board of Directors may accelerate the remaining installments and declare the entire amount thereof due and payable within twenty days after written notice thereof mailed to the unit owner at his address carried upon the corporate records. When the Association has acquired a unit, the assessment otherwise due and payable, reduced by the amount of income which may be derived from the leasing of such unit by the Association, shall be apportioned and assessment therefor levied ratably among the owners of all other units according to their percentage interests in the common elements.

7. At such time contemporaneously with the recording of the Declaration of Condominium or subsequent thereto as the Board of Directors determines that the buildings and improvements have been substantially completed and are ready for occupancy, the Board of Directors may adopt an interim budget and make such assessments of whatever character as are necessary in order to provide for the expenses and obligations of the Association as determined by the condominium documents during the period of any fractional calendar year or any fractional fiscal year as may remain until the commencement of the initial one year period, contemplated by paragraph 4 of this article, which assessments shall be effective as of the date of such substantial completion and readiness for occupancy as so determined by the Board.

8. Upon the closing of each transaction whereby a unit is purchased from the Developer there shall be due and payable from the owner an initial working capital contribution in order that the Association may have immediately available working capital funds to apply in whole or in part to its initial interim or annual or any other current expense budget, which contribution shall not be in excess of 2% of the sale price of the unit. Upon such closing, the owner of the unit shall thereafter become liable for and pay the balance of all assessments previously made as the same accrue. If, prior to the date of its first annual meeting, the Association requires capital, the Developer may loan to it any sums required in excess of the assessment for which the Developer is liable as a unit owner in which event the requirement of Article VI(13) of approval by a 75% vote shall not apply. It is understood Developer shall not be liable for the working capital contribution.

9. The share of all sums assessed payable by a unit owner but unpaid shall constitute a lien on such unit prior to all other liens except tax liens on the unit in favor of any assessing units or special district and all sums payable on a first mortgage of record, which lien may be foreclosed by the Association in the manner and with the consequence provided in Section 499B.17, Code of Iowa, in which event the unit owner shall be required to pay a reasonable rental for the unit. The Association may sue for money judgment for unpaid assessments or sums due without foreclosing or waiving any lien which it holds.

10. The Association shall at all times maintain complete and accurate written records of each unit and owner and the address of each, and setting forth the status of all assessments, accounts and funds pertinent to that unit and owner. Any person other than a unit owner 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. The holder of a mortgage on any unit, upon its filing written request with the Association, shall be entitled to written notice from the Association of any default by its mortgagor in payment of the mortgagor's assessments (or of any other default known to the Association on the part of the mortgagor) which has not been cured within thirty days after the occurrence of such default by payment or otherwise.

VIII - Insurance Provisions

1. Responsibility for Insurance. Insurance policies on the condominium property and in respect to liability in connection with the use, ownership or operation of the general and limited common elements to the extent available shall be purchased and paid for by the Association, and the premium expense thereof shall be a common expense of the regime, and the Association, acting through its Board of Directors rather than any individual unit owner or owners, shall have the responsibility and authority, subject to the further provisions hereof, to adjust any loss or claim in connection therewith to the extent permissible by law.

2. Assured. All such policies shall be purchased by the Association for the benefit of the Association and the owners of units and their mortgagees as their interest may appear and provision made where applicable for issuance of certificates of mortgagee endorsements to the mortgagees of individual units. For the purposes of its functions under this article, the Association may be considered the agent coupled with an interest of all the owners.

3. Coverage to be Afforded. (a) All condominium property, meaning the units, general common elements and limited common elements, and whether within or without any unit (excluding only such personal property as may be the sole separate personalty of a member

and excepting such of said property as may be insured by the owners pursuant to VIII (8) infra) shall be insured by the Association in an amount equal to the maximum insurable replacement value thereof, excluding foundation and excavation costs, as determined annually by the Board of Directors of the Association against loss or damage by fire and other hazards by means of a standard extended coverage hazard or other perils endorsement or through a standard multi-peril policy. Coverage shall also be procured against such other risks of a similar or dissimilar nature as are or shall be customarily covered with respect to buildings similar in construction, location and use to Lighthouse Point, a Condominium, including but not limited to vandalism, malicious mischief, wind storm, water damage and war risk insurance, if available, as the Board in its discretion deems advisable. The policy or policies affording such coverage shall provide that the carrier waives or does not claim any right to elect whether or not the condominium property shall be reconstructed, repaired, rebuilt or replaced in whole or in part and that the application of proceeds shall be as determined by the Association; provided, the Board of Directors may waive this requirement if it is necessary to do so in its judgment in order to procure the necessary insurance against such hazards.

(b) Insurance against public liability and property damage, including liability on account of ownership, maintenance and control of common elements and areas, shall be procured in such form as will protect the Association and all owners and in such amounts as shall be required by the Board of Directors of the Association. Such liability policy or policies shall by cross liability endorsement or otherwise cover the liability of the unit owners as a group to a unit owner and of a unit owner to another unit owner and shall protect in standard form as a minimum the owners and members of the Association and its Board of Directors and officers. Coverage for liability in respect to acts of third persons may be procured if available. Such liability insurance may include but is not limited to water damage, legal liability, liability in respect to motor vehicles owned or hired, and off-premises employee coverage.

(c) Workmen's compensation insurance shall be procured as required to meet applicable law.

(d) Such other insurance may be procured as the Board of Directors shall determine from time to time is necessary and reasonable in order to fully insure the condominium property and the Association and owners and their mortgagees against insurable risks and liability expo-

sure. Notwithstanding any requirement of this Article VIII if the objective of adequate insurance of the property and against liability can be achieved such requirement shall be deemed met even though the form or language of the applicable policies may differ from that required, it being the intent of these insurance provisions to allow the Association to adjust to practices and forms as may develop in the insurance industry without necessity of constant amendment to these By-Laws.

(e) It is the intent hereof that the Association procure a single policy to afford the coverage referred to except that separate policies may be procured for different types of risks. Such policy or policies, comprehensive in coverage, are sometimes referred to as the master policy.

(f) If agreeable to the insurer the policies procured by the Association shall include provisions that they shall be without contribution or pro ration and that the doctrine of "no other insurance" shall not apply with respect to insurance procured by unit owners or their mortgagees; that the conduct or default of any one or more owners will not constitute grounds for avoiding liability under doctrines of warranties, conditions or forfeiture with respect to increase in hazard or vacancy clauses or other conditions or warranties purporting to relieve a carrier of its obligations; for payment of common expenses with respect to damaged units during the period of reconstruction patterned after "use and occupancy" riders; for sub-policies specifying the portion of a master policy earmarked for each owner's interest; that improvements made to units made by unit owners shall not affect the valuation of the property for purposes of co-insurance; and for waiver of rights of subrogation with respect to any claims against apartment owners, the Association and their respective servants, agents or guests or for the naming of such parties as additional insureds. Reference to all or any of the foregoing provisions is for the purpose of providing flexibility and certainty and is not to be interpreted as constituting an admission that any of the doctrines or rights referred to are applicable or would exist in the absence of a specific provision or waiver referring to the same.

4. Insurance Trustee. The Board of Directors of the Association may provide before or subsequent to loss that insurance proceeds related to property losses (whether from fire and extended coverage or liability proceeds) be paid to an insurance trustee which shall be a bank or other financial institution in Iowa authorized to serve as such, which insurance trustee if so designated shall not be liable for payment of premiums or for the renewal or the sufficiency of policies nor for the failure to collect

any insurance proceeds. The duty of the insurance trustee shall be to receive such proceeds as are paid and hold the same in trust for the purpose of adequately safekeeping and properly disbursing the same as determined by adjustment of any loss or any decision of the Association or the Board with respect to repair, reconstruction and the like. Such proceeds shall be held by the insurance trustee in trust for the benefit of the Association and unit owners and their mortgagees as applicable in such amounts (which need not be set forth on the records of the insurance trustee) undivided in character which are the same as the undivided percentage interest in the common elements appurtenant to the respective units. The proceeds on account of damage solely to a unit or units payable under such policies shall be held for the owners of damaged unit(s) in proportion to the cost of repairing the damage suffered by each unit owner as determined by the Board of Directors. The fund held by the trustee shall be disbursed as determined by the Association or its Board of Directors, as the case may be. The Association or its Board of Directors shall constitute the "insurance trustee" as referred to in any policy of insurance in the event no bank or other institution has been so designated as herein authorized.

5. Proceeds Payable to Association. If proceeds are payable to the Association, the same shall be held and disbursed in the same manner as above provided with respect to an insurance trustee.

6. Use of Insurance Proceeds. Unless the Association in the manner provided for shall specifically make a determination not to repair, rebuild, restore or reconstruct, all insurance proceeds to the extent available shall be used for such purposes. In the event of loss or damage, insurance proceeds available shall be first applied to the repair, replacement, rebuilding, reconstruction or restoration of the common elements and the balance to the repair, rebuilding, replacement, reconstruction or restoration of the unit. If the insurance proceeds are in excess of the cost of such work with respect to the common elements and units, or the common elements only, or the units only, as the case may be, then such excess proceeds shall be applied and paid by the insurance trustee or the Association, as the case may be, to the owners of all the units and their respective mortgagees, such distribution to be separately made to the owner of each unit and his respective mortgagee or mortgagees as their interest may appear in such proportion that the share of such excess proceeds paid to the owner of each unit (and the said mortgagee or mortgagees, if any) shall bear the same ratio to the total excess insurance proceeds as the undivided percentage interest in the common elements appurtenant to each unit bears to the total of such percentage interests appurtenant to all units.

7. Notice to Unit Owners; Mortgagee Provisions. Each unit owner shall be entitled to receive from the insurance carrier or the Association by endorsement or in other written form information as to the identity of the policies carried by the Association and of effective and expiration dates, policy amounts and notice of any change or cancellation. A mortgagee of a unit owner shall receive from the carrier and/or the Association a memorandum of the insurance carried by the Association and shall be included where applicable by standard mortgagee clause as may be adjusted according to the provisions of the condominium documents and for condominium purposes in the coverage to the extent of its mortgagor's interest. Where the mortgagee of a unit so requests, all insurance carriers shall be directed to give notice to such mortgagee of any default on the part of the insured and, if agreeable to the carrier, such policies of insurance shall provide by endorsement or otherwise for the benefit of the named mortgagee of a unit that in the event such policy is cancelled by the company or the named insured as provided by its terms, such insurance shall continue in force for ten (10) days after notice to such mortgagee of such cancellation and shall then cease.

8. Insurance by Unit Owner. The individual purchase of separate individual insurance coverage by a unit owner is governed by the following:

(a) Limitations. The provisions set out relative to the purchase of master policies by the Association shall not be construed to prohibit the purchase of an individual policy by a member/unit owner, but each such owner and member agrees to the following limitations with respect to the purchase of an individual policy for fire and extended coverage: (1) No such individual policy shall be procured which by reason of doctrines or co-insurance, contribution or pro-rata, "no other insurance," subrogation or waiver thereof, warranties, conditions or forfeiture, or otherwise would limit, affect or decrease the coverage and recoverable proceeds under the master policy or invalidate or increase the premium thereof; (2) Such member/owner agrees for his part that the proceeds from any individual policy shall be applied for the purposes of repair, reconstruction, restoration or of rebuilding as determined by the Association or Board of Directors pursuant to the Declaration or these By-Laws and to attempt to procure the agreement of any mortgagee to such application of funds.

(b) Permitted or Necessary Insurance. Each member/owner may separately insure any furnishings, personal effects and other sole personal property and procure public liability and property damage insurance covering causes of action growing out of the ownership, maintenance, and

control of his unit area or limited common areas or property reserved for the use of or appurtenant to such unit as may not be covered by the master liability policy, and may procure an individual policy insuring individual liability to other unit owners and the Association arising out of intra-unit ownership, maintenance or control or ownership, maintenance or control of limited common areas or property appurtenant to or reserved for that unit if such protection is not afforded by the master policy. Such liability coverage where agreeable to the insurer shall provide that the insurer waives its rights of subrogation as to any claims against other owners of units, and the members of their households, the Association, and the respective servants, agents and guests of each. Unless the Board of Directors advises to the contrary, it shall be the responsibility of each owner to insure the floor and wall coverings and decorations and finishings upon or over the floor, ceiling, wall and other surfaces of the unit. If any limited common items are not (because of unfavorable rate differentials in the judgment of the Board of Directors) or cannot be insured under any master policy, it shall be the responsibility of the owner to insure the same. The owner or owners, including Developer, of unit no. 49 as now exists or may hereafter exist in terms of subdivision or realignment in particular shall insure their personalty and procure liability insurance and other coverage as may be required for their operations and as may not be required by the owners generally. In addition, and notwithstanding any other provision of the Declaration or By-Laws, if by reason of the activities carried on within such commercial unit(s) or any garage/storage unit there is an increase in the premiums for the coverage required to be maintained by the Association over the level that would govern but for the activities carried on in such unit(s), the Association may levy a special assessment and such owner(s) shall be required to pay the amount of any additional premiums of that nature payable by the Association.

9. Alterations or Improvements. Alterations, additions or improvements by an owner are forbidden or permitted under the circumstances and conditions set forth in Article IX of the Declaration for this regime. Where such alterations, additions or improvements are permitted and approved under the conditions there stated, it shall be a further condition of approval that any increase in the insurable value of the condominium property, common or otherwise, shall be either adequately insured under the master policy as a common expense recoverable by the Association against the owner by special assessment or by the member/unit owner under an individual policy satisfactory to the Board of Directors and which to its satisfaction does not jeopardize as provided in paragraph 8(a) above the integrity of any master policy. In any event, the proceeds of such additional insurance shall be held and applied and subject to the further terms of this article for the purpose of rebuilding, repair and the like in the same manner as other master policy or individual policy proceeds. Any improvements or alterations approved and done by the Association shall be insured in the same manner as if part of original construction.

IX - Referendum

Any vote or determination required or permitted to be made by the members of the Association and not required by law or any of the condominium documents to be made at a meeting of the members may be taken or made pursuant to a referendum ballot. Such a ballot may be initiated by one-third of the Board of Directors or upon the written petition of owners who are entitled collectively to cast at least 25% of the total number of votes outstanding. If such referendum is initiated, the Secretary shall forthwith prepare and mail to each member a ballot returnable in no less than ten or more than fifty days from the date of mailing. If prior or subsequent to such petition a special membership meeting has been called to consider the same subject matter, the special meeting shall prevail and the referendum vote not be tallied.

X - Amendment

1. These By-Laws may be amended, altered, repealed or new By-Laws adopted by the members at a special meeting of or upon a referendum ballot by the members upon the affirmative vote of 75% of the total number of votes outstanding and entitled to be cast, and that is to say of such number of members who collectively possess such percentage of the total number of votes, provided: The provisions hereof equating membership with unit ownership, defining the total number of votes and basing for each unit the number of votes, liabilities for assessments, and interests in funds including insurance proceeds of the Association on the percentage interest appurtenant to that unit shall not be amended except by unanimous consent of all unit owners and their mortgagees; provided further, any amendment affecting Developer's reserved rights including the right to name the Board of Directors until the date of the first annual meeting and the date of such meeting shall be void without the written consent of Developer first obtained. The two provisos just set forth are not subject to amendment.

2. No amendment may be adopted at either a special or regular membership meeting not included in the notice thereof, except if notice of the proposed amendments has been given, a different amendment relative to the subject matter thereof may be adopted by those present, in person or by proxy and possessing the requisite percentage of the total number of votes outstanding and entitled to be cast, provided further, no vote by proxy may be counted unless the proxy expressly provides for such contingency. More than one proposed amendment may be included in the notice of a meeting.

3. To the extent provided in Section 499B.14 Code of Iowa, no modification or amendment of these By-Laws shall be effective unless set forth in an amendment to the Declaration of Condominium, executed and recorded in the manner set forth in Article XI of the Declaration, and an amendment to these By-Laws shall constitute an amendment to the Declaration as provided for by law.

4. Unless required by the specific provisions of the condominium documents or by law, an amendment to the Declaration of Condominium not overlapping to or affecting the subject matter of these By-Laws shall not be considered an amendment to these By-Laws.

5. No amendment affecting the usage permitted in unit no. 49 or affecting that unit other than in the same manner as applied to all other units or affecting this paragraph shall be effective without the written consent of all owners and mortgagees of unit no. 49 as is or as subdivided.

XI - General Provisions

1. No special assessment shall be permitted, except for purposes specifically authorized in these By-Laws. The invalidity of any portion or provision of these By-Laws shall not affect the validity of the remaining provisions or portions hereof.

2. The corporation shall not have and employ a corporate seal.

3. The Board of Directors shall require fidelity bonds from all directors, officers, or agents handling or responsible for Association funds, excepting any insurance trustee, and shall procure an audit of the accounts and financial records of the Association not less than every two years, and the expense of such matter shall be a common expense of the Association.

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

5. The Board of Directors may issue written evidence of membership, but the same shall be evidence thereof only and shall not be transferable or negotiable, and the appurtenant interest of the member/owner 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 unit, it being understood, however, that notwithstanding such appurtenant interest, the Board shall have full authority to convey, encumber and deal with all assets, real or personal, owned by the Association without joinder or consent of the member/owners (except where a vote of approval or ratification of such action is specifically required by the condominium documents).

6. If the Association buys a unit, any assessment for the purchase price thereof against said unit shall be taken as a credit against the purchase price, and thereby be deemed paid.

7. Pursuant to Article VI of the Declaration so long as units (other than unit no. 49) are owned by Developer the same shall only be subject to assessment for "current" expense under Article VII(4)(a) of these By-Laws. Upon acquisition of such unit from Developer, however, such unit shall then be subject to assessments for "reserves" for the pro rated balance thereof during the fiscal year in question and the payment thereof in the same amount as previously assessed against units not owned by Developer and to assessment and the lien thereof for any emergency assessments in the same manner as if such unit had not been Developer owned at the time such assessments were made. The Association may but shall not be required to under such circumstances adjust and reduce the assessments against the units as previously made for such purposes.

8. In addition to any powers or insurance authority otherwise granted to it, the Association acting through its Board of Directors shall have power on behalf of the Association to purchase and maintain insurance on behalf of any person who is or was a director or officer of the Association against liability asserted against him and incurred by him in such capacity arising out of his status as such and/or to reimburse such person for the cost of such insurance if initially acquired and paid for by that person and the cost of such insurance or reimbursement therefor shall be a common expense.

CERTIFICATE

I hereby certify that I am Secretary of Lighthouse Point Owners Association, Incorporated, and that the above and foregoing By-Laws are a true copy of the original By-Laws duly adopted by the initial Board of Directors on the 28 day of JANUARY, 1974, and as appear in the Minute Book of the Corporation.

In Witness Whereof, I have affixed my hand this 28th day of JANUARY, 1974.

Terry R. Bjornsen
Terry R. Bjornsen
Secretary as Aforesaid

AGREEMENT FOR COMMON USAGE
AND EASEMENTS AND COVENANTS PERTINENT THERETO

WHEREAS, the undersigned, BJORNSEN INVESTMENT CORPORATION, has this day executed a certain Declaration of Condominium for Lighthouse Point, a Condominium, situated in Wahpeton, Dickinson County, Iowa, and has simultaneously attached and executed this instrument as Exhibit Z thereto in order that the same be recorded and operative at the same time and as a part of said Declaration of Condominium, and

WHEREAS, Exhibit A - 1(a) attached to said Declaration of Condominium sets forth the legal description of the lands upon which the said Lighthouse Point condominium regime is established and Exhibit A - 1(c) attached thereto sets forth the legal description of certain additional lands abutting or near the lands described in Exhibit A - 1(a), and Exhibit A - 1(b) sets forth the legal descriptions of private roadway Easements A, B, C and D which are located upon the lands described in Exhibit A - 1(a) and/or the lands described in Exhibit A - 1(c), and the undersigned is the owner of all of said lands, and

WHEREAS, the said Lighthouse Point condominium regime includes in particular as pertinent hereto an outdoor swimming pool, Building F on the ground floor of which are located common areas identified as an east - west corridor, laundromat room, restrooms and walkways within the regime and leading to said pool and Building F, and

WHEREAS, Exhibit A - 2 (engineer's plat), Exhibit A - 3 (architect's plan), and the other exhibits attached to said Declaration of Condominium depict the location of the easements, improvements, and other features of the regime above mentioned and of paved parking spaces located both within or upon the regime and adjacent or near thereto, all of said exhibits above mentioned and all other exhibits attached to said Declaration being hereby expressly incorporated herein by this reference and adopted as exhibits hereto, and

WHEREAS, it is the objective of the undersigned as owner of all of the lands affected by this instrument and said easements that the usage of the swimming pool, certain common areas in Building F and of said roadways, parking spaces and walkways not be exclusively in the owners of the lands described in Exhibit A - 1(a) but be used in common to the extent here stated with those owning or occupying the lands described in Exhibit A - 1(c) and that certain covenants be imposed and easements reserved and/or granted,

EXHIBIT Z

NOW, THEREFORE, the undersigned has caused this instrument to be executed as Exhibit Z to said Declaration of Condominium in order that said intent and objective be carried out, all as follows:

1. The undersigned hereby: (A) Grants and reserves unto the owners of units within the Lighthouse Point condominium regime easements for ingress and egress to the lands described by Exhibit A - 1(a) and to their respective units within the regime over and across Easements A, B, C and D and for parking on the said areas so depicted, whether within or without the regime; (B) Grants and reserves unto the owners of units within the Lighthouse Point condominium regime and unto their successors in ownership of the lands described in Exhibit A - 1(a) easements for ingress and egress over Easements A, B, C and D for access to (but not over and across) the lands described in Exhibit A - 1(a) and for parking on the areas so depicted without the regime.

2. The undersigned hereby reserves easements for itself and its successors in ownership and enjoyment of the "additional lands" described in Exhibit A - 1(c) as follows: (A) Over and across said private roadway Easements A, B, and D for purposes of ingress and egress to and from the respective parcels which in sum comprise the lands described by Exhibit A - 1(c). (B) Over and across said private roadway Easements A, B, C and D, common corridor in Building F, and over and across the walkways of the said Lighthouse Point condominium regime and with respect to said outside parking spaces (whether lying within or without the regime), for purposes of ingress and egress to and from and for use of the swimming pool, laundromat and restrooms of the common area in Building F and the use of such outside parking spaces as may be necessary for the use and enjoyment of the same in common with the owners of the condominium units in Lighthouse Point, provided: the exercise of such rights of common use and easements therefor shall be subject to the duty and obligation of those entitled thereto to reimburse the owners of the lands described on Exhibit A - 1(a) on an equitable basis for the expense of operating (including liability but not including hazard insurance), maintaining and repairing the pool, laundromat room, restrooms and common corridor, but the exercise of such rights shall be optional with the owners of the lands described in Exhibit A - 1(c), and such obligation to reimburse shall not arise except in connection with the exercise of such rights, provided further: the easements hereby reserved in this subparagraph are so reserved only for the benefit of those who own or occupy with the consent of the owner and their respective invitees actual structures on said lands as dwellings or as rooms or quarters in apartment, motel or hotel projects as distinguished from ownership or occupancy of mobile homes, tents, campgrounds or the like.

3. The undersigned as owner of the real estate described in Exhibits A - 1(a) and A - 1(c) does hereby covenant and agree for itself as owner of all said lands and for its successors in interest as such, whether legal or equitable: (A) That so long as the Lighthouse Point condominium regime exists, said roadway Easements A, B and D and parking shall be maintained in good condition and repair by the owners in the regime as determined by them and that the owners of the lands described in Exhibit A - 1(c) shall reimburse the owners within the regime on an equitable basis for the cost and expense thereof and for expense required to be assumed by them for maintenance and repair of Emerson Street. (B) That if the regime is terminated it shall be the joint responsibility of the owners of the lands described by Exhibits A - 1(a) and A - 1(c) to maintain and repair said Easements A, B, C and parking and Emerson Street as required and to contribute thereto on an equitable basis and to determine the necessity therefor.

4. No reimbursement or contribution as required by paragraph 3 shall be due prior to improvement and/or use of said "additional lands" for residential or commercial purposes and/or actual use of said easements for ingress and egress. The undersigned reserves for itself as developer of said condominium regime (and for any successor developer as defined in the Declaration of Condominium therefor) and as present owner of the lands described in Exhibit A - 1(c) the right on behalf of the owners of units on and/or lands described by Exhibit A - 1(a) and lands described by Exhibit A - 1(c) for a period of 10 years to determine the amount and manner of payment of all reimbursement or contribution pursuant to paragraphs 2(B) and 3 and when the liability therefor shall commence, and the right to make and enter into all supplemental agreements, covenants and understandings as may be necessary to carry out the terms of this instrument, and all successors in interest of the undersigned in ownership of units on and/or the lands described by Exhibits A - 1(a) and A - 1(c) by becoming such appoint the undersigned their agent for such purposes and agree and consent that the undersigned may make such determinations and that the same shall be binding on all parties in interest unless manifestly inequitable. All reimbursement due unit owners provided for in paragraphs 3(A) and 2(B) shall be paid on their behalf and be the property of Lighthouse Point Owners Association, Incorporated if in existence, and no part of the same shall be paid to the undersigned.

5. The easements and covenants hereof shall be of continuous duration but subject to release or termination by all or any of the following as applicable: (A) The rights of easements for access in unit owners as such pursuant to paragraph 1(A) shall terminate if the owner's unit is destroyed and not reconstructed and/or if the condominium regime is terminated. (B) The rights of easement for access pursuant to paragraphs 1(B) and 2(A) shall remain in effect so long as the necessity

therefor exists, notwithstanding that the regime may have been terminated, it being understood that the purpose of such easements is to provide access to the lands affected in addition to that provided by the public road bordering the regime on the south and Emerson Street, and that the continued existence of such public highways shall not be taken to mean there is no "necessity" for the roadway easements herein created as that term is used in this clause. (C) The rights of easements and common usage of the pool, etc. provided for in paragraph 2(B) shall remain in effect notwithstanding any termination of the condominium regime, provided, if the pool, facilities in Building F or other improvements subject thereto are damaged or destroyed so as to require reconstruction as distinguished from repair thereof and the same are not reconstructed by the owners of the lands whereupon they are situated, all such rights shall cease and terminate. (D) The undersigned reserves for itself (but not as developer of the condominium regime) and to any successor in ownership of any lands of Exhibit A - 1(c) the right by appropriate written instrument to release and terminate the easements of 2(A) and/or 2(B) in whole or in part. (E) As noted on Exhibit A - 1(c), the undersigned's ownership of a portion of said additional lands is as contract vendee and all easements, covenants or other provisions hereof and the benefits and burdens thereof affecting said additional lands shall not be finally binding with respect to the portion thereof owned by the undersigned as contract vendee and shall be subject to release and termination by the undersigned or to ratification of the owner of the legal title until the undersigned acquires title thereto. (F) Upon any easement(s) becoming public highways, the provisions hereof as applicable shall be terminated and released as moot. (G) All covenants, burdens and obligations hereof relating to any easements hereof shall become released and terminated automatically upon release and termination of the easement in question according to any of the foregoing.

6. These covenants and agreements except to the extent specifically stated to the contrary shall run with the land and be binding on all parties claiming by, through or under the undersigned and if any of such should violate or attempt to violate or fail to perform any of the same, it shall be lawful for any other parties owning any of the real estate affected by or subject to said agreements and covenants to commence any proceedings at law or in equity against the person or persons violating or attempting to violate or failing to perform said agreements and covenants, either to prevent him or them from so doing or to recover damages therefor. The obligations of paragraphs 2(B), 3(A) and 3(B) while burdens on the lands described by Exhibit A - 1(c) shall not constitute liens thereupon until reduced to judgment in the ordinary manner.

Executed this 28th day of January, 1974.

By Lawrence L. Bjornsen
Lawrence L. Bjornsen, Vice President

By Terry R. Bjornsen
Terry R. Bjornsen, Secretary

STATE OF IOWA)
) ss
LINN COUNTY)

D. Q. Unertl
Notary Public in the State of Iowa

A circular notarial seal for D. J. Unertl, a Notary Public in Iowa. The seal features the name "D. J. UNERTL" at the top, "Iowa" in the center, and "NOTARIAL SEAL" at the bottom, all enclosed within a dotted circular border.

LIGHTHOUSE  POINT

***THE
FOLLOWING
ARE CHANGES
MADE TO
BY-LAWS***

C E R T I F I C A T E

STATE OF IOWA :
DICKINSON COUNTY : ss.

I, Wendell Christensen, Secretary of Lighthouse Point Owners Association, do hereby certify that at the annual meeting held on July 5, 1978, after proper notice on all members and with a voting quorum of more than 75% present, in person or by proxy, the By-Laws of Lighthouse Point Owners Association were changed as follows:

1. By-Law III, Subparagraph 8 was changed to provide that the annual meeting of the association shall be at 1:00 o'clock P.M. Central Daylight Savings time on the Saturday which falls closest to the 4th of July each year.

That the members additionally voted that this certificate prepared by the Secretary be filed with the Dickinson County Recorder's Office as an amendment to the Declaration of Condominium of Lighthouse Point, recorded at Book Q, page 355, as required by Article VIII of the original By-Laws.

Wendell Christensen
SECRETARY

Subscribed and sworn to before me by the said Wendell Christensen, this 28 day of July, 1978.

Joe E. Hutchinson IOWA
Notarial Seal

Joe E. Hutchinson
Notary Public in and for the
State of Iowa

The owner of a unit pursuant to a voluntary conveyance or inheritance or devise shall also be jointly and severally liable with the grantor or prior owner for all unpaid assessments, whether generally or "specifically" levied against said unit."

Dated this 15th day of December, 1988.

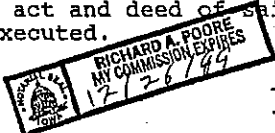
LIGHTHOUSE POINT OWNERS
ASSOCIATION, INCORPORATED

By David B. Boehm
David B. Boehm, President

By Miriam Bergen
Miriam Bergen, Secretary

STATE OF IOWA, County of Boone, ss:

On this 15th day of December, 1988, before me, the undersigned, a Notary Public in and for said State, personally appeared David B. Boehm, to me personally known, who, being by me duly sworn did say that he is the President of the corporation executing the within and foregoing instrument; that said instrument was signed on behalf of said corporation by authority of its Board of Directors; and that the said David B. Boehm as such officer acknowledged the execution of said instrument to be the voluntary act and deed of said corporation, by it and by him voluntarily executed.



Richard A. Poore
Notary Public in
and for State

STATE OF IOWA, County of Dickinson, ss:

On this 7 day of December, 1988, before me, the undersigned, a Notary Public in and for said State, personally appeared Miriam Bergen, to me personally known, who, being by me duly sworn did say that she is the Secretary of the corporation executing the within and foregoing instrument; that said instrument was signed on behalf of said corporation by authority of its Board of Directors; and that the said Miriam Bergen as such officer acknowledged the execution of said instrument to be the voluntary act and deed of said corporation, by it and by her voluntarily executed.

David B. Boehm
Notary Public in
and for State

Filed at 10:55 A.M.
April 7, 1987

AMENDMENT TO DECLARATION OF CONDOMINIUM FOR
LIGHTHOUSE POINT, A CONDOMINIUM

The undersigned, President and Secretary of the Lighthouse Point Owners Association, Incorporated, hereby executes this instrument pursuant to and authorized by the original Declaration of Condominium for Lighthouse Point, a Condominium, Wahpeton, Iowa, which was filed for record February 15, 1974, and is recorded in Miscellaneous Book Q, page 35, and filed in the records of the Dickinson County, Iowa Recorder's Office, and states that the following amendments took place at a meeting held August 31, 1985, in Wahpeton, Iowa, wherein each amendment was passed and approved by a margin of greater than 75% of the total number of votes outstanding and entitled to be cast by owners of all units in the Condominium Association.

1. Article XI entitled "AMENDMENT" subparagraph 4(b) which states as follows:

"(b) By the owners at a meeting of all members as to which notice of the proposed amendment has been given or by means of a referendum ballot and upon the favorable vote of 66 2/3% of the total number of votes outstanding and entitled to be cast. No amendment shall be adopted at variance with that proposed in the notice of the meeting or in the ballot, but the notice or ballot may contain more than one proposed amendment. Approval of the Board of Directors is not required of an amendment thus adopted."

2. Article IX entitled "MAINTENANCE, ALTERATION AND IMPROVEMENTS" paragraph 7 which states as follows:

"7. Alteration or Improvement by the Association or All Owners. There shall be no alteration of the buildings or other common elements, nor further improvements or additions added to the lands or other common elements done by and/or at the expense of the Association and all owners without the approval of all owners, provided, upon the question being put to a vote at a meeting of or by referendum ballot of all owners any such alteration, addition or improvement may be done if 75% of the total number of votes outstanding and entitled to be cast are voted in favor thereof and if the dissenting owners are relieved from the cost and their share of the cost is borne by the assenting owners. Bids shall be taken and the cost accurately estimated before such vote is conducted. An alteration, addition or improvement pursuant to this paragraph shall not alter the percentage interest appurtenant to each apartment in the common element and such interest shall remain as before irrespective of whether the owner voted in favor of or against the alteration, addition or improvement. A decision by the Association to purchase a unit shall be governed by the By-laws rather than by this paragraph."

shall be deleted and in substitution thereof shall state as follows:

"7. Alteration or Improvement by the Association or All Owners. There shall be no alteration of the buildings or other common elements, nor further improvements or additions added to the lands or other common elements done by and/or at the expense of the Association and all owners without the approval of all owners, provided, upon the question being put to a vote at a meeting of or by referendum ballot of all owners any such alteration, addition or improvement may be done if 66 2/3% of the total number of votes outstanding and entitled to be cast are voted in favor thereof. Bids shall be taken and the cost accurately estimated before such vote is conducted."

3. Article V entitled "PERCENTAGE INTEREST OF EACH UNIT IN THE COMMON ELEMENTS; VOTING RIGHTS; UNIT FEATURES", paragraph 1 which states as follows:

"1. Percentage of Ownership Interest; Voting Rights. The owner of each unit shall also own as an appurtenance thereto an undivided interest in the lands and other common elements of the regime, both limited and general, and the amount of such undivided interest is expressed as a percentage. Such percentage of ownership interest shall be the same in both the limited common elements and the general common elements, notwithstanding any exclusive right of use or absence of the right to use any common elements. The sum of the percentage interests appurtenant to all units is 100% and the amount of the percentage of ownership interest appurtenant to each apartment is set forth in Exhibit A-6 attached hereto.

The percentage interest appurtenant to the unit is also expressed and may be exercised in terms of the number of votes the owner may cast as such owner or as a member of Lighthouse Point Owners Association, Incorporated. The total number of votes outstanding and entitled to be cast by the owners of all the units is 100 and each owner as such and as an Association member (and applicable) shall be entitled to cast such number of total number of votes as is equal to the amount of percentage interest appurtenant to his apartment. In those portions of the condominium documents dealing with determinations to be made by the owners as such or as members of the Association, a requirement that a stated percentage of votes is necessary is equivalent to a requirement that owners who own in the aggregate such stated percentage of the total percentage interests in the common elements must vote in favor of the question or take or approve the proposed action."

shall be deleted and in substitution thereof shall state as follows:

"1. Percentage of Ownership Interest; Voting Rights. The owner of each unit shall also own as an appurtenance thereto an undivided interest in the lands and other common elements of the regime, both limited and general, and the amount of such undivided

interest is expressed as a percentage. Such percentage of ownership interest shall be the same in both the limited common elements and the general common elements, notwithstanding any exclusive right of use or absence of the right to use any common elements. The sum of the percentage interests appurtenant to all units is 100% and the amount of the percentage of ownership interest appurtenant to each apartment is set forth in Exhibit A-6 attached hereto.

The number of votes the owner may cast as the owner or as a member of Lighthouse Point Owners Association, Incorporated, shall be as follows: one bedroom townhouse units comprising Units #101 through #148 shall have 1.1 votes; two bedroom apartment units comprising Units #201 through #224 shall have 1.4 votes; garage and storage units comprising Units #1 through #48 shall have .1 vote; Unit #49A shall have 1.4 vote; Unit #49B shall have 1.4 vote; Unit #49C-1 shall have 1.4 vote; Unit #49C-2 shall have 1.7 vote; Unit #49C-3-4 shall have 1.4 vote; Unit #49C-5 shall have 1.4 vote; and Unit #49C-6 shall have .1 vote. The total number of outstanding votes entitled to be cast by all units is 100%. A requirement that a stated percentage of votes is necessary is equivalent to a requirement that the owners who own in the aggregate such stated percentage of the total number of votes in the common elements must vote in favor of the question or take or approve the proposed action."

DATED this 22 day of MARCH, 1987.

LIGHTHOUSE POINT OWNERS
ASSOCIATION, INCORPORATED

BY

David B. Boehm
David B. Boehm, President

BY

Miriam Bergen
Miriam Bergen, Secretary

STATE OF IOWA, County of Boone, ss:

On this 22ND day of MARCH, 1987, before me, the undersigned, a Notary Public in and for the State of Iowa, personally appeared DAVID B. BOEHM to me personally known, who, being by me duly sworn, did say that he is the President of said corporation executing the within and foregoing instrument, that no seal has been procured by the said corporation; that said instrument was signed on behalf of said corporation by authority of its Board of Directors; and that the said DAVID B. BOEHM as such officer acknowledged the execution of said instrument to be the voluntary act and deed of said corporation, by it and by him voluntarily executed.



Robert L. Flynn
Notary Public in and for said State.

STATE OF FLORIDA, County of Okaloosa, ss:

On this 22ND day of MARCH, 1987, before me, the undersigned, a Notary Public in and for the State of Florida, personally appeared MIRIAM BERGEN to me personally known, who, being by me duly sworn, did say that she is the Secretary of said corporation executing the within and foregoing instrument, that no seal has been procured by the said corporation; that said instrument was signed on behalf of said corporation by authority of its Board of Directors; and that the said MIRIAM BERGEN as such officer

attested the execution of said instrument to be the voluntary act



AMENDMENT TO BY-LAWS OF
LIGHTHOUSE POINT OWNERS ASSOCIATION, INCORPORATED
(A Nonprofit Corporation)

The undersigned, President and Secretary of the Lighthouse Point Owners Association, Incorporated, hereby executes this instrument pursuant to and authorized by the Declaration of Condominium for Lighthouse Point, a Condominium, Wahpeton, Iowa, and the Lighthouse Point Owners Association bylaws, which were filed for record February 15, 1974, and are recorded in Miscellaneous Book Q, page 355 and filed in the records of Dickinson County, Iowa Recorder's Office, and states that the following amendment took place at a meeting held July 4, 1987, in Wahpeton, Iowa, wherein the amendment to the bylaw was passed and approved by a margin of greater than 75% of the total number of votes outstanding and entitled to be cast by owners of all units in the Condominium Association.

1. Article VII of the bylaws entitled "Common Expenses; Assessments and Collections" was stated in the bylaws as follows:

48 - 270-771
"3. Where a mortgagee or purchaser of a unit obtains title as a result of a foreclosure of a first mortgagee, such mortgagee or purchaser, his successors and assigns, shall not be liable for the assessments chargeable to such unit due prior to the acquisition of title and such unpaid assessment shall thereafter be deemed to be common expenses collectible from all unit owners including the mortgagee or purchaser, his successors and assigns. The owner of a unit pursuant to a voluntary conveyance or by inheritance or devise shall be jointly and severally liable with the grantor or prior owner for all unpaid assessments whether generally or "specifically" levied against said unit and the grantor or prior owner thereof but without prejudice to the right of such grantee or devisee to recover from the prior owner the amounts paid therefor."

This provision was deleted and in substitution thereof and approved by over 75% of all votes outstanding and entitled to be cast to read as follows and therefore shall become the new Article VII: "Common Expenses; Assessments and Collection."

"3. Where a mortgage or purchase of a unit obtains title as a result of a foreclosure of a mortgage, such mortgagee or purchaser, his successors and assigns, shall be jointly and severally liable with the grantor or prior owner for all unpaid assessments, whether generally or "specifically" levied against said unit."

The owner of a unit pursuant to a voluntary conveyance or inheritance or devise shall also be jointly and severally liable with the grantor or prior owner for all unpaid assessments, whether generally or "specifically" levied against said unit."

Dated this 15th day of December, 1988.

LIGHTHOUSE POINT OWNERS
ASSOCIATION, INCORPORATED

By

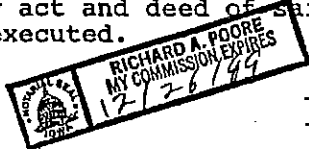
David B. Boehm
David B. Boehm, President

By

Miriam Bergen
Miriam Bergen, Secretary

STATE OF IOWA, County of Boone, ss:

On this 15th day of December, 1988, before me, the undersigned, a Notary Public in and for said State, personally appeared David B. Boehm, to me personally known, who, being by me duly sworn did say that he is the President of the corporation executing the within and foregoing instrument; that said instrument was signed on behalf of said corporation by authority of its Board of Directors; and that the said David B. Boehm as such officer acknowledged the execution of said instrument to be the voluntary act and deed of said corporation, by it and by him voluntarily executed.



Richard A. Poore
Notary Public in
and for State

STATE OF IOWA, County of Dickinson, ss:

On this 7 day of December, 1988, before me, the undersigned, a Notary Public in and for said State, personally appeared Miriam Bergen, to me personally known, who, being by me duly sworn did say that she is the Secretary of the corporation executing the within and foregoing instrument; that said instrument was signed on behalf of said corporation by authority of its Board of Directors; and that the said Miriam Bergen as such officer acknowledged the execution of said instrument to be the voluntary act and deed of said corporation, by it and by her voluntarily executed.

[Signature]
Notary Public in
and for State

INSTR. NO. 963496

BK. _____ PAGE _____

96 JUL 11 AM 11:29

JAN BORTSCHELLER
RECORDER
DICKINSON COUNTY, IOWA
FEE \$ 6.00

**AMENDMENT TO BYLAWS
OF
LIGHTHOUSE POINT**

COMES NOW the Lighthouse Point Owners Association and hereby states that the following amendment was made to its Bylaws at a meeting held on the 6TH day of JULY, 1996, wherein more than 66 2/3 % of the total number of votes outstanding and entitled to be cast were cast in favor of the following amendment and it was duly passed.

Article XI - General Provisions is amended by adding the following paragraph:

- "9. The Lighthouse Point Owners Association exempts itself from Section 1351.2 of the 1995 Code of Iowa, as amended, and hereby states that the Lighthouse Point Owners Association shall provide for inspection of its swimming pool by an entity other than the Department of Health or the local Board of Health, and further that the Lighthouse Point Owners Association shall assume any liability associated with the operation of the Lighthouse Point Owners Association swimming pool."

CERTIFICATION

I hereby certify that I am secretary of the Lighthouse Point Owners Association, Inc., and that the above and foregoing is an Amendment to the Bylaws duly adopted by the Owners Association on the 6TH day of JULY, 1996, and appears as it does in the minute book of the Association.

Miriam Bergen
Secretary

IN WITNESS WHEREOF I have fixed my hand this 6 day of July, 1996.



[Signature]
Notary Public

CERTIFICATION

We hereby certify that we are the President and Secretary of the Lighthouse Point Owners Association, Incorporated, and that the above and foregoing is an Amendment to the Declaration of Condominium for Lighthouse Point, a Condominium, by the Owners Association on the 6th day of July, 1996, and appears as is does in the minute book of the Association.

LIGHTHOUSE POINT OWNERS ASSOCIATION, INCORPORATED

By: George J. Mylon
President

By: Miriam Buzen
Secretary

IN WITNESS WHEREOF I have fixed my hand this 6 day of July, 1996.



[Signature]
Notary Public

INSTR. NO. 952606

BK _____ PAGE _____

95 JUL -3 PM 4:06

JAN BORTSCHELLER
RECORDER
DICKINSON COUNTY, IOWA
FEE \$ 6.00C E R T I F I C A T ESTATE OF IOWA :
: ss.
DICKINSON COUNTY :

I, MIRIAM BERGEN, Secretary of Lighthouse Point Owners Association, do hereby certify that at the annual meeting held on JULY 5, 1980, after proper notice on all members and with a voting quorum of more than 75% present, in person or by proxy, the By-Laws of Lighthouse Point Owners Association were changed as follows:

1. By-Law III, Subparagraph 8 was changed to provide that the annual meeting of the association shall be at 9:00 o'clock H.M. Central Daylight Savings time on the Saturday which falls closest to the 4th of July each year.

That the members additionally voted that this certificate prepared by the Secretary be filed with the Dickinson County Recorder's Office as an amendment to the Declaration of Condominium of Lighthouse Point, recorded by Book Q, page 355, as required by Article VIII of the original By-Laws.

Miriam Bergen
SECRETARY

Subscribed and sworn to before me by the said MIRIAM BERGEN, this 3 day of July, 1995



Susan M. Schoning
Notary Public in and for the
State of Iowa

4 2606
4:16 PM
1995

06 06326
INSTR. NO. 06
BK 26 PAGE 645
06 SEP 25 AM 9:46
JAN BORTSCHELLER
RECORDER
DICKINSON COUNTY, IOWA
FEE \$ 21.00

RECORDER'S COVER SHEET

Preparer Information: (Name, address and phone number)

G. Daniel Gildemeister, 600 Fourth Street, Suite 702, P.O. Box 1379, Sioux City,
IA 51102-1379; (712) 234-3088

Taxpayer Information: (Name and complete address)

Return Document To: (Name and complete address)

G. Daniel Gildemeister, 600 Fourth Street, Suite 702, P.O. Box 1379, Sioux City,
IA 51102-1379; (712) 234-3088

Grantors:

Grantees:

Legal description: None.

Document or instrument number of previously recorded documents:

AMENDMENTS TO BY-LAWS
OF
LIGHTHOUSE POINT OWNERS ASSOCIATION, INCORPORATED
(A Nonprofit Corporation)

The undersigned, President and Secretary of the Lighthouse Point Owners Association, Incorporated, hereby execute this instrument pursuant to and authorized by the Declaration of Condominium for Lighthouse Point, a Condominium, Wahpeton, Iowa, and the Lighthouse Point Owners Association By-Laws, which were filed for record February 15, 1974, and are recorded in Miscellaneous Book Q, page 355 and filed in the records of the Dickinson County, Iowa Recorder's Office, and any amendments thereto, and state that the following amendments took place at a meeting held July 2, 2005, in Wahpeton, Iowa, wherein the amendments to the By-Laws were passed and approved by a margin of greater than 66-2/3% of the total number of votes outstanding and entitled to be cast by owners of all units in the Condominium Association.

1. Article VI - "Powers and Duties of the Board of Directors", is amended to add the new Section Number 15, which states as follows:

ARTICLE VI

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 15. Additional Powers and Duties of the Board of Directors.

- A. Adopt and publish rules and regulations governing the use of the Common Area and facilities, and the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof;
- B. Suspend the voting rights of a Member during any period in which such Member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed sixty (60) days for infraction of published rules and regulations;
- C. Exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these Bylaws, the Articles of Incorporation or the Declaration.
- D. The Board of Directors shall have the authority to create a Rules Committee of three to five persons whose duties shall include the following
 - 1. Informing new owners of existing rules of the Lighthouse Point Association.
 - 2. Receiving and acting upon written complaints from owners regarding serious rule violations of other owners or their guests.

3. Seeking a solution or remedy from the offending Owner.
4. Assessing fines for continued violation of certain designated rules.
Said fines to be those as approved by the Board of Directors.
- E. The Board of Directors is authorized to assess fees to pet owners to cover additional maintenance costs and premiums for liability insurance to cover exposure to lawsuits arising from out-of-control pets.
- F. The Board of Directors is authorized to assess designated fines to offending owners for repeated violation of specific rules. The amount of the fine and the rules violation for which the fine is incurred must be approved by the Board of Directors and included in the Association's published rules.

2. Article VII - "Common Expenses; Assessments and Collection", is amended to add the new Section Number 11, which states as follows:

ARTICLE VII

COMMON EXPENSES; ASSESSMENTS AND COLLECTION

Section 11. Procedures to be Followed for Collections of Delinquent Assessment Fees or Other Payments.

- A. When assessments, fees or any other payments are overdue for thirty (30) days, the board shall give notice in writing informing the delinquent owner or owners of the following actions and procedures:
 1. That interest will be charged on all monies in default from the first day of delinquency. The interest rate shall be determined by the board but shall not exceed the highest rate allowed by Iowa law.
 2. After (60) days of a delinquent account, the owner will have all voting rights suspended until the debt plus interest and charges is paid in full.
 3. After (60) days of a delinquent account, the owner will forfeit their right to use the Lighthouse Point Marina and lose their right to retain a slip position.
 4. After having a delinquent account for more than (60) sixty days, the owner and their guests will forfeit their right to use the swimming pool and tennis courts until the delinquent account, plus interest, is paid in full.
- B. Any payments towards delinquent account fees or assessments shall first be applied to the oldest delinquent account, fee or assessment.
3. The following new Article XII – "Fines and Liquidated Damages" shall be added to the Bylaws:

ARTICLE XII

FINES AND LIQUIDATED DAMAGES

1. In addition to the enforcement rights granted to the Association for collection of assessments, the Association shall have the right to maintain any action at law or in equity appropriate for the enforcement of the rules and regulations, the covenants, conditions and restrictions contained in this Declaration, the Articles of Incorporation and Bylaws. The Association is specifically granted a right to obtain affirmative or negative injunctions, restraining orders and similar equitable relief for repeated violations by any person whatsoever. The Association shall have the right to adopt a schedule of fines and/or liquidated damages to be imposed upon members, their families, tenants, invitees and guests for violation of the rules and regulations, the covenants, conditions and restrictions contained in this Declaration and the Articles of incorporation and Bylaws of the Association.
2. The following procedure will be followed in regard to Assessment of fines or damages for the violation of those rules, regulations and assessments of the Bylaws:
 - A. Violation is reported to board member.
 - B. Board president or designated Board member shall call resident with invitation to discuss matter with board at its next meeting.
 - C. Matter shall be discussed at board meeting. Proposed resolution offered with resolution expected within 30 days. Notice shall be given that a lack of resolution will result in monetary fine.
 - D. Should the homeowner choose not to meet with the Board, a registered letter will be sent to the last known address of owner as notification of Board's action on the matter.
 - E. A fine will be imposed every thirty (30) days until violation is corrected. The first fine will be imposed with the mailing of a registered letter.
 - F. If no resolution is achieved within a 90 day period, the matter will be referred for legal action. All costs and expenses of legal action(s) will be assessed to the offending unit owner.
 - G. If resident is found to have violated a covenant or rule by a Court and fails to correct the covenant violation and pay the delinquent fines, a lien shall be placed on owner's property, with subsequent foreclosure action taken if required.

The initial Schedule of Assessments shall be determined by the Board of Directors, but each incident shall not exceed \$50.00. Assessments shall be imposed every thirty days until violation is corrected.

4. The following new Article XIII - "Lighthouse Point Owner's Association Renter Restrictions" shall be added to the Bylaws:

CERTIFICATION

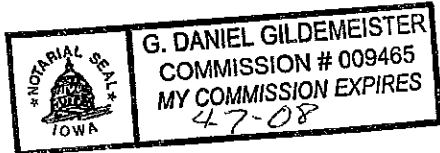
We hereby certify that we are the President and Secretary of the Lighthouse Point Owners Association, Incorporated, and that the above and foregoing are Amendments to the By-Laws duly adopted by the Owners Association on July 2, 2005, and appear as they do in the minute book of the Association.

LIGHTHOUSE POINT OWNERS ASSOCIATION, INCORPORATED

By: Richard L. Stearns
President

By: Lynda Masek
Secretary

IN WITNESS WHEREOF I have fixed my hand this 2nd day of July, 2005.



G. Daniel Gildemeister
Notary Public in and for said State