

BY-LAWS OF
BEAR CREEK/ TIMBER VIEW HOMEOWNERS ASSOCIATION, INC.

ARTICLE I
NAME AND LOCATION

The name of the corporation is Bear Creek/Timber View Homeowners Association, Inc. hereinafter referred to as the "Association." The principal address of the corporation shall be located at 16580 U.S. Highway 34, Ottumwa, Iowa 52501, but meetings of members and directors may be held at such places within the State as may be designated by the Board of Directors.

ARTICLE II
DEFINITIONS

Section 1. "Association" shall mean and refer to the Bear Creek/Timber View Homeowners Association, Inc., an Iowa non-profit corporation, its successors and assigns.

Section 2. "Property" shall mean and refer to that certain real property described in the Declaration of Covenants, Conditions and Restrictions, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 3. "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the Owners, including but not limited to roads, streets and bridges providing access to the platted property.

Section 4. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Property with the exception of the Common Area.

Section 5. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot which is a part of the Property.

Section 6. "Declarant" shall mean and refer to the original developer of all the properties, which now comprise individual lot owners and the common areas.

Section 7. "Declaration" shall mean and refer to the Declaration of Covenants, Conditions and Restrictions applicable to the Property platted as Bear Creek Estates or Bear Creek Timber View Estates Subdivisions, including amendments and supplements thereto.

Section 8. "Member" shall mean and refer to those persons who belong to the Association by virtue of property ownership.

ARTICLE III
MEETINGS OF MEMBERS

Section 1. Annual Meetings. The annual meeting of the Association shall be held every May with the date set by the Board of Directors and with notice to all eligible voters not less than fourteen (14) days prior to the meeting date.

Section 2. Special Meetings. Special meetings of the Association may be called at any time by the President or by two (2) members of the Board of Directors, or upon written request forty (40) percent of those persons who are entitled to vote.

Section 3. Notice of Meetings. Written notice of each meeting of the Association shall be given by, or at the direction of, the Secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least fourteen (14) days (but not more than sixty (60) days) before such meeting to each person entitled to vote thereat, addressed to the member's address last appearing on the books of the Association, or supplied by such member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Section 4. Quorum. The presence at the meeting of the Association entitled to cast, one-fourth (1/4) of the eligible votes shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration or these by-laws. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented. All meetings shall be conducted by the presiding officer who shall conduct meetings in such a manner as to allow for appropriate discussion and participation of those attending the meeting. The decisions of the presiding officer shall be final.

Section 5. Voting. At every meeting of the Association persons owning either a residence or an undeveloped parcel within the subdivisions shall be entitled to a vote on matters coming before the Association in the following circumstances:

- A. Each residence shall be entitled to one (1) vote.
- B. Each owner of an undeveloped parcel shall be entitled to one (1) vote.

For the purposes of this Article, a person or individual owning an undeveloped parcel shall not be entitled to a vote unless the parcel is subject to Association dues and assessments. An owner of multiple undeveloped parcels shall be entitled, at their request, to pay only 1 Association dues/assessment regardless of the number of parcels owned. The owner of a single undeveloped parcel shall be required to pay a full share of the Association dues/assessment. In the event that a person is the record owner of more than one (1) residence, that person shall be entitled to a vote for each residence and shall be required to pay Association dues and assessments for each residence.

The vote of fifty-one percent (51%) of the total of the votes present in person shall be necessary to decide any question brought before such meeting, unless the question is one upon which, by the express provision of law or of the Articles of Incorporation, or of the Declaration or of these by-laws, a different vote is required, in which case such express provision shall govern and control.

The vote for any parcel which is owned by more than one person may be exercised by any of the co-owners present at any meeting unless any objection or protest by any other owner of such parcel is noted at such meeting. In the event all of the co-owners of any parcel who are present at any meeting of the members are unable to agree on the manner in which the votes for such parcel shall be cast on any particular question, then such vote shall not be counted for purposes of deciding that question.

Proxy voting or absentee voting shall not be permitted.

No member shall be eligible to vote, or to be elected to the Board of Directors, who is shown on the books or management accounts of the Association to be more than thirty (30) days delinquent in any payment due the Association.

ARTICLE IV BOARD OF DIRECTORS

Section 1. Number. The affairs of the Association shall be managed by a Board of Directors consisting of five (5) persons, all of whom must be eligible voters.

Section 2. Term of Office. Each director shall serve a term of three (3) years. No person shall serve more than two (2) consecutive terms; however no person shall be barred from serving on the Board if they have been off of the Board for at least one (1) Annual Meeting and are subsequently elected by the Association membership or appointed by the Board to fill an unexpired term. At each annual meeting, the members shall elect directors to fill any open or expired terms director for a term of three (3) years; and at each annual meeting thereafter, the members shall elect a director to each vacancy for a term of three (3) years.

The initial Board of Directors shall serve the terms set forth in the Articles of Incorporation and such initial terms shall be counted for the purposes of the term limitations set out herein.

Section 3. Removal. Any director may be removed from the Board, with or without cause, by a majority of the votes of the members of the Association. In the event of death, resignation or removal of a director, his successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor.

Directors shall also be removed from the Board in the event that a Director has three (3) or more unexcused absences in a twelve (12) month period.

Section 4. Compensation. No director shall receive compensation for any service he/she may render to the Association as director. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 5. Participation at Meetings by Conference Telephone. Directors may participate in and act at any meeting of the Board of Directors through the use of a conference telephone or other communications equipment by means of which all persons participating in the meeting can communicate with each other. Participation in such meeting shall constitute attendance and presence in person at the meeting of the person or persons so participating.

Section 6. Action Taken Without a Meeting. The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the unanimous written approval of the directors and such approval is filed with the minutes of the proceedings of the Board of Directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

ARTICLE V NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the members to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled.

Section 2. Election. Election to the Board of Directors shall be by written ballot. At such election the members may cast, in respect to each vacancy, as many votes as they are entitled to exercise under these Bylaws. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

Section 3. Filling a Board Vacancy. Should a board member resign or be removed from the board, then the board will appoint a replacement member that will serve out the term remaining.

ARTICLE VI MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the Directors. Unless otherwise determined by Board resolution, meetings shall be held

quarterly on the second Thursday of January, April, July and October, (at least two (2) such meetings shall be held during each year). Notice of regular meetings of the Board is not required.

Meetings of the Board shall be open to the members, unless a Board member or an Association member requests a portion of the meeting to be closed to protect the privacy of an individual or individuals.

Section 2. Special Meetings. Special meetings of the Board of Directors may be called by the President on three (3) days' notice to each Director, given personally or by mail, telephone, which notice shall state the time, place and purpose of the meeting.

Section 3. Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at duly held meeting at which a quorum is present shall be regarded as the act of the Board.

Section 4. Fidelity Bonds. The Board of Directors may require that all officers, Directors and employees of the Association regularly handling or otherwise responsible for the funds of the Association shall furnish adequate fidelity bonds or equivalent insurance against acts of dishonesty. The premiums on such bonds or insurance shall be paid by the Association.

ARTICLE VII POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have power to:

A. Adopt and publish rules and regulations governing the use of the Property, and the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof;

B. Suspend the voting rights and right to use of the Common Areas and recreational facilities of a member during any period in which such member shall be more than thirty (30) days delinquent in the payment of any assessment levied by the Association. Such rights may also be suspended 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 by-laws, the Articles of Incorporation, or the Declaration;

D. Declare the office of a member of the Board of Directors to be vacant in the event such members shall be absent from three (3) consecutive regular meetings of the Board of Directors; and

E. Employ a management agent, a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties.

Section 2. Duties. It shall be the duty of the Board of Directors to:

A. Cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members, or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the votes of the members who are entitled to vote;

B. Supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

C. As more fully provided in the Declaration, to: (1) fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period; (2) send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period; and when determined necessary, foreclose the lien against any property for which assessments are not paid within sixty (60) days after due date or to bring an action at law against the owner personally obligated to pay the same.

D. Issue, or cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

E. Procure and maintain adequate liability and hazard insurance on property owned by the Association;

F. Cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;

G. Cause the Common Area to be maintained;

H. Otherwise perform or cause to be performed the functions and obligations of the Board and the Association as provided for in the Declaration and Articles of Incorporation and these by-laws.

Section 3. Management Agent. The Board of Directors may employ for the Association a management agent or manager (the Management Agent) at a rate of compensation established by the Board of Directors to perform such duties and services as the Board of Directors shall from time to time authorize in writing. Any management agreement entered into by the Association shall provide that such agreement may be terminated for cause by either party upon thirty (30) days written notice thereof to the other party. The term of any such management agreement shall not exceed one year;

provided, however, that the term of any such management agreement may be renewable by mutual agreement of the parties for successive one-year periods.

ARTICLE VIII OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Officers. The officers of this Association shall be the President, Vice President, Secretary, and Treasurer, who shall at all times be members of the Board of Directors; and such other officers as the Board may from time to time by resolution create, all of which officers are to be elected by the Board of Directors.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the members; provided that the initial Board of Directors shall elect the first group of officers at its first organizational meeting.

Section 3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year or until his successor is duly elected and qualified, unless he shall sooner resign, or shall be removed, or otherwise be disqualified to serve.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. The offices of Secretary and Treasurer may be held by the same person, but in no event shall the same officer execute, acknowledge or verify any instrument in more than one capacity, if such instrument is required by law, the Declaration, the Articles of Incorporation or these by-laws to be executed, acknowledged or verified by two (2) or more officers. No person shall simultaneously hold more than one (1) of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. Duties. The duties of the officers are as follows:

President

A. The President shall preside at all meetings of the Board of Directors and shall see that orders and resolutions of the Board are carried out.

Vice President

B. The Vice President shall act in the place and stead of the President in the event of his/her absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.

Secretary

C. The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Association together with their addresses, and shall perform such other duties as required by the Board.

Treasurer

D. The Treasurer shall receive and deposit in appropriate bank accounts all moneys of the Association and shall disburse such funds as directed by resolution of the Board of Directors; keep proper books of account, cause a review of the Association books to be made by an appropriate person at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the members.

ARTICLE IX
LIABILITY AND INDEMNIFICATION OF OFFICERS AND DIRECTORS

The Association shall indemnify every officer and director of the Association against any and all expenses, including counsel fees, reasonably incurred by or imposed upon an officer or director in connection with any action, suit or other proceeding (including the settlement of any such suit or proceeding if approved by the then Board of Directors of the Association) to which he may be made a party by reason of being or having been an officer or director of the Association, whether or not such person is an officer or director at the time such expenses are incurred. The officers and directors of the Association shall not be liable to the members of the Association for any mistake of judgment, negligence or otherwise, except for their own individual willful misconduct or bad faith.

The officers and directors of the Corporation shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association and the Association shall indemnify and forever hold each such officer and director free and harmless against any and all liability to others on account of any such contract or commitment. Any right to Indemnification provided for herein shall not be

exclusive of any other rights to which any officer or director of the Association may be entitled. The Association shall indemnify the directors and officers to the full extent permitted by applicable state law. If any of the provisions of this Article are inconsistent with the statute(s), then the provisions of the statute(s) shall be controlling.

The Association shall maintain liability insurance in such amounts to provide reasonable coverage for its agents. The policy shall cover liability incurred by the Association and/or its agents, as a result of the acts or omissions of its agents in providing services or performing duties on behalf of the Association.

ARTICLE X COMMITTEES

The Association shall a Nominating Committee, as provided in these by-laws.

The Board of Directors shall appoint other committees as deemed appropriate in carrying out functions.

ARTICLE XI BOOKS AND RECORDS - FISCAL MANAGEMENT

Section 1. Fiscal Year. The fiscal year of the Association shall begin on the first day of January every year. The commencement date of the fiscal year herein established shall be subject to change by the Board of Directors should the practice of the Association subsequently dictate.

Section 2. Principal Office - Change of Same. The principal office of the Association shall be as set forth in Article II of the Articles of Incorporation of the Association. The Board of Directors, by appropriate resolution, shall have the authority to change the location of the principal office of the Association from time to time.

Section 3. Books and Accounts. Books and accounts of the Association shall be kept under the direction of the Treasurer in accordance with generally accepted accounting practices, consistently applied. Association records maintained in computer databases must be backed up on physical media such as diskettes or CD-ROM disks. The same shall include books with detailed accounts, in chronological order, of receipts and of the expenditures and other transactions of the Association and its administration and shall specify the maintenance and repair expenses of the Common Areas services required or provided with respect to the same and any other expenses incurred by the Association. The amount of any assessment or portion of any assessment, required for payment of any capital expenditure or reserves of the Association shall be credited upon the books of the Association to the "Paid-in-Surplus" account as a capital contribution by the members.

Section 4. Auditing. At the close of each fiscal year, the books and records of the Association shall be reviewed by an appropriate person whose report shall be provided to the Board and the Association members no later than the Annual Meeting.

Section 5. Inspection of Books. The books and accounts of the Association, vouchers accrediting the entries made thereupon and all other records maintained by the Association (including without limitation, current copies of the Declaration, by-laws, and any rules and regulations governing the Association), shall be available for examination by the members and their duly authorized agents or attorneys. The Declaration, the Articles of Incorporation and the by-laws of the Association shall be available for inspection by any member at the principal office of the Association, where copies shall be furnished at no cost to the member.

Section 6. Execution of Contracts. All obligations of the Association shall be executed by officers designated by a written resolution of the Board. Any officer may execute contracts or other commitments on behalf of the Association up to the authority established by the Board of Directors. Instruments affecting real estate or exceeding the authority granted to any officer shall be executed by two officers named in a specific resolution of the Board.

ARTICLE XII ASSESSMENTS

The Board shall establish a dues/assessment structure which shall be sufficient to cover the expected costs of the Association for each year. The Board shall provide information relating to the dues/assessment at the Annual Meeting or other meeting called for the purpose of reviewing the dues/assessment and shall provide notice to the Association members of such meeting not less than ten (10) days prior to any such meeting to approve a dues/assessment increase.

For the purposes of calculating the dues/assessment, the Board shall treat all unimproved property held by the same owner as one (1) parcel, unless the owner has elected to pay a separate assessment for each parcel. Each improved parcel shall be subject to a dues/assessment. For the purposes of this calculation, an improved parcel shall include a parcel for which a building permit has been issued, a parcel upon which construction has started or a parcel which the Board reasonably believes will be improved prior to the next regularly scheduled review of dues/assessment, (in this connection, the Board may rely on a written statement of intent from an owner of an unimproved parcel). The Board may, in its discretion, retroactively assess dues/assessment to an improved parcel if the Board determines that development plans were not accurately reported to the Board.

The dues/assessment established by the Board may include amounts for future capital repairs and expenses. Any such funds shall be maintained in a separate bank account(s). Funds collected for capital repairs and expenses shall not be used for other expenses without the approval of seventy-five percent (75%) of the Association members.

The annual dues and special assessments are secured by a continuing lien upon the property against which the assessment is made. Any assessments that are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of

eighteen percent (18%) per annum, and the Association may impose a "late charge" and bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property, and in either event, interest, costs, and reasonable attorneys' fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

ARTICLE XIII CORPORATE SEAL

The Association does not have a seal.

ARTICLE XIV AMENDMENTS

Section 1. These by-laws may be amended, by a vote of a majority of the votes of the then members of the Association, unless a higher percentage is required by the specific provision or the Articles of Incorporation.

Section 2. In the case of any conflict between the Articles of Incorporation and these by-laws, the Articles shall control; and in the case of any conflict between the Declaration and these by-laws, the Declaration shall control.

ARTICLE XV MISCELLANEOUS

Section 1. Definitions. All of the terms hereof, except where clearly repugnant to the context, shall have the same meaning as they are defined to have in the Declaration.

Section 2. Notices. Unless another type of notice is herein else where specifically provided for, any and all notices called for in these by-laws shall be given in writing.

Section 3. Severability. In the event any provision or provisions of these by-laws shall be determined to be invalid, void or unenforceable, such determination shall not render invalid, void or unenforceable any other provisions hereof which can be given effect.

Section 4. Waiver. No restriction, condition, obligation or provisions of these by-laws shall be deemed to have been abrogated or waived by reason of any failure or failures to enforce the same.

Section 5. Captions. The captions contained in these by-laws are for convenience only and are not a part of these by-laws and are not intended in any way to limit or enlarge the terms and provisions of these by-laws or to aid in the construction thereof.

Section 6. Gender, etc. Whenever in these by-laws the context so requires the singular number shall include the plural and the converse, and the use of any gender shall be deemed to include all genders.

Approved _____, 2011.

Secretary