

**BYLAWS OF THE
WATERFORD LANDING SOUTH OWNERS ASSOCIATION**

**ARTICLE I.
NAME AND LOCATION**

The name of the corporation is Waterford Landing South Owners Association, hereinafter referred to as the "Association". The principal office of the Association shall be located in Dallas County, Iowa, but meetings of members and directors may be held at such places within the State of Iowa, as may be designated by the Board of Directors.

**ARTICLE II.
DEFINITIONS**

Section 1: "Association" shall mean and refer to the Waterford Landing South Owners Association, its successors and assigns.

Section 2: "Waterford Landing" shall mean and refer to (a), the property found on the Legal Description attached as Exhibit A, and (b) subject to (1) all easements, covenants and restrictions of record, and (2) zoning and other applicable building ordinances.

Section 3: "Common Facilities" shall mean the items designated or to be designated in the Declaration and all real property owned by and/or managed by the Association for the common use and enjoyment of the Owners.

Section 4: "Lot" shall mean and refer to any lot or portion of a lot shown upon any recorded plat or replat of the Properties, or any portion thereof.

Section 5: "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee title to any Lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 6: "Declaration" shall mean and refer to the Declaration of Covenants, Conditions, Easements and Restrictions Applicable to Waterford Landing in Urbandale, Dallas County, Iowa, filed for record in the Office of the Recorder for Dallas County, Iowa, the same may be amended from time to time as therein provided.

Section 7: "Member" shall mean and refer to those persons entitled to membership as provided in the Articles of Incorporation for the Association.

ARTICLE III. MEETINGS OF MEMBERS

Section 1: Annual Meetings. Annual meetings of the Members shall be held for the purpose of electing directors and for the transaction of such other business as may come before the meeting. The first annual meeting of the Members shall be held before December 31, 2009, and each subsequent regular meeting of the Members shall be held each year thereafter, at a date and time set by the Board of Directors.

Section 2: Special Meeting. Special meetings of the Members may be called at any time by the Board of Directors, or upon written request of the Members who are entitled to vote one-fourth (1/4) of all the votes.

Section 3: Notice of Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of, the persons authorized to call the meeting, by mailing a copy of such notice, postage prepaid, no less than five (5) nor more than fifty (50) days before such meeting to each Member entitled to vote thereat, addressed to the Member's address last appearing on the books of the Association, or supplied to the Member's address last appearing on the books of the Association, or supplied by such Member of 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 Members entitled to cast, or proxies entitled to cast, twenty-five percent (25%) of all the votes of the Members shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these Bylaws. If, however, such quorum shall not be present or presented at any meeting, another meeting may be called subject to the same notice requirement. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting at which the twenty-five percent (25%) quorum was not achieved.

Section 5: Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his Lot.

Section 6: Suspension of Voting Rights. A Member's voting rights shall be suspended for any period during which any assessment against the Member's Lot(s) remains unpaid. The Board of Directors may suspend, for a period not to exceed sixty (60) days, a Member's voting rights for any infraction of the Association's published rules and regulations.

Section 7: Notwithstanding the foregoing, Waterford Landing Investors, LLC and Waterford Landing I, LLC shall be the sole voting Members of the Association until such time as Waterford Landing Investors, LLC and Waterford Landing I, LLC and/or their successors and assigns no longer own any portion of Waterford Landing, or until Waterford Landing Investors, LLC and Waterford Landing I, LLC waives their rights to be the sole voting members, whichever first occurs.

ARTICLE IV.
BOARD OF DIRECTORS, SELECTION, TERM OF OFFICE

Section 1: Number. The affairs of this Association shall be managed by a Board of not less than three (3) or more than five (5) directors elected by the Members. To qualify as a member of the Board of Directors, a person must be an owner or member or officer of an owner or the duly-appointed representative of an owner of land in Waterford Landing, except if the Board consists of five members, one member of the Board of Directors may be someone not a member and not an officer or representative of a member.

Section 2: Election and Term of Office. Board members shall be elected by the Members pursuant to Article V of these Bylaws. At the first annual meeting of the Members after these Bylaws shall become effective, the Directors shall be divided into two classes, each class to be as nearly equal in number as possible, with the term of office of the first class to expire at midnight on December 31, 2010, and the term of the second class to expire at midnight on December 31, 2011. At any meeting of the Members thereafter that changes the number of Directors, the addition or deletion of Directors shall be allocated among the three classes, so that each class remains as nearly equal in number as possible. At each annual meeting after such classification, the number of Directors equal to the number of the class whose term expires on the upcoming December 31st shall be elected to hold office for a two (2) year term beginning on the January 1st after expiration of such current term and ending on the second December 31st thereafter. Whenever any one or more of the said directors or their successors appointed or elected as herein provided shall die, be removed, be unable to act or resign, or shall cease to have an interest in the above-described property as an owner, an officer of an owner, or a duly-appointed representative of an owner of land in Waterford Landing, then the unexpired term shall be filled for the balance of such unexpired term by appointment of a successor director by majority vote of the then remaining directors, subject to the provisions of Article IV, Section 1 of these Bylaws.

Section 3: Removal. Any director may be removed from the Board, with or without cause, by a majority vote of the Members of the Association with applicable voting rights.

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

Section 5: Actions Taken without a Meeting. The directors shall have the right to take any action in the absence of a meeting that they could take at a meeting by obtaining the written approval of all 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 of Members. 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. Such nominations shall be made from among those eligible persons defined in Article IV, Section 1 of these Bylaws.

Section 2: Election. At all elections for directors, every Owner shall have the right to vote in person or by proxy, one vote for each Lot of record owned and/or fraction of a Lot of record owned in excess of one-half of such Lot for each director position as there are directors to be elected. Such vote shall be cumulative, that is, each Member may give one candidate as many votes as the number of votes held by the member, multiplied by the number of directors to be elected, or such cumulative total number of votes may be distributed on the same principle among as many candidates as owner shall see fit.

ARTICLE VI.
MEETINGS OF DIRECTORS

Section 1: Regular Meetings. Regular meetings of the Board of Directors may be held without notice, at such place and hour as may be fixed from time to time by resolution of the Board, and shall be held at least annually.

Section 2: Special Meetings. Special meetings of the Board of Directors shall be held when called by any two directors, upon twenty-four (24) hours' notice to each director.

Section 3: Quorum. Three (3) members of the Board 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 a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

ARTICLE VII.
POWERS AND DUTIES OF THE BOARD OF DIRECTORS

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

- A. Adopt and publish rules and regulations governing the use of the Common Facilities;

- 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 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. Declare the office of a member of the Board of Directors to be vacant in the event such director shall be absent from three (3) consecutive regular meetings of the Board of Directors; and
- E. Employ 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 of 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 Members who are entitled to vote;
- B. Supervise all 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 assessment against each Lot for each assessment period;
 - 2. send written notice of each assessment to every Owner subject thereto at least thirty (30) days prior to its due date and, if the Board determines desirable, cause notice of such assessment to be recorded; and
 - 3. foreclose the lien against any property for which assessments are not paid within thirty (30) days after due date or to bring an action at law against the owner personally obligated to pay the same.
- D. 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 employees or agents having fiscal responsibilities to be bonded, as it may deem appropriate; and
- G. Cause the Common Facilities to be maintained.

ARTICLE VIII. OFFICERS AND THEIR DUTIES

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

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.

Section 3: Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless such officer shall sooner resign, or shall be removed, or otherwise be disqualified to serve. Each officer's term shall commence on the 1st day of January following the election of officers, and shall expire at midnight on the 31st day of December in such year.

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, having 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 by 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. Otherwise, no person shall simultaneously hold more than one 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; shall see that orders and resolution of the Board are carried out; shall co-sign all promissory notes; and shall perform such other duties as provided in these Bylaws or by the Board of Directors.

Vice President

- B. The Vice President shall act in the place and stead of the President in the event of his 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 proceeds of the Board and of the members; serve notice of meetings of the Board and of the members; keep appropriate current records showing the members 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 monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; keep proper books of account; cause an annual audit of the Association; keep proper books of account; cause an annual audit of the Association books to be made by a public accountant 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.

WRITTEN INSTRUMENTS, LOANS, CHECKS AND DEPOSITS, MERGERS

Section 1: Written Instruments - Real Property. All transfers, conveyances, leases, encumbrances or assignments of any real or personal property or of an interest thereon shall be executed by the President or Vice President and attested by the Secretary or Treasurer.

Section 2: Loans. No loans shall be contracted on behalf of the Association and no evidence of indebtedness shall be issued in its name unless authorized by resolution of the Board of Directors. Such authority may be general or confined to specific instances. The Association may

mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred.

Section 3: Checks, Drafts, Etc. All checks, drafts or other orders for the payment of money, notes or other evidence of indebtedness issued in the name of the Association shall be signed by two Directors or such agents of the Association as shall be determined and authorized by resolution of the Board of Directors.

Section 4: Drafts. All corporate funds not otherwise employed shall be deposited to the credit of the Association at such banks, savings and loans, credit unions, trust companies or other depositories as the Board of Directors may select.

ARTICLE X. BOOKS AND RECORDS

The books, records and papers of the Association shall, at all times during reasonable business hours, be subject to inspection by any Member. The Declaration, the Articles of Incorporation and the Bylaws of the Association shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE XI. ASSESSMENTS

As more fully provided in the Declaration, each Member is obligated to pay to the Association annual and special assessments that are secured by a continuing lien upon the property against which the assessment is made. 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 XII. CORPORATE SEAL

The Association shall not have a corporate seal.

ARTICLE XIII. INDEMNIFICATION

Section 1: Indemnification: Third Party Actions. Except for any prohibition against indemnification specifically set forth in these Bylaws or in Chapter 504A, Code of Iowa, at the time indemnification is sought by any Member, director, employee, volunteer or agent of the Association, the Association shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceedings, whether civil criminal, administrative or investigative (other than an action by or in the right of the Association) by reason of the fact that he or she is or was a Member, director, employee, or volunteer of the Association, or is or was serving at the request of the Association as a Member, director, officer, employee or agent of another corporation, partnership, joint venture, trust or

other enterprise (such serving as a director, employee or agent of the Association or at the request of the Association referred to herein as "serving on behalf of or at the Association's request"), against expenses (including attorney's fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit or proceeding if he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Association, and with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he or she reasonably believed to be in or not opposed to the best interests of the Association, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful.

Section 2: Indemnification; Further Provisions. If a Member, director, employee, volunteer or agent of the Association has been successful on the merits or otherwise in defense of any action, suit, or proceeding referred to in Section 1, or in defense of any claim, issue or matter therein, he or she shall be indemnified against expenses (including attorneys fees) actually and reasonably incurred by him or her in connection therewith. Any other indemnification (unless ordered by a court) shall be made by the Association only as authorized in the specific case upon a determination that the indemnification of such person is proper because he or she has met the applicable standard of conduct set forth in Section 1; such determination shall be made (1) by the Board of Directors by a majority vote of a quorum consisting of directors not parties to such action, suit or proceedings, or (2) in a written opinion by special independent counsel selected by the Board of Directors by a majority vote of a quorum consisting of directors not parties to such action, suit or proceedings, or (3) if the requisite quorum of the full Board of Directors cannot be obtained through disinterested directors, in a written opinion by special independent legal counsel selected by a majority vote of the full Board of Directors in which directors who are parties may participate. Expenses incurred by defending a civil or criminal action, suit, or proceedings may be paid by the Association in advance of the final disposition of such action, suit or proceedings as authorized in the manner provided in this Section 2 upon receipt of an undertaking by or on behalf of such person that such person believes in good faith that he or she has met the applicable standard of conduct set forth in Section 1 and that such person will repay such amount unless it shall ultimately be determined that he or she is entitled to be indemnified as authorized herein. The indemnification and advancement of expenses provided herein shall not be exclusive of any other rights to which those seeking indemnification or advancement of expenses may be entitled under any provision in the Articles of Incorporation, the Bylaws, any agreement, any vote of members or disinterested directors, or otherwise, both as to actions in the person's official capacity entitling the person to indemnification and advancement of expenses under these provisions and as to actions in other capacities concurrently held by those seeking indemnification or advancement of expenses. However, no person shall be provided indemnification by any provision of the Articles of Incorporation or Bylaws, by any agreement, or otherwise, for any breach of a duty of loyalty to the Association or its Members, for any act or omission not in good faith or which involves intentional misconduct or knowing violation of the law, or for any transaction from which the person derives an improper personal benefit. The indemnification provided herein shall continue as to a person who has ceased to be a Member,

director, officer, employee, volunteer or agent and shall inure to the benefit of the heirs, executors, personal representatives and administrators of such a person. The Board of Directors shall have power to purchase and maintain insurance on behalf of any person who is or was serving on behalf of or at the Association's request against any liability asserted against him and incurred by him in any such capacity or arising out of his or her status as such, whether or not the Association would have the power to indemnify him against such liability under the provisions hereof.

ARTICLE XIV. AMENDMENTS

Section 1: Method. These Bylaws may be amended, at a regular or special meeting of the Members, by a vote of a majority of a quorum of Members with voting rights present in person or by proxy.

Section 2: Conflicts. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

ARTICLE XV. MISCELLANEOUS

The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

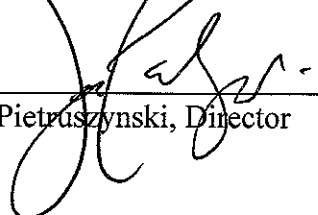
IN WITNESS WHEREOF, the initial directors of the Waterford Landing South Owners Association have hereunto set their hands this 24th day of January, 2009.



Jennifer L. Drake, Director



James R. Weber, Director



Joe Pietruszynski, Director



Krista A. Capp, Director

EXHIBIT A
LEGAL DESCRIPTION

EXCEPT Lot B in Waterford Landing Plat 2, an Official Plat in the City of Urbandale, Dallas County, Iowa; the following described land:

The North Half of the Northeast Quarter of Section 14, Township 79 North, Range 26 West of the 5th P.M., City of Urbandale, Dallas County, Iowa, and part of the South Half of the Northeast Quarter of Section 14, Township 79 North, Range 26 West of the 5th P.M., City of Urbandale, Dallas County, Iowa, which includes Waterford Landing Plat 2, an Official Plat in the City of Urbandale, Dallas County, Iowa, all being more particularly described as follows:

Beginning at the Northeast Corner of Section 14, Township 79 North, Range 26 West of the 5th P.M., City of Urbandale, Dallas County, Iowa; thence South 00°15'34" East, 1,317.30 feet along the East line of the Northeast Quarter of Section 14 to the Southeast Corner of the North Half of the Northeast Quarter of Section 14 also being the Northeast Corner of Waterford Landing Plat 1, an Official Plat now included in and forming a part of the City of Urbandale, Dallas County, Iowa; thence Westerly along the North line of Waterford Landing Plat 1 the following thirteen (13) courses: (1) North 89°31'17" West, 725.53 feet (previously recorded as N89°19'54"W, 725.53 feet); (2) South 34°43'44" West, 70.79 feet (previously recorded as S34°47'28"W, 70.28 feet); (3) North 49°38'36" West, 129.81 feet (previously recorded as N49°34'52"W, 129.85 feet); (4) North 72°57'26" West, 237.73 feet (previously recorded as N72°45'56"W, 237.75 feet); (5) South 68°32'21" West, 158.98 feet (previously recorded as S68°43'16"W, 158.97 feet); (6) South 56°31'47" West, 101.91 feet (previously recorded as S56°42'55"W, 101.95); (7) South 49°38'58" West, 159.93 feet (previously recorded as S49°48'33"W, 159.95 feet); (8) Northwesterly 76.51 feet (previously recorded as 76.41 feet) along the arc of a curve concave Southwesterly and having a radius of 275.00 feet, a central angle of 15°56'23", and a 76.26 feet long chord that bears North 54°54'12" West; (9) South 27°07'37" West, 204.56 feet (previously recorded as S27°20'40"W, 204.44 feet); (10) North 65°03'13" West, 143.51 feet (previously recorded as N64°52'55"W, 143.54 feet); (11) North 87°55'04" West, 120.76 feet (previously recorded as N87°47'24"W, 120.69 feet); (12) North 72°19'34" West, 108.98 feet (previously recorded as N72°03'54"W, 109.14 feet); (13) North 77°40'52" West, 247.22 feet (previously recorded as N77°33'56"W, 247.33 feet) to the East line of a parcel of land described and depicted on that Plat of Survey filed December 27, 2002, in Book 2002 at Page 19499 in the Office of the Dallas County Recorder; thence North 00°08'47" East (previously recorded as N00°02'34"E), 122.14 feet; thence North 89°49'15" West, 431.45 feet (previously recorded as N89°57'19"W, 431.55 feet) to the Southwest Corner of the North Half of the Northeast Quarter of Section 14; thence North 00°02'00" West, 1,314.49 feet (previously recorded as N00°10'29"W, 1,314.47 feet) along the West line of the Northeast Quarter of Section 14 to the North Quarter Corner of Section 14; thence South 89°37'50" East, 2,624.73 feet

along the North line of the Northeast Quarter of Section 14 to the Point of Beginning, together with all additional real estate which is hereafter made subject to this Declaration pursuant to one or more amendments to this Declaration, including all lots and outlots, except streets, parks and other lots, if any, conveyed to the City (as defined in Section 1.02(d)), developed in any plats of any part of the foregoing described real estate or in any plats of any part of any additional property which is hereafter made subject to this Declaration pursuant to one or more amendments to this Declaration, and any replats of any portions of any of said plats or parcels, all together with all easements and servient estates appurtenant thereto, and subject to (1) zoning and other applicable building ordinances, (2) easements, covenants and restrictions of record.