

37  
536  
L=Ø



20060728000638720 AMRESTR  
Bk:DE4540 Pg:2323  
07/28/2006 08:30:00AM 1/37

**CERTIFIED-FILED FOR RECORD**  
**Barbara J. Hall**  
Recorder of Deeds  
St. Charles County, MO  
BY: Jessica Kruei

### RECORDING MEMORANDUM

Instrument: Fourth Amended and Restated Declaration of Trust and Restrictions of The Chapter One Residents Association and Amended By-Law of the Chapter One Residents Association.

Instruments Affected: Original Declaration of Trust and Restrictions and By-Laws recorded in Book 941, Page 50; which was then amended in Book 1003, Page 698; and again, in Book 1964, Page 24; and again in Book 2890, Page 1991 of the St. Charles County Records.

Date: July 24, 2006

Grantor: Chapter One Residents Association,  
A Missouri nonprofit corporation

Grantor's Mailing Address: c/o Condominium Property Management  
242 Old Sulphur Springs Road  
Manchester, Missouri 63021

Grantees: Chapter One Residents Association,  
A Missouri nonprofit corporation

Grantees' Mailing Address: c/o Condominium Property Management  
242 Old Sulphur Springs Road  
Manchester, Missouri 63021.

Return to: Mr. Elia M. Ellis, Attorney at Law  
7777 Bonhomme, Suite 1910  
Clayton, Missouri 63105

ELIA M ELLIS  
ATTORNEY AT LAW  
7777 BONHOMME STE 1910  
CLAYTON, MO 63105

For Elia M. Ellis



20060728000638720 2/37  
Bk:DE4540 Pg:2324

**FOURTH AMENDED AND RESTATED  
DECLARATION OF TRUST AND RESTRICTIONS  
OF**

**The Chapter One  
Residents Association**

Chapter One Residents Association  
Fourth Amended and Restated  
Declaration of Trust and Restrictions

Table of Contents

Article I	<u>Statement of Intention and Purpose</u>	<u>Page 1</u>
1.1	Purpose	Page 1
1.2	Declaration	Page 1
Article II	<u>Definitions</u>	<u>Page 1</u>
2.1	Definitions	Page 1
2.2	The Development	Page 1
2.3	Common Elements	Page 2
2.4	Shared Elements	Page 2
2.5	Unit	Page 2
2.6	Owner	Page 2
2.7	Mortgage	Page 2
2.8	Mortgagee	Page 2
2.9	Association	Page 2
2.10	Voting Member	Page 2
2.11	Good Standing	Page 2
2.12	Board of Directors	Page 3
2.13	Assessment Share	Page 3
2.14	Patio	Page 3
2.15	Deck	Page 3
Article III	<u>Nature and Incidents of Ownership</u>	<u>Page 3</u>
3.1	Estates of an Owner	Page 3
3.2	Title	Page 3
3.3	Inseparability	Page 3
3.4	The Common Elements	Page 3
3.5	Easement Across Common Elements	Page 4

3.6	Easements for Encroachments	Page 4
3.7	Easements of Access for Repair maintenance and Emergencies	Page 4
3.8	Utility Easements	Page 5
3.9	Party Wall Easement	Page 5
Article IV	<u>Maintenance and Alteration of Units</u>	<u>Page 6</u>
4.1	Board of Directors	Page 6
4.2	Unit Owners Responsibility	Page 6
4.3	Alterations	Page 7
Article V	<u>Mechanic's Lien Rights</u>	<u>Page 7</u>
5.1	Mechanic's Lien	Page 7
Article VI	<u>Restrictions</u>	<u>Page 8</u>
6.1	Residential	Page 8
6.2	Use of Certain Areas	Page 8
6.3	Prohibition of Damage and Certain Activities	Page 8
6.4	Appearance of Unit	Page 8
6.5	Animals	Page 8
6.6	Awnings, Antennas and Satellites	Page 8
6.7	Rules and Regulations	Page 9
6.8	Structural Alterations	Page 9
6.9	Signs and Commercial Activities	Page 9
6.10	Vehicles	Page 9
6.11	Waste Disposal	Page 9
6.12	Leasing	Page 10
Article VII	<u>Insurance</u>	<u>Page 10</u>
7.1	Insurance	Page 10
7.2	Types of Insurance	Page 11
7.3	Payment of Insurance Premium	Page 11
7.4	Insurance Claims	Page 11

7.5	Owner's Responsibility	Page 11
7.6	Insurance Proceeds	Page 11
Article VIII	<u>Damage or Destruction</u>	<u>Page 12</u>
8.1	Board of Directors as Attorney in Fact	Page 12
8.2	General Authority of Board of Directors	Page 12
8.3	Estimate of Costs	Page 12
8.4	Assessment for Additional Funds	Page 12
8.5	Repair or Reconstruction	Page 12
8.6	Application of Funds for Reconstruction	Page 13
8.7	Decision Not to Rebuild	Page 13
8.8	Failure of Owner to Pay Assessment	Page 13
Article IX	<u>Parking and Vehicles</u>	<u>Page 13</u>
9.1	General	Page 13
9.2	Parking Spaces	Page 13
9.3	Abandoned or Inoperative Vehicles	Page 14
Article X	<u>Powers and Duties of the Board of Directors</u>	<u>Page 14</u>
10.1.	General	Page 14
10.2	Employment of Director	Page 14
10.3	Expenses	Page 14
10.4	Maintenance and Records	Page 14
10.5	Employees	Page 15
10.6	Easements	Page 15
10.7	Declaration and Plat	Page 15
10.8	Pet Permits	Page 15
10.9	Exterior Improvements by Unit Owners	Page 15
10.10	Sign Permits	Page 15
10.11	Rules and Regulations	Page 15
10.12	Personal Property for Common Use	Page 15
10.13	Miscellaneous Services	Page 16
10.14	Share of Facilities and Services	Page 16

10.15	Transfer of Property to and from Board of Directors	Page 16
10.16	Conversion	Page 16
10.17	Implied Rights	Page 17
Article XI	<u>Assessments</u>	<u>Page 17</u>
11.1	Agreement to Pay Assessments	Page 17
11.2	Amount of Total Annual Assessments	Page 17
11.3	Apportionment of Annual Assessment	Page 17
11.4	Notice of Annual Assessment and Time for Payment Thereof	Page 17
11.5	Special Assessment for Capital Improvements	Page 18
11.6	Special Assessments Against Particular Unit Owners	Page 18
11.7	Attorney's Fees	Page 18
11.8	Lien for Assessments	Page 18
11.9	Personal Obligation of Owner	Page 19
11.10	Acceleration of Installments	Page 19
11.11	Personal Liability of Purchaser for Assessments	Page 20
Article XII	<u>Board of Directors May Act for Owners Actions; Service Process</u>	<u>Page 20</u>
12.1	Board May Hold Title	Page 20
12.2	Board May Sue	Page 20
12.3	Board May Act as Agent for Process	Page 20
Article XIII	<u>Voting and Meetings of Unit Owners</u>	<u>Page 20</u>
13.1	Voting Rights	Page 20
13.2	Meeting	Page 21
Article XIV	<u>Board of Directors</u>	<u>Page 21</u>
14.1	The Board of Directors	Page 21
14.2	Number, Term and Election	Page 22
14.3	Officers of the Association	Page 22
14.4	Quorum/Voting of Board of Directors	Page 22

14.5	Meeting of Board of Directors	Page 22
14.6	Replacement/Removal of a Director	Page 22
14.7	Indemnification	Page 22
Article XV	<u>Sale of Obsolete Units</u>	<u>Page 22</u>
Article XVI	<u>Remedies for Breach of Covenants, Restrictions and Regulations</u>	<u>Page 23</u>
16.1	Abatement and Enjoyment	Page 23
16.2	Foreclosure	Page 24
16.3	Attorneys Fees	Page 24
Article XVII	<u>Revocation of Amendment to Declaration</u>	<u>Page 24</u>
17.1	Amendment of Unit Owner	Page 24
17.2	Revocation	Page 24
Article XVIII	<u>General Provisions</u>	<u>Page 24</u>
18.1	Captions	Page 24
18.2	Notice to Mortgagees	Page 24
18.3	Manner of giving Notice	Page 24
18.4	Notice in Event of Death	Page 25
18.5	Acceptance of Unit Owner	Page 25
18.6	No Waiver	Page 25
18.7	Saving Clause	Page 25
18.8	Interpretation	Page 25
18.9	Bonds	Page 25
Article XIX	<u>Condemnation</u>	<u>Page 25</u>
19.1	Authority of Board of Directors	Page 25
19.2	To Whom Award Payable	Page 26
19.3	Holding Proceeds of Award	Page 26

19.4	Distribution of Award or Settlement	Page 26
19.5	Failure of Owner to Pay Assessments	Page 27

Article XX	<u>Mortgages</u>	<u>Page 27</u>
------------	------------------	----------------

20.1	Requirements	Page 27
20.2	Approval of Mortgagees	Page 27
20.3	Prior Written Approval	Page 27

Attestation		Page 28
-------------	--	---------

## **FOURTH AMENDED AND RESTATED DECLARATION OF TRUST AND RESTRICTIONS OF THE CHAPTER ONE RESIDENTS ASSOCIATION**

THIS FOURTH AMENDED AND RESTATED DECLARATION OF TRUST AND RESTRICTIONS OF THE CHAPTER ONE RESIDENTS ASSOCIATION, formerly Chapter One Homes, is made by the Unit Owners of The Chapter One Residents Association acting pursuant to Article XVIII of the Amended and Restated Declaration of Trust and Restrictions of Chapter One recorded in Book 1003, Page 968 of the St. Charles County Records, a revision of the Declaration of Trust and Restrictions of Chapter One Homes recorded in Book 941, Page 50 of the St. Charles County Records.

### **ARTICLE I - STATEMENT OF INTENTION AND PURPOSE**

1.1 Purpose. The purpose of this instrument is to provide a method for the common ownership, maintenance, use and control of the land herein described and the improvements to be constructed thereon. This Fourth Amended and Restated Declaration of Trust and Restrictions of the Chapter One Residents Association is intended to replace and supercede in their entirety all previously recorded Declarations, restatements and amendments to Declaration for the Development.

1.2 Declaration. The Development and every part thereof is held and shall be held, conveyed, devised, leased, encumbered, used, occupied and improved and otherwise affected in any manner subject to the provisions of this Declaration, each and all which provisions are hereby declared to be in furtherance of the general plan and scheme of common ownership use, referred to herein and are further declared to be for the benefit of the entire Development and every part thereof and for the benefit of each owner. All provisions hereof shall be deemed to be covenants running with the land or as equitable servitude as the case may be, and shall constitute benefits and burdens to all parties hereafter owning any interest in the Development.

### **ARTICLE II - DEFINITIONS**

2.1 Definitions. The terms used herein shall have the following meanings:

2.2 The Development. The "Development" means a tract of land being part of Lots 31 and 32 of John D. Coalter's Howell's Prairie Tract in U.S. Survey 1699, Township 46 North, Range 3 East, St. Charles County, Missouri, and being more particularly described as follows:

Commencing at a point marking the common corner of Lots 29, 30, 31, and 32 of John D. Coalter's Howell's Prairie Tract; thence South 62°44'21" West along the common line between Lots 31 and 32, 493.10 feet to a point; thence leaving said common line North 27°15'39" West, 71.61 feet to a point; thence South 74°07'48" West 145.00 feet to the point marking THE TRUE POINT OF BEGINNING OF THE TRACT HEREIN DESCRIBED; thence continuing South 74°07'48" West 462 feet to a point; thence South 27°21'35" East 251.49 feet to a point in the Northern right-of-way



20060728000638720 10/37

Bk: DE4540 Pg: 2332

line of Missouri State Highway 94; thence along said right-of-way line South 85°23'01" West 254.79 feet to a point; thence North 84°18'49" West 6.21 feet to a point; thence leaving said right-of-way line North 28°01'57" West 1813.50 feet to an old stone; thence North 62°18'39" East, 760.01 feet to a point; thence South 28°01'57" East 1080.00 feet to a point; thence South 18°51'40" West 90.2 feet to an iron pipe; then South 28°01'57" East 618.00 feet to the point of beginning and containing 29.817 Acres as calculated by Pickett, Ray & Silver, Inc., made a part thereof by reference together with all improvements constructed or to be constructed thereon and any other land, improvements, easements, or interests therein that may hereafter be made subject to this Declaration by express reference in separate instruments hereafter to be recorded in the St. Charles County Records or any other personal property or contractual rights or other property that may hereafter be sold, assigned or transferred to the Owners or granted for the benefit of the owners.

2.3 Common Elements. "Common Elements" shall be all the parts of the Development as shown on the final recorded plats not included within the unit boundaries.

2.4 Shared Elements. "Shared Elements" means all utility pipes and conduits and other building elements serving more than one Unit.

2.5 Unit. "Unit" means an individual lot together with the improvements constructed thereon. All lots together with the garage and patio constructed thereon, shall be conveyed jointly as part of the Unit.

2.6 Owner "Owner" means any person(s) or other legal entity, at any time owning a Unit. The term "Owner" shall not refer to any mortgagee unless such mortgagee has acquired title pursuant to foreclosure or any proceeding in lieu of foreclosure.

2.7 Mortgage. "Mortgage" means any mortgage, deed of trust or other security instrument by which a Unit or any part thereof is encumbered excepting any security instrument affecting personal property or chattels.

2.8 Mortgagee. "Mortgagee" means any person named as the Mortgagee or beneficiary under any Mortgage under which the interest of any Owner is encumbered, or any successor to the interest of such person under such Mortgage.

2.9 Association. "Association" means The Chapter One Residents Association, a Missouri not-for profit corporation.

2.10 Voting Member. "Voting Member" means the person entitled to vote for the Owner of each Unit.

2.11 Good Standing. "Good Standing" means a Unit Owner who is not in default of any assessment, levy, fee or other debt owing to the Association and/or who is not found to be in violation of this Declaration.

2.12 Board of Directors. "Board of Directors" means that group of six (6) persons elected in accordance with the provisions of Article XIV thereof to manage the Association.

2.13 Assessment Share. "Assessment Share" means that part of an assessment payable by an individual Unit Owner which shall be, determined by dividing the total assessment equally among all the Units.

2.14 Patio. "Patio" means a flat exterior, concrete, brick, or other structure forming part of the unit constructed on grade.

2.15 Deck. "Deck" means the roof of a garage forming part of a unit or elevated above grade attached to the Unit in some fashion.

### **ARTICLE III - NATURE AND INCIDENTS OF OWNERSHIP**

3.1 Estates of an Owner. The Development is hereby divided into Units each consisting of a fee simple interest in a Unit. Subject to the limitations contained in this Declaration, any owner shall have the non-exclusive right to use and enjoy the Common Elements and the Shared Elements and shall have exclusive right to use and enjoy his Unit subject to the easements and other rights herein reserved to the Board of Directors and other Unit Owners.

3.2 Title. Title to a Unit may be held or owned by any entity and in any manner in which title to any other real property may be held or owned in the State of Missouri, including, but without limitation, to tenancy by the entireties, joint tenancy and tenancy in common.

3.3 Inseparability. No part of a Unit may be separated from any other part thereof during the period of ownership prescribed herein, and each Unit and any rights appurtenant thereto shall always be conveyed, devised, encumbered, and otherwise affected only as a complete Unit. Every gift, devise, bequest, transfer, encumbrance, conveyance or other disposition of a Unit or any part thereof shall be construed to be a gift, devise, bequest, transfer, encumbrance or conveyance, respectively, of the entire Unit, together with all appurtenant rights created by law or by this Declaration.

3.4 The Common Elements. Fee simple title to the Common Elements or part thereof may from time to time be conveyed by the Developer to the Board of Directors by separate conveyance of record which areas may in such conveyance be described by meets and bounds, or by reference to this instrument as the "Common Elements" of the Association or by any other means of description that the Grantor thereof may choose. The title to each part of the Common Elements, including both those portions of the development shown as common property on a plat and any other portion of the development dedicated by the Developer as common property and conveyed to the Association by the Developer, shall be vested in the Board of Directors and their successors under this instrument for a period of seventy-five (75) years from the date of the recording of this Declaration. At the expiration of such initial seventy-five (75) year period, fee simple title to such

land shall then vest in the record Owners (regardless of the number of separate plats or tracts of land which have from time to time been made subject to this Declaration) as tenants in common, but the rights of such tenants in common shall be only appurtenant to and in conjunction with the ownership of a Unit, and any conveyance or change in ownership of any Unit shall carry with it its proportionate share in such Common Elements so that none of the Owners of Units shall have such rights of ownership so as to permit conveyance to be made of an interest in the Common Elements except as an incident to ownership of a Unit; and in the event any conveyance is made of any Unit without any mention of ownership in such Common Elements, it shall be conclusively presumed that the conveyance was intended to and did intend to include the conveyance of such interests in such Common Elements.

a. In the event a majority of Owners shall desire to extend the term of the ownership of such Common Elements by the Board of Directors beyond the initial seventy-five (75) year period specified above, such Owners may, by written instrument recorded in the St. Charles County Records, extend the initial term of ownership for additional terms of twenty-five (25) years each, provided that such written instruments are recorded prior to the expiration of the original term or extended term, and the ownership by the Board of Directors of such Common Elements heretofore described shall thereof upon continue for additional period of twenty-five (25) years from the date of expiration of the initial term or extended term as the case may be. Upon the expiration of a term in which no written instrument has been recorded extending such term of ownership, the title to such Common Elements shall vest the record Owners as provided in this paragraph.

b. In the event that title to the Common elements shall at any time become vested in the Owners of Units, no owner may bring any action for partition thereof and the acceptance of a conveyance of a Unit by any Owner shall constitute a waiver of the part of such Owner and his heirs, representatives, successors and assigns of any right to maintain any action for partition of the Common Elements.

3.5 Easement Across Common Elements. Each Unit Owner is hereby granted an easement of ingress and egress across the Common Elements of the Development conveyed to the Board of Directors.

3.6 Easements for Encroachments. If any part of the Common Elements encroaches or shall hereafter encroach upon a Unit or Units, an easement for such encroachment and for the maintenance of the same shall and does exist. If any part of a Unit encroaches or shall hereinafter encroach upon the Common Elements, or upon an adjoining Unit or Units, an easement for such encroachment and for the maintenance of the same shall and does exist. Encroachments referred to herein include, but are not necessarily limited to, encroachments caused by error under the original construction of any Building, by error in a Plat, by settling, rising, or shifting of the earth, or by changes in a position caused by repair or reconstruction of the Unit or any part thereof.

3.7 Easements of Access for Repair Maintenance and Emergencies. Each unit Owner shall have an easement in common with the Owners of other Units to use any pipes, wires, ducts,

cables, conduits, public utility lines, structural components and other building elements located in any of the other Units and serving his Unit. Each Unit shall be subject to an easement in favor of the Owners of other Units to use any pipes, wires, ducts, cables, conduits, public utility lines, structural components and building elements located at such Unit and serving other Units. The Board of Directors, its appointees, employees or agents, shall have the right of access to each Unit to inspect same and remove violations therefrom and to inspect, maintain, repair or replace any Shared Elements contained wholly or partially therein. All property shall be subject to a perpetual easement to the Board of Directors, its appointees, employees or agents, for ingress and egress to perform its obligations and duties required by this Declaration and By-Laws. Should it be necessary to enter a Unit to inspect and remove a violation or to inspect, maintain, repair or replace any Shared Element the appointees, employees or agents of the Board of Directors shall be entitled to entrance by exhibiting to the Unit Owner or occupant an order from the Board of Directors. Such entry shall be made with, as little inconvenience to the occupant as practicable, but Unit Owner and/or occupant shall not unreasonably interfere with such necessary entry. Forced entry, deemed necessary by the Board of Directors, shall not subject the Board of Directors, its appointees, employees or agents to trespass, but any damage to the Unit as a result of forced entry or as a result of any repair of a Shared Element from within the Unit shall be repaired by the Board of Directors as part of the common expense. In the event any Unit Owner or occupant shall fail to provide access to the Unit as herein provided, the Board of Directors may (in addition to exercising other lawful remedies) obtain an Order of Court for such access, and the costs and reasonable attorney fees shall be taxed against the Unit Owner or occupant. In the event any Unit air-conditioning compressor or other mechanical equipment is located in any part of the Common Elements, the affected Unit Owner and his authorized agents or employees shall have a perpetual easement to use the site thereof for such purpose and for the maintenance and repair of such air-conditioning compressor or other mechanical equipment.

3.8 Utility Easements. Easements may be shown on plats of land hereafter recorded in the St. Charles County Records, which tracts of land are made subject to this Declaration by express instrument hereafter to be recorded, for sanitary and storm sewers, and electricity, gas, water and telephones and for all other public utility purposes including the right to install, lay, maintain, repair and replace water mains and pipes, sewer lines, drainage, gas mains, telephone wires and equipment and electrical conduits and wires over, under along and on the portions of the Common Elements.

3.9 Party Wall Easement. Any wall between two Units is hereby declared to be a party wall for the joint use and benefit of the Owners of Units on both sides thereof and both such Owners are granted right and easement to use such party wall for the purpose of maintaining the structural integrity of each Unit and for repairing and maintaining each such Unit and any gas, electric, water, sewer lines or other appurtenances thereto. No Owner shall make any use of a party wall which would lessen its strength or efficiency or impair any rights of the adjoining Unit Owner thereto. Subject to the rights and obligations of the Board of Directors to maintain the Shared Elements as herein provided, any Unit Owner who shall make use of a party wall for the maintenance or repair of his Unit or any appurtenance thereto shall have the obligation to repair and replace such party wall in as good condition as it was prior to such repair or maintenance work.

#### ARTICLE IV - MAINTENANCE AND ALTERATION OF UNITS

4.1 The Board of Directors shall have the sole and exclusive right and duty to maintain, repair and replace:

a. The outside walls of the Building of which the Unit is a part and all fixtures on the exterior thereof, load bearing columns and load bearing walls the roof and roof trusses, and any footings and the bearing walls, foundation slab, and

b. All shared elements.

c. All concrete patios; patio privacy fencing and gates; patio overhead trellises; exterior windows and screens; exterior doors; garage doors; and skylights.

d. Notwithstanding the above provisions, the Board of Directors, shall not be obligated to maintain repair or replace any part of a Unit which has been damaged or caused to deteriorate by the negligent act or omission of a Unit Owner or an occupant of a Unit or by an agent, employee, licensee or invitee of a Unit Owner or occupant. If, however after notice to a Unit Owner of a necessary repair and reasonable opportunity for the Unit Owner to respond or repair, the Board of Directors elects to repair or maintain or replace any part of a Unit so caused to be damaged or deteriorated as defined in this sub-paragraph, the cost thereof shall be charged by the Board of Directors to the Unit Owner as a special assessment.

4.2 The responsibility of a Unit Owner shall be:

a. To maintain, repair and replace at his expense all portions of his Unit (except the portions to be maintained, repaired and replaced by the Board of Directors), including the furnace, air-conditioning unit, hot water heater, conduits, ducts, plumbing, wiring, any other mechanical equipment furnished directly for the benefit of an individual Unit, storm doors and patio grid lattice work.

b. To paint, maintain, repair and replace, if necessary, any structural or decorative woodwork, lathing, carpeting, covering of a Deck above a garage; provided, however, a Unit Owner shall not otherwise paint or decorate or change the appearance of any portion of the exterior of a Unit. If the Board of Directors repairs the roof of and/or roofing membrane over a garage, any covering, decoration, or other improvement made to a Deck by a Unit Owner shall be repaired or replaced by the Unit Owner to the extent that any repair or replacement of such decoration, covering or other improvement is not covered by a policy of casualty insurance maintained by the Board of Directors. In that the Association is not responsible for any such decoration, covering or other improvement made on top of the roofing membrane, Unit owners are encouraged to install, if anything, modular wooden platforms which can more easily be removed. Also, Unit owners are not allowed to install any carpet thereon in that carpet adhesives are likely to cause damage to the roofing membrane when the carpet is removed by the Association to make any necessary repairs to the roof and/or roofing membrane. Any damage caused to the roof and/or roofing membrane by

carpet adhesives and/or any other decoration, covering or improvement and/or additional expense caused to the Association thereby shall be the personal obligation of the subject Unit owner, shall be a lien upon the subject Unit and shall be subject to the collections procedures hereunder for assessments;

c. To maintain any flower beds or landscaping installed on any such Owner's patio or roof deck, except such landscaping as may from time to time be installed by the Board of Directors;

d. To promptly report to the Board of Directors any defect or need for repair the responsibility for which is that of the Board of Directors;

e. To maintain any walking surface, or structure installed on a flat roof deck.

4.3 A Unit Owner shall not make any alterations in the portions of a Unit, or building which are to be maintained by the Board of Directors, or make any alterations to a Deck or Patio or remove any portion thereof or make any additions thereto, or do anything which would impair the safety soundness, or appearance thereof or of a Unit or building, or impair any easement, without first obtaining approval in writing of the Board of Directors. A copy of plans for all of such work shall be filed with the Board of Directors prior to the start of such work and, if required by law ordinance, such plans shall be prepared by an architect licensed to practice in this State and a building permit must be issued by the appropriate governmental authority. Whether or not plans are required to be prepared and whether or not a building permit is required to be issued, any Unit Owner desiring to hire a contractor (including an individual contractor) for the purpose of performing any maintenance, repair, replacement, or addition to any part of the interior or exterior of a Unit including a Deck or Patio, or desiring to do any such work himself without hiring a contractor, shall first obtain the approval of the Board of Directors. Approval shall be contingent upon such contractor presenting proof of liability insurance in sufficient amounts as determined by the Board, proof of Workers Compensation insurance as required by law, and proof of adequate assurance and/or bond to complete properly the intended construction.

## **ARTICLE V - MECHANIC'S LIEN RIGHTS**

5.1 Mechanic's Liens. No labor performed or materials furnished for use in connection with any Unit with the consent or at the request of an Owner or his agent or subcontractor shall create any right to file a statement of mechanic's lien against the Unit of any other Owner not expressly consenting to or requesting the same (in which event the consent of such other Unit Owner's Mortgagee shall also be required) or against any interest in the Common elements. Each Owner shall indemnify and hold harmless each of the other Owners from and against liability or loss arising from the claim of any lien against the Development Unit, or any part thereof, of any other Owner for labor performed or for materials furnished at the request of such indemnifying Owner. At the written request of any Owner the board of Directors shall enforce such indemnity by collecting from the Owner of the Unit on which the labor was performed and materials furnished the amount necessary to discharge any such lien, including all costs incidental thereto, and obtaining a discharge of the lien. Such collection shall be made by a special assessment.

## ARTICLE VI - RESTRICTIONS

6.1 Residential. Each Unit shall be used for single family residential purposes only, and no trade or business of any kind drawing increased traffic may be carried on therein.

6.2 Use of Certain Areas. There shall be no obstruction of the Common Elements, nor shall anything be kept or stored on any part of the Common Elements without the prior written consent of the Board of Directors, except as specifically provided therein. Nothing shall be altered on, constructed on, or removed from the Common Elements except upon the prior written consent of the Board of Directors. No clothes, laundry or other articles shall be hung, exposed or stored in any portion of the Common Elements or on or about the balconies, porches, lanais, patios, terraces, doors, windows or exteriors of building; except that garden furniture may be stored on porches, balconies, lanais, patios and terraces.

6.3 Prohibition of Damage and Certain Activities. Nothing shall be done or kept in any Unit or in the Common Elements or any part thereof which would result in the cancellation of the insurance on the Unit or any part thereof or increase the rate of the insurance on the Unit or any part thereof over what the Board of Directors, but for such activity, would pay, without the prior written consent of the Board of Directors. Nothing shall be done or kept in any Unit or in the Common Elements or any part thereof which would be in violation of any statute, rule, ordinance, regulation, permit or other validly imposed requirement of any governmental body. No damage to, or waste of, the Common Elements or any part thereof shall be committed by any Owner or any invitee of any Owner, and each Owner shall indemnify and hold the Board of Directors and the other Owners harmless against all loss resulting from any such damage or waste caused by him or his invitee. No noxious, destructive or offensive activity shall be carried on in any Unit or in the Common Elements or any part thereof, nor shall anything be done therein which may be or may become an annoyance or nuisance to any other Owner or to any person at any time lawfully residing in the Unit. Absent the express permission of the Board of Directors, the use of fireworks and similar pyrotechnical devices is strictly prohibited in any Unit or in the Common Elements.

6.4 Appearance of Unit. Each Unit Owner shall be responsible on behalf of himself and the Unit occupants to keep his Unit in a clean and orderly condition.

6.5 Animals. No animals, including rabbits, livestock, fowl or poultry of any kind shall be kept, raised or bred in any portion of the property, except that the Unit Owner may keep, as pets, certain household animal subject to prior written approval by the Board of Directors as per Section 10.8. There shall be no structure for such animals outside the Unit at any time unless prior written approval is received from the Board of Directors.

6.6 Awnings, Antennas and Satellites. No awnings, canopies, birdhouses, shutters or radio or television antennas shall be affixed to or placed upon an exterior wall or roof of any building or Unit without prior written consent of the Board.



Unit owners, however, may install an antenna system covered by the FCC's Over-the-Air Reception Devices (OTARD) Rule, as amended from time to time, (hereafter a "Satellite Dish") provided that said Satellite Dish measures 39.4 inches (1 meter) or less; is positioned in a less visible location which preferably is not attached to a Unit's roof or siding; is properly maintained by the Unit owner; is removed if no longer in use by the Unit owner; and is properly camouflaged by being painted in a neutral color, or painted to match the color of the structure on which it is installed, and by becoming less visible by existing and/or additional landscaping or screening. Neither these rules, nor any additional rules and requirements which may be established by the Board of Directors, however, shall unreasonably delay installation, maintenance, or use of a Satellite Dish; unreasonably increase the cost of installation, maintenance, or use of a Satellite Dish; or preclude reception of acceptable-quality signals from a Satellite Dish.

Unit owners, however, shall not be permitted to install any Satellite Dish in excess of 39.4 inches (1 meter) anywhere on or around their Unit or within the community of Chapter One.

6.7 Rules and Regulations. No owner shall violate the rules and regulations for the use of the Units and of the Common elements as adopted from time to time by the Board of Directors.

6.8 Structural Alterations. No structural alterations to any Unit shall be made by any Owner without prior written consent of the Board of Directors.

6.9 Signs and Commercial Activities. Except as expressly permitted by the Board of Directors, no signs, including "for rent" or "for sale" signs, political signs, billboards, objects of unsightly appearance, or nuisances shall be erected, placed or permitted to remain in the common areas or on any Unit or part of any building, or in any window of any Unit, nor shall any Unit be used in any way or for any purpose which may endanger the health or unreasonable disturb other Owners of the Unit.

6.10 Vehicles. No trailer, camper, motor home, boat, motorcycle, motor bike or commercial trucks with lettering shall be stored or parked overnight in any parking lot, street, driveway or in any other place or location within the Development, except an enclosed garage. No work, labor, repair or maintenance shall be done or performed in, on, about, or upon any motor vehicle, boat, machinery or equipment except within an enclosed garage or a Unit; provided, however, that this restriction shall not impair the right of the Board of Directors to repair and maintain the various Units and other improvements situated within the Development.

6.11 Waste Disposal. Except temporarily during construction by any builder, no lot or any part of the Common Elements shall be used or maintained, a dumping ground for rubbish. Trash, garbage, or other waste shall be kept in sanitary containers which shall be stored at all times within a garage or other enclosed structure except on such days that any public agency or private contractor is scheduled to pick up the contents of such containers. All incinerators or other equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition.

6.12 Leasing. The Association deems it to be in the best interests of the entire community as a whole to preserve the Association as a community that is primarily owned by Owner-occupants. Accordingly, this paragraph is intended to foster Owner-occupancy by prohibiting future sales of Units to investor-Owners after the recording of this Fourth Amendment. Any Unit Owner who owns his or her Unit on the recording date of this Fourth Amendment will have the right to lease or rent his or her Unit, subject to certain reasonable regulations as follows:

a. After the recording of this Fourth Amendment, no Owner shall convert their Unit from that of an Owner-occupant Unit (owned and occupied by the Owner and/or his or her immediate family) to that an investor-occupant Unit (owned but not occupied by the Owner and/or his or her immediate family) by either entering into an agreement to lease or rent their Unit to any person other than the Owner and/or his or her immediate family; or by selling his or her Unit to any person other than the Owner and/or his or her immediate family who does not occupy or intend to occupy the Unit.

i. A Unit shall not be deemed to be leased or an investor-occupied Unit if the Unit is titled in the name of a trust, corporation or other entity for estate planning or other such purposes so long as the Unit is occupied by the trust's beneficiary or his or her immediate family or by a corporation or limited liability company's majority owner or his or her immediate family.

ii. The Board of Directors, however, is authorized to grant an exception to this restriction against leasing or renting a Unit, in the sole discretion of the Board of Directors, for "good cause" shown which shall include but not be limited to situations caused by the death of an Owner-occupant, the illness/need to care for a family member by the Owner-occupant, the temporary employment relocations of the Owner-occupant and any temporary military transfer or assignment of the Owner-occupant. Any such request for an exception shall be submitted by the Owner-occupant in writing to the Board of Directors who shall promptly consider the same. Under no circumstance, however, may an exception, for good cause shown, exceed twenty-four (24) months.

b. During the period of time a Unit is either permitted to be leased by an Owner-occupant or by an investor-occupant, all leases shall:

i. require Lessee maintain a reasonable Security Deposit at all times during the lease in an amount determined from time to time by the Board of Directors, which shall be held by the Association in a non-interest bearing account to protect the Association against damage and pay for repairs to the Common Elements; and

ii. require the Lessee to comply with and abide by all terms and conditions set forth in the Declaration, By-Laws and Rules and Regulations of Chapter One, including but not limited to the payment of any reasonable fines for the violation thereof.

## ARTICLE VII - INSURANCE

7.1 Insurance. Insurance policies upon the Development covering the items described

in paragraph 7.2 of this Article shall be purchased by the Board of Directors for the benefit of the Board of Directors and the Unit Owners and their mortgagees as their interests may appear. Provision shall be made for the issuance of certificates of mortgage endorsements to the mortgagees of Unit Owners.

7.2 Types of Insurance. Insurance shall cover the following:

a. All building and improvements upon the Development and all personal property included in the Common Elements in an amount equal to the maximum insurable replacement value, excluding foundation and excavation costs, as determined annually by the Board of Directors. Such coverage shall afford protection against loss or damage by fire and other hazards, covered by a standard extended coverage endorsement, and such other risks as are customarily covered with respect to buildings similar to the buildings on the land, such as vandalism and malicious mischief;

b. Public liability in such amounts and with such coverage as shall be required by the Board of Directors, including but not limited to hired automobile and non-owned automobile coverages, and with cross liability endorsement to cover liabilities of the Unit Owners as a group to a Unit Owner;

c. Workmen's compensation as required by Law;

d. Director's and Officer's (errors and omissions) liability coverage; and

e. Such other insurance as the Board of Directors shall determine from time to time to be desirable.

7.3 Payment of Insurance Premiums. Premiums upon insurance policies purchased by the Board of Directors shall be paid by the Board of Directors as a common expense.

7.4 Insurance Claims. Each Unit Owner by acceptance and recording of an instrument of conveyance of a Unit shall be conclusively deemed to have assigned to the Board of Directors his insurable interest in the Unit owned by him. The Board of Directors is hereby irrevocably appointed agent for each Unit Owner to adjust all claims arising under insurance policies purchased by the Board of Directors, and to execute and deliver releases upon the payment of claims.

7.5 Owner's Responsibility. Any parts of a Unit not covered by fire and extended coverage insurance maintained by the Board of Directors shall be insured by the Unit Owner. The Unit Owner shall be solely responsible for maintaining fire and extended coverage insurance on all personal property of the Unit Owner and liability insurance for the acts and omissions of such Unit Owner. All such insurance maintained by a Unit Owner shall waive the insurance company's right of subrogation against the Board of Directors.

7.6 Insurance Proceeds. The Board of Directors shall receive the proceeds of any

casualty insurance payments received under policies obtained and maintained pursuant to this Article. To the extent that reconstruction is required herein, the proceeds shall be used for such purpose. To the extent that reconstruction is not required herein and that there is a determination that the Unit shall not be rebuilt, the proceeds shall be distributed in the same manner herein provided in the event of sale of obsolete Units.

## ARTICLE VIII - DAMAGE OR DESTRUCTION

8.1 Board of Directors as Attorney in Fact. All of the Owners irrevocably constitute and appoint the Board of Directors their true and lawful attorney in fact in their name, place and stead for the purpose of dealing with the Development upon its damage or destruction as hereinafter provided. Acceptance by any grantee of a deed from any Owner shall constitute appointment of the Board of Directors as such attorney in fact as herein provided.

8.2 General Authority of Board of Directors. As attorney in fact, the Board of Directors shall have full power and complete authorization, right and power to make, execute and deliver any proof of loss, release, contract, deed, or other instrument with respect to the interest of a Unit Owner which may be necessary or appropriate to exercise the powers herein granted, subject, however, to the rights of any mortgagee that may be granted under any first Deed of Trust or insurance policy. Repair and reconstruction of the improvements as used in succeeding sections means restoring any damaged building to substantially the same condition in which it existed prior to damage.

8.3 Estimate of Costs. Immediately after a casualty insured under one or more policies of insurance carried by the Board of Directors, the Board of Directors shall take whatever action may be appropriate to obtain whatever payment is due under such policies of insurance and further to obtain reliable and detailed estimates of the cost to rebuild or repair so as to place the damaged property in a condition as good as that before the casualty, subject to the provisions of Section 8.7 below.

8.4 Assessment for Additional Funds. If the proceeds for insurance are not sufficient to defray the estimated cost of reconstruction and repair by the Board of Directors, assessment shall be made against the Unit Owners who own the damaged property and against all Unit Owners in the case of damage to the Common Elements, in sufficient amounts to provide funds to pay the estimated costs. Additional assessments may be made at any time during, or following the completion of reconstruction. Such assessments against Unit Owners for damage to Units shall be in proportion to the cost of reconstruction and repair of their respective Units as determined by the Board of Directors. Such assessments against Unit Owners for damage to Common Elements shall be in proportion to the Unit Owner's assessment share as heretofore defined.

8.5 Repair or Reconstruction. As soon as practicable after receiving the proceeds of insurance or if in the judgment of the Board of Directors further delay is necessary to obtain the sums due from assessments made against Unit Owners, then after the receipt of such assessments necessary in the judgment of the Board of Directors, the Board of Directors shall pursue to

completion the repair or reconstruction of the part of the Unit damaged or destroyed. No consent or other action by any Unit Owner shall be necessary in connection therewith. Such repair or reconstruction shall be in accordance with the original plans and specifications of the Unit or may be in accordance with any other plans and specifications the Board of Directors may approve, provided that in such later event the number of cubic feet and the number of square feet of any Unit may not vary by more than five percent (5%) from the number of cubic feet and the number of square feet for such Unit as originally constructed pursuant to such original plans and specifications, and the location of the building shall be substantially the same as prior to damage or destruction.

8.6 Application of Funds for Reconstruction. Regardless of any provision in any deed of trust to the contrary, the proceeds of any insurance claim shall be applied first to the costs of repair or reconstruction and shall be the initial funds disbursed for such purpose. If there is any balance of insurance proceeds remaining after such repair or reconstruction, such balance shall become part of the general funds of the Development and expended as part of the annual budget subject, however, to the rights of any mortgagee under any first Deed of Trust. If there is any balance of funds obtained from the Owners of Units, such balance shall refunded to such Unit Owners in proportion to the amount of their original contribution, subject to the rights of any mortgagee under any first Deed of Trust.

8.7 Decision Not to Rebuild. If the Board of Directors determines not to repair or reconstruct the damage to any building which has been damaged or destroyed, such building shall be razed and the proceeds of insurance distributed in the same manner herein provided in the event of sale of obsolete Units.

8.8 Failure of Owner to Pay Assessments. If any Owner or Owners of Units fail to pay when due any assessment made against them under the provisions of this Article, the Board of Directors may advance from the general funds of the Association such amount as may be necessary to repair or reconstruct such Units, and further, in such event, may proceed to enforce such assessments in any manner provided in Article XI below, including foreclosure.

## **ARTICLE IX - PARKING AND VEHICLES**

9.1 General. The Board of Directors may make such reasonable rules and regulations including assignment of parking spaces, from time to time as they, in their discretion, may determine in order to curtail unreasonable parking, abandonment of vehicles, storage of vehicles, extensive repairing of vehicles, prohibiting commercial trucks with lettering, boats, trailers, campers, motorcycles, motor bikes or other vehicles which the Board may, in its discretion, determine objectionable, and other abuses of like nature.

9.2 Parking Spaces. Parking spaces shall remain unallocated until or unless the Board of Directors shall determine in its discretion that it is in the best interests of the Unit Owners of the Development to allocate such spaces, in such event the Board of Directors shall allocate the spaces to the Unit Owners in such manner as the Board of Directors shall deem fair and equitable. Such

allocations, if made, may be modified by the Board of Directors from time to time.

9.3 Abandoned or Inoperative Vehicles. If any vehicle is abandoned or is inoperative for more than ten days or fails to bear a current Missouri registration plate for more than ten days, the Board of Directors shall have the right to remove and dispose of it in any manner which it determines and shall have the right to enter upon any unit and to use any available means to move such vehicle for such purpose. The Board of Directors shall not be liable to the owner of said vehicle or to the person(s) who has control over said vehicle or to any Unit Owner for taking such action in good faith and shall not be accountable thereto for the value of such vehicle or any money received from the disposition of such vehicle. The cost of removing such vehicle may be assessed by the Board of Directors against the owner of said vehicle or the person(s) who have control of said vehicle, both as determined by the Board of Directors. In the event the Board of Directors cannot determine who is the owner of said vehicle or who is the person(s) who have control of said vehicle, then the cost shall be assumed and paid by the Association.

## **ARTICLE X - POWERS AND DUTIES OF THE BOARD OF DIRECTORS**

10.1 General. The property shall be administered by a Board of Directors (hereinafter called the "Board"), elected by the Unit Owners in the manner provided in Article XIV. The Board shall have general responsibility to manage and administer the property, approve the annual budget, provide for and collect monthly and other assessments and arrange and direct the management of the parcel, all hereinafter more particularly provided. It shall promulgate rules and regulations relating to the use of the Common Elements and facilities, and may limit the use of the same to Unit Owners or lessees and their families, guests, invitees and servants of either.

No person shall use the Common Elements or recreational facilities in any manner not in accordance with the rules and regulations applicable thereto. Specifically, and not by way of limitation, the Board of Directors shall have power to do all of the following:

10.2 Employment of Director. To employ a manager and/or a managing agent to carry out the administrative duties given to the Board and pay such manager and/or such managing agent reasonable compensation.

10.3 Expenses. To estimate the cost of the expense of administration and of maintenance and repair of all Common Elements and Shared Elements, including the cost of all water used, the cost of trash and garbage pickup and removal, if any, all salaries and fees for employees, including the manager and/or managing agent and all other amounts needed in the performance of the duties herein assigned shall be determined. After determining the total amount needed annually for all such purposes, such amounts shall be paid in the manner hereinafter provided.

10.4 Maintenance and Records. To provide for maintenance, repair and replacement of the Common Elements and Shared Elements, to determine the method of approving payment vouchers a manner of assessing and collecting from the Unit Owners their respective shares of the

estimated expenses and all other expenses lawfully agreed upon at a meeting of Unit Owners called and conducted as required under Article XIII hereof; to furnish upon ten days' written request of any Unit Owner, a statement of that Owner's account setting forth the amount of any unpaid assessments or other charges; to keep detailed, accurate records in chronological order of the receipts and expenditures affecting the Development, specifying and itemizing the maintenance and repair expenses of the Common Elements and any other expenses incurred. Such records shall be available during normal business hours for an examination by Unit Owners.

10.5 Employees. To employ and train persons necessary for the maintenance, repair and replacement of any part of the Development that the Board of Directors is obligated to maintain, repair or replace.

10.6 Easements. To establish, grant and dedicate easements (including easements for public utilities and private sanitary sewer lines) in addition to any shown on the plat, in, over or through the Common Elements (at such time as title to the Common Elements shall be conveyed to the Board of Directors) whether for the benefit of the Unit Owners or not; and further to release or abandon any easement granted to the Board of Directors or appurtenant to the Common Elements. In connection herewith the Board of Directors is hereby constituted the Attorney-in-fact for the Unit Owners to execute documents necessary to carry out the terms of this provision.

10.7 Declaration and Plat. To execute and file any amendment to the Declaration or plat or both which have been adopted by the Unit Owners as set forth in Article XVII hereof.

10.8 Pet Permits. To issue pet permits for the keeping of animals permitted under Section 6.5 hereof provided the Board determines that such animals will not be a disturbance or in any way be or become a nuisance or cause a health problem, and to revoke any permit so issued should the Board conclude that keeping the animal in or about the Unit will not be in the best interest of Chapter One. The decision of the Board to issue or to revoke a permit shall be absolute.

10.9 Exterior Improvements by Unit Owners. To issue permits to Unit Owners to make exterior improvements, permanent or temporary decorations or plantings. The decision of approval or disapproval of the Board shall be absolute.

10.10 Sign Permits. To issue permits to Unit Owners for the installation of "For Sale" signs of such size, duration, location and number per building as the Board shall establish by rule to apply equally to all Unit Owners in order to provide for adequate identification of such Units as may, from time to time, be for sale to the public without unnecessarily detracting from the appearance of the property.

10.11 Rules and Regulations. To establish traffic regulations and administrative rules and regulations governing the operation and use of the Common Elements.

10.12 Personal Property for Common Use. To acquire and hold for the use and benefit of

all of the owners tangible and intangible personal property and to dispose of the same by sale or otherwise, in which event the beneficial interest in any such property shall be deemed to be owned by the Owners in the same proportion as their respective interests in the Common Elements. Such interest shall not be transferable except with the transfer of a Unit. A transfer of a Unit shall transfer to the transferee ownership of the transferor's beneficial interest in such property without any reference thereto. Each Owner may use such property in accordance with the purpose for which it is of other Owners. The transfer of title to a Unit under foreclosure shall entitle the purchaser to the interest in such personal property associated with the foreclosed Unit.

10.13 Miscellaneous Services. To obtain and pay for the services of any person or entity to manage its affairs, or any part thereof, to the extent it deems advisable, as well as such other personnel as the Board of Directors shall determine to be necessary or desirable for the proper operation of the Development, which such personnel are furnished or employed directly by the Board of Directors or by any person or entity with whom or which it contracts. The Board of Directors may obtain and pay for legal and accounting services necessary or desirable in connection with the operation of the Development or the enforcement of this Declaration. The Board of Directors may arrange with others to furnish lighting, heating, water, trash collection, sewer service and other common services to each Unit.

10.14 Share of Facilities and Services. To enter into any leases or contracts, either oral or in writing, with the association or any other person or legal entity regarding the sharing of use of and payment of expenses for any recreational facilities, storage buildings, maintenance equipment or employees, on such terms and conditions as the Board of Directors shall in its sole discretion deems proper from time to time.

10.15 Transfer of Property to and from Board of Directors. Any conveyance of land or any interest therein or of any personal or intangible property may be made to the Board of Directors and, if so, shall have the same legal effect as if such real estate, property, or other right were made directly to the Unit Owners. In the event of the sale, grant, pledge, assignment or other transfer of any part of the Common elements, or any other property or interest therein owned by the Unit Owners, the Board of Directors shall have the right in its name to execute any deed, deed of trust, easement, bill of sale or other instrument to affect such transfer and the execution of same by the Board of Directors shall have the same effect as if such instrument were executed by all Unit Owners of the Development, and such purchasers shall have no obligation to look beyond the acts of the Board of Directors.

10.16 Conversion. Each Unit Owner, whether now owning or hereafter acquiring a Unit, shall be conclusively deemed to have appointed the Association as the unit Owner's Attorney-in-Fact for the purpose of converting the Development to a statutory condominium pursuant to Chapter 448 of the Missouri Revised Statutes, and to perform any and all acts necessary or desirable to achieve such conversion, including, without limitation, the preparation, execution, and recording of a condominium plat and Declaration of Condominium. Notwithstanding the foregoing to the contrary, the Association shall not be entitled to avail itself of the power of attorney herein granted unless



20060728000638720 25/37

**Bk:DE4540 Pg:2347**

sixty percent (60%) of the Unit Owners first sign the instrument prepared by the Association to implement the condominium conversion. Upon request by the Association, each Unit Owner shall execute such additional documents as the Association deems necessary to effectuate the power of attorney granted herein.

10.17 Implied Rights. The Board of Directors may exercise any other rights or privilege given to it expressly by this Declaration or by law, and every other right or privilege reasonably to be implied from the existence of any right or privilege given to it herein or reasonably necessary to effectuate any right or privilege.

## **ARTICLE XI - ASSESSMENTS**

11.1 Agreement to Pay Assessments. Each Owner of any Unit by the acceptance of a deed therefor, whether or not it be so expressed in the deed, shall be deemed to covenant and agree with each other and with the Board of Directors to pay the Board of Directors annual assessments made by the Board of Directors for the purposes provided in the Declaration, and special assessments for capital improvements and other matters as provided in this Declaration. Such assessments shall be fixed, established and collected from time to time in the manner provided in this Article.

11.2 Amount of Total Annual Assessments. The total annual assessments against all Units shall be based upon advance estimates of cash requirements by the Board of Directors to provide for the payment of all estimated expenses growing out of or connected with all of the following: maintenance and operation of the Common Elements and Shared Elements; the expenses of management; the expense of leasing the recreational facilities, subdivision entrance maintenance, lawn and other ground equipment; premiums for all insurance which the Board of Directors are required or permitted to maintain pursuant hereto; common lighting and heating; trash collection; repairs and maintenance; wages for employees of the Association; legal and accounting fees; charges for electricity, gas and water service attributable to the Development or otherwise not directly chargeable to any particular Unit; any deficit remaining from the previous period; the creation of a reasonable contingency reserve, surplus or sinking fund; the cost of any shared service of personnel as provided in Section 10.14 above; the cost of maintaining any private streets including private streets and parking areas, within dedicated right of ways; and any other expense and liability which may be incurred by the Board of Directors for the benefit of the Owners under or by reason of this Declaration.

11.3 Apportionment of Annual Assessment. The annual Assessment Share assessed to the Owners of each Unit shall be equal.

11.4 Notice of Annual Assessment and Time for Payment Thereof. Annual assessments shall be made on a January 1 through December 31 fiscal year basis. The Board of Directors shall give written notice to each Owner as to the amount of the annual assessments with respect to his or her Unit on or before January 1<sup>st</sup> of each year for the fiscal year commencing on such date. Such assessment shall be due and payable in one payment or in installments, at such time or times, as may

be established by the Board of Directors. Each annual assessment or, if payable in installments, each installment payment shall bear interest at the rate of twelve percent (12%) per annum from the date it becomes due and payable if not paid by such date. Failure of the Board of Directors to give timely notice of any assessment as provided herein shall not affect the liability of the Owner of any Unit for such assessment, but the date when payment shall become due in such case shall be deferred to a date thirty (30) days after such notice shall have been given.

11.5 Special Assessment for Capital Improvements. In addition to the annual assessments authorized by the Article, the Board of Directors may from time to time make special assessments for the cost of any construction or reconstruction, unexpected repair or replacement of the Development or any part thereof, or for any other expense incurred or to be incurred as provided in this Declaration. This Section shall not be construed as an independent source of authority for the Board of Directors to incur expense, but shall be construed to prescribe the manner of assessing for expenses authorized by other Sections hereof. Any amounts assessed pursuant hereto shall be apportioned in the same manner as the annual Assessment Share. Notice in writing of the amount of such special assessments and the time for payment thereof shall be given promptly to the Owners, and no payment shall be due less than thirty (30) days after such notice shall be given. A special assessment shall bear interest at the rate of Twelve percent (12%) per annum from the date it becomes due and payable if not paid within thirty (30) days after such date.

11.6 Special Assessments Against Particular Unit Owners. If the Board of Directors finds that any Unit Owner has failed to comply with covenants and conditions of this instrument or if any rule or regulation promulgated by the Board of Directors or has otherwise caused damage to the Development or any Unit or any part, thereof, it shall have the right, after written notice to the Unit Owner or Unit Owners affected thereby and a hearing with the Board of Directors at which such Unit Owner or Owners shall have the right to appear, to make a special assessment against a particular Unit Owner or Unit Owners on account of such breach or damage.

11.7 Attorney's Fees. In the event the Association shall bring suit against any Unit Owner for a violation of any of the provisions hereof or for the performance of any provision hereby by a Unit Owner, the cost of such suit and a reasonable attorney's fee, if such suit is successful, shall be assessed by the Board of Directors against the Unit Owner or Owners affected thereby.

11.8 Lien for Assessments. All sums assessed to any Unit pursuant to this Article, together with interest thereon as provided herein, shall be secured by a Lien on such Unit in favor of the Board of Directors. Such lien shall be superior to all other liens and encumbrances on such Unit except only for:

- a) valid tax and special assessment liens on the Unit in favor of any governmental assessing authority; and
- b) a lien for all sums unpaid on any first deed of trust duly recorded in the St. Charles County Records, including the periodic principal balance and interest and other sums of be made

pursuant to such deed of trust and secured by the lien thereof in accordance with the terms of such instrument. All other lienors acquiring liens on any Unit after this Declaration shall be then recorded shall be deemed to have consented that such liens shall be inferior to future liens or assessments provided herein, whether or not such consent be specifically set forth in the instruments creating such liens.

To evidence a lien for sums assessed pursuant to this Article, the Board of Directors may prepare a written notice of lien setting forth the amount of the assessment, the date due, the amount remaining unpaid, the name of the Owner of the Unit and a description of the Unit. Such a notice shall be signed by the President and shall be recorded in Office of the Recorder of Deeds of St. Charles County, Missouri. No notice of lien shall be recorded until there is a delinquency in payment of the assessment. Such lien may be enforced by judicial foreclosure or by power of sale by the Board of Directors in the same manner in which mortgages on real property may be foreclosed in Missouri pursuant to Chapter 443 of the Missouri Revised Statutes. In any such foreclosure, the Owner shall be required to pay the costs and expenses of such proceeding, the costs and expenses of filing the notice of lien and all reasonable attorney's fees. All such costs and expenses shall be secured by the lien being foreclosed. The Owner shall also be required to pay the Board of Directors any assessments against the Unit which shall become due during the period of foreclosure. The Association shall have the right and power to bid at the foreclosure or other legal sale and to acquire, hold, convey, lease, rent, encumber, use and otherwise deal with the same as the Owner thereof.

A release of notice of lien shall be executed by the President and recorded in the Office of the Recorder of Deeds of St. Charles County, Missouri, upon payment of all sums secured by a lien which has been made subject of a recorded notice of lien.

Any encumbrancer holding a lien on a unit may pay, but shall not be required to pay, any amounts secured by the lien created by this Section, and upon such payment encumbrancer shall be subrogated to all rights of the Board of Directors with respect to such lien, including priority.

The Board of Directors shall report to any encumbrancer of a Unit any unpaid assessments remaining unpaid for longer than ninety (90) days after the same shall have become due; provided, however, that such encumbrancer shall first have furnished to the Board of Directors written notice of such encumbrance.

**11.9 Personal Obligation of Owner.** The amount of any annual or special assessment against any Unit shall be the personal obligation of the Owner thereof to the Association. Suit to recover a money judgment for such personal obligation shall be maintainable by the Association without foreclosing or waiving the lien securing the same. No Owner may avoid or diminish any personal obligation by waiver of the use and enjoyment of any of the Common elements or by abandonment of his Unit.

**11.10 Acceleration of Installments.** If the Board of Directors determines that any annual or special assessment shall be paid in installments and any Unit Owner shall fail to pay any

installment thereof when due, the Board of Directors may at its option declare the remaining balance of such assessment due and payable at once and may further maintain suit for such entire remaining balance and file a lien therefor as if the Unit Owner had failed to pay each and every installment when due.

11.11 Personal Liability of Purchaser for Assessments. Subject to the provisions of Section 11.9, a purchaser of a Unit shall be jointly and severally liable with the seller for all unpaid assessments against the Unit up to the time of the grant or conveyance, without prejudice to the purchaser's right to recover from the seller the amount paid by the purchaser for such assessments.

## **ARTICLE XII - BOARD OF DIRECTORS MAY ACT FOR OWNERS ACTIONS; SERVICE PROCESS**

12.1 Board May Hold Title. The Board of Directors is authorized and empowered to borrow money and to lease mortgage, pledge or otherwise grant a security interest in any part of the Common Elements in order to secure any such loan of money and to construct or purchase any structures, buildings, recreational facilities of any type or any other improvements from time to time as the Board of Directors shall deem necessary or convenient in its sole discretion. The Board of Directors may pledge future assessments as collateral to secure an such loan.

12.2 Board May Sue. Without limiting the rights of any Unit Owner actions may be brought by the Board of Directors in the name of the Association on behalf of two or more of the Unit Owners as their respective interests may appear with respect to any cause of action relating to the Common elements or more than one Unit.

12.3 Board May Act as Agent for Process. In the event of any violation of any ordinances affecting the Common Elements, service of notice thereof or service of process in any prosecution for ordinance violation may be made on any member of the Board of Directors in lieu of naming or serving all Unit Owners having an interest in the Common Elements, and such proceedings shall bind all Unit Owners. Service of such process on any three members of the Board of Directors shall be conclusively deemed to be valid service on the entire Board of Directors. A member of the Board of Directors served with a summons shall immediately notify the other members of the Board of Directors. In the event that judgment is rendered in such proceeding against the Board of Directors, the Board of Directors shall satisfy such judgment from the assets of the Development, but shall not be personally liable for the payment thereof Board of Directors shall have the right to pro rate and assess any costs so incurred against those Unit Owners that gave rise to the cause of action, violation and judgment. In the event the Unit owners do not satisfy the special assessment, the Board may proceed under Section 11.8 hereof.

## **ARTICLE XIII - VOTING AND MEETINGS OF UNIT OWNERS**

13.1 Voting Rights. Only one person shall be entitled to vote for the Owners of each Unit, provided such person is in good standing with the Association and such person shall be known as the "Voting Member." Should more than one person own a Unit, the Voting Member shall be

designated by all owners in writing properly filed with the Association. Any such designation may be revoked at any time in writing properly filed with Association. Should the same person or persons own more than one Unit, the same Voting Member may be designated for each Unit, and, in thus event, he or she shall have, one vote for each such Unit. A corporation, if an Owner, shall act through its president or through such other officer or director as the Board of Directors designates in writing. All designations of Voting Members shall be held by the secretary among the records of the Board. If joint Unit Owners fail to designate a Voting Member, whenever any consent, approval, vote, proxy or other action of the Owners is required by the terms of this Declaration, such consent, approval, vote, proxy or other action may be made or given by any one of two or more joint tenants regardless of the type of joint tenants.

### 13.2 Meeting.

a. Quorum. Twenty-five percent of all Voting Members who are in good standing with the Association shall constitute a quorum for any meeting. Proxy votes shall not be counted for quorum purposes but shall be counted for voting purposes. Any action may be taken at any meeting at which a quorum is present upon the affirmative vote of the majority of the Voting Members.

b. Annual Meeting. An annual meeting of all the Unit Owners shall be held at least once each year at a date and time to be determined by the Board of Directors who shall notify all Unit Owners of said meeting by postage pre-paid, first-class mail and sent to the address on file with the Association at least ten (10) days prior to said meeting.

c. Special Meetings. Special meetings of Unit Owners may be called at any time for the purpose of considering any matter requiring the approval of the members or for any other reasonable purpose. The majority of the Board or two-thirds of the Voting Members may call any such meeting upon giving ten (10) days written notice in the same manner as provided for notice for annual meetings.

d. Proxies. Voting Members may vote by proxy. All proxies must be in writing, signed and dated by the Voting Member. A Unit Owner may hold a maximum of two voting member's proxies at any time in addition to his or her own vote. Candidates for the Board of Directors are expressly prohibited from serving as the designated proxy for any voting member during Board of Director elections.

## ARTICLE XIV - BOARD OF DIRECTORS

14.1 The Board of Directors. The Board of Directors of the Association shall manage the affairs of the Association. The Board of Directors also shall be empowered to create, amend and revoke by-laws on behalf of the Association upon the affirmative vote of at least a majority of the Directors which shall be enforceable against and binding upon all Unit Owners; however, to the extent said by-laws are inconsistent with or adverse to this, the Fourth Amended and Restated Declaration of Trust and restrictions of The Chapter One Residents Association, as amended from time to time, ("Declaration"), said Declaration shall control.

14.2 Number, Term and Election. A Board of Directors shall consist of six (6) Unit Owners who shall serve a term of two (2) years. All Directors shall be elected at the annual meeting of the Unit Owners. Such elections shall be staggered so that three (3) Directors are elected each year and shall follow the rules set forth in Article XIII: however, for the sole purpose of electing Directors, a quorum of the Unit Owners at the annual meeting shall not be necessary.

14.3 Officers of the Association. The officers of the Association shall consist of a president, a secretary and a treasurer, each of whom shall be a member of the Board of Directors and shall be elected by the Board.

14.4 Quorum/Voting of Board of Directors. A quorum for the Board shall comprise four (4) members. A majority of those present shall be required to adopt any resolution, except that in the case of a modification or imposition of any assessment or in the case an amendment or revocation of the by-laws, not less than four (4) members of the Board shall be required to affirmatively approve such resolution.

14.5 Meetings of Board of Directors. Meetings of the Board of Directors shall be held at regular intervals at a time and place established by the Board. Special meetings of the Board of Directors may be called by the president or by any two Directors as provided in the by-laws.

14.6 Replacement/Removal of a Director. Should any Director cease to be a Unit Owner or if he or she shall die or resign or suffer other disability ("outgoing Director") his or her term of office shall thereupon automatically terminate and the remaining Directors shall appoint, by majority vote of the remaining Directors, a new Director to serve: (a) the balance of said Director's term of office if less than one (1) year is remaining on the term of the outgoing Director: or (b) until the next annual election if more than one (1) year is remaining on the term of the outgoing Director. At said annual election, a new Director shall be elected to serve the remaining one (1) year term of the outgoing Director. A Director may be removed for cause by a majority vote of the Unit Owners and, in such event, said vacancy shall be filled in the same manner as any other vacancy as set forth above

14.7 Indemnification. The Association shall indemnify, hold harmless, and defend every officer and Director against any and all expenses, including legal fees reasonably incurred by or imposed upon any officer or director in connection with any action, suit, or other proceeding (including settlement of any suit or proceeding, if approved by the then Board of Directors) to which he or she may be a party by reason of being or having been an officer or Director.

## **ARTICLE XV - SALE OF OBSOLETE UNITS**

The Owners representing an aggregate ownership interest of eighty-five percent (85%) or more of the Units may agree that the Units are obsolete and that the Development should be sold. Such an agreement must have the unanimous approval of every first Mortgagee of record at the time such agreement is made. In such instance the Board of Directors shall forthwith record a notice setting forth such fact or facts, and upon the recording of such notice by the Board of Directors the Development shall be sold by the Board of Directors as attorney in fact for all of the Owners free and



clear of the provisions contained in this Declaration as it may from time to time be amended or supplemented. The Sale proceeds shall be apportioned among the Owners in proportion to their assessment share as heretofore defined and such apportioned proceeds shall be paid into separate accounts each such account representing one Unit. Each such account shall remain in the name of the Board of Directors, and shall be further identified by the Unit designation and the name of the Owner. From each separate account the Board of Directors, as attorney in fact, shall use and disburse the total amount of such accounts without contribution from one account to the other, first to payment to valid tax and special assessment liens on the Unit in favor of any governmental assessing authority: next to the holder of any first mortgage lien on the Unit: next to payment of assessments made pursuant to this Development Declaration: next to other lienor in the order of priority of their liens: and the balance remaining, if any, to each respective Owner.

#### **ARTICLE XVI - REMEDIES FOR BREACH OF COVENANTS, RESTRICTIONS AND REGULATIONS**

16.1 Abatement and Enjoyment. After written notice to a Unit Owner and opportunity for hearing with the Board of Directors at which a Unit Owner shall have the right to appear and address a citation for the violation of any restriction or condition or regulation adopted by the Board of Directors of the breach of any covenant or provision therein contained causing a Unit Owner to not be in Good Standing, the Board of Directors shall have the right, in addition to the rights set forth in the next succeeding section:

a. To enter upon the property upon which or as to which, such violating or breach exists and to summarily abate and remove, at the expense of the defaulting Owner, any structure, thing or condition that may exist thereon contrary to the intent and meaning of the provisions hereof, and the Board of Directors or its agents, shall not thereby be deemed guilty in any manner of trespass; and/or

b. To enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any breach; and/or

c. To suspend the privileges of any Unit Owner with regard to the enjoyment of the benefits of the Clubhouse, swimming pool and use of the other recreational facilities and common elements of the Association.

d. To establish written rules and regulations of the Association and to enforce these rules and regulations, as well as any provision of this Declaration and/or the By Laws, by assessing, after notice and an opportunity to be heard, reasonable fines for violations of these rules and regulations, any provision of the Declaration and/or the By Laws. The Board of Directors shall establish these rules and regulations and a schedule of fines from time to time and shall distribute a copy to each Unit owner. Fines may be levied upon either a per diem basis and/or a per occurrence basis, until said Owner takes sufficient action to become compliant. Such fine shall be the personal obligation of the subject Unit owner, shall be a lien upon the subject Unit and shall be subject to the collections procedures hereunder for assessments.

16.2 Foreclosure. If any Unit Owner (either by his own conduct or by the conduct of any other occupant of his Unit) shall violate any of the covenants or restrictions or provisions of this Declaration or the Regulations adopted by the Board of Directors and such violation shall continue for thirty (30) days after notice in writing from the Board of Directors or shall occur repeatedly during any thirty (30) day period after written notice or request to cure such violations from the Board of Directors, then the Board of Directors shall have the power to foreclose the Ownership interest of such Unit Owner as provided under the laws of the State of Missouri for judicial foreclosure of mortgages or deeds of trust. The proceeds of any such judicial sale shall first be paid to discharge court costs, master's or commissioner's fees, court reporter charges, reasonable attorney's fees and all other expense of the proceeding, and all such items shall be taxed against the defaulting Owner in said decree. Any balance of proceeds after satisfaction of such charges and any unpaid assessments hereunder or any liens shall be paid to the Unit Owner. Upon the confirmation of such sale, the purchaser thereat shall thereupon be entitled to a deed to the Unit Ownership and to immediate possession of the Unit sold and may apply to the court for a writ of execution for the purpose of acquiring such possession.

16.3 Attorneys Fees. In the event the Association shall bring suit against any Unit Owner for a violation of any of the provisions hereof, the costs of suit and reasonable attorney's fees will be taxed as costs against the Unit Owner upon the Association prevailing.

## **ARTICLE XVII - REVOCATION OR AMENDMENT TO DECLARATION**

17.1 Amendment of Unit Owners. This Declaration may be amended by an instrument duly recorded and executed by at least sixty percent (60%) of the Unit Owners, but such amendment shall not effect the rights of any mortgagee vested prior thereto.

17.2 Revocation This Declaration may be revoked by an instrument in writing duly recorded and executed by the Owners of Eighty-five percent (85%) or more of the Units and the holders of all Mortgages encumbering the Units.

## **ARTICLE XVIII - GENERAL PROVISIONS**

18.1 Captions. The captions of the various Articles and Sections are for purposes of reference only and are not deemed to have any substantive effect:

18.2 Notice to Mortgagees. Upon written request to the Board of Directors, the holder of any duly recorded mortgage or deed of trust against any Unit shall thereafter be given copies of any and all notices permitted or required by this Declaration to be given to the Unit Owner or Owners whose Unit Ownership is subject to such mortgage or deed of trust.

18.3 Manner of Giving Notice. Notices required to be given to the Board of Directors may be delivered to the Association, c/o the manager hired by the Board of Directors either personally or by certified mail, return receipt requested.

18.4 Notice in Event of Death. Notices required to be given any devisee or personal representative of a deceased Unit Owner may be delivered either personally or by mail to such party at his, her or its address appearing in the records of the Court wherein the estate of such deceased Unit Owner is being administered.

18.5 Acceptance by Unit Owner. Each Unit Owner, by the acceptance of a deed of conveyance, accepts the same subject to all restrictions, conditions, covenants, reservations, options, liens and charges, and the jurisdiction, rights and powers created or reserved by this Declaration or to which this Declaration is subject, and further by the acceptance of such deed shall be deemed to have appointed the Board of Directors as such Unit Owner's attorney in fact to take all actions and to execute all documents and instruments which said Board of Directors is empowered to take or execute under the terms hereof. All rights, benefits and privileges of every character hereby granted, created, reserved or declared, and all impositions and obligations hereby imposed shall be deemed and taken to be covenants running with the land and shall bind any person having at any time any interest or estate in said property and shall inure to the benefit of such Unit Owner in like manner as though the provisions of this Declaration were recited and stipulated at length in each every deed of conveyance.

18.6 No Waiver. No covenants, restrictions, conditions, obligations or provisions contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

18.7 Saving Clause. The invalidity of any covenant, restriction, condition, limitation or any other provision of this Declaration or any part of the same shall not impair or affect in any manner the validity, enforceability or effect of the rest of this Declaration.

18.8 Interpretation. The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the development and operation of a first class residential Development. The use of personal pronouns shall be construed to apply to masculine, feminine (his/her) or neuter gender as the context may require. Should any provision of this instrument be deemed to violate the Rule Against Perpetuities and is not subject to Section 448.210 of Missouri Statutes then such provisions shall not be stricken but shall be deemed to continue in force and effect for the longest time permitted under Missouri law or for the life or lives in being plus twenty-one years and ten months thereafter. If any provision is deemed to be invalid, then the elimination of such provision shall not affect the remaining provisions.

18.9 Bonds. All Directors shall be bonded at the expense of the Association set forth in the by-laws of the Association.

## ARTICLE XIX - CONDEMNATION

19.1 Authority of Board of Directors. In the event any corporation or public agency or authority having the power of eminent domain desires to acquire any Unit or Units or part or all of



the Shared Elements or Common Elements, the Board of Directors are hereby irrevocably constituted and appointed by the Owners as their true and lawful attorneys in fact in their name, place, and stead to do all of the following:

- a. To negotiate the sale thereof in lieu of condemnation;
- b. To deliver any warranty deed or other instrument of conveyance;
- c. To execute all agreements, instruments, and documents necessary or advisable in connection therewith;
- d. To defend any such action and to prosecute a claim for damages therefor as provided by law;
- e. To effect settlement of any award or judgment that may be entered therefor;
- f. To acknowledge satisfaction of judgment therefor;
- g. To withdraw the amount of any award and to execute a receipt therefor.

19.2 To Whom Award Payable. The proceeds of any settlement or award pursuant to actual or threatened condemnation shall be made payable solely to the Association.

19.3 Holding Proceeds of Award. The Board of Directors shall hold the proceeds of any condemnation award, whether made by commissioners appointed by law or by a jury, in a separate savings account until a final judgment is entered in such condemnation action; provided, however, that the Board of Directors may in its discretion apportion to a Unit Owner or Owners, subject to the prior written consent of each such Unit Owner's first mortgagee, such part thereof as the Board in its discretion determines necessary to avoid hardship to such Owners in which event such Owners shall indemnify and hold harmless the Board of Directors, to the extent of any payment so made to them, for the repayment of any part of them award to the condemning authority if such repayment is later required.

19.4 Distribution of Award or Settlement. The proceeds of any settlement or final judgment made pursuant to threatened or actual condemnation shall be expended or distributed by the Board of Directors in the same manner as is provided in Article VIII for the proceeds of insurance claims and in connection therewith the Board of Directors shall have all of the following powers:

- a. To decide not to rebuild as provided in Section 8.7 above.
- b. To reconstruct any improvements sold or taken pursuant to condemnation in the same manner as provided in Sections 8.2 through 8.6 above.

19.5 Failure of Owner to pay Assessments. If any Owner or Owners of Units fail to pay when due any assessment made against them under the provisions of this Article, the Board of Directors may advance from the general funds of the Development such amounts as may be necessary to reconstruct the Common Elements or Units, and further, in such event, may proceed to enforce such assessments in any manner provided in Article XI above, including foreclosure.

## ARTICLE XX - MORTGAGES

### 20.1 Requirements.

20.1.1 Any mortgage or other lien on a Unit and the obligations secured thereby shall be deemed to provide generally that the mortgage or other lien instrument and the rights and obligations of the parties thereto shall be subject to the terms and conditions of this Declaration and shall be deemed to provide specifically, but without Limitation, that the mortgagee or lien holder shall have no right (i) to participate in adjustment of losses with insurers or in the decisions as to whether or not or how to repair or restore damage to or destruction of the Property or (ii) to receive or apply the proceeds of insurance to the reduction of the mortgage debt or otherwise except in the event and to the extent of a distribution of insurance proceeds in excess of the cost of repair or restoration being received by the Owner of the Unit encumbered by such mortgage.

20.1.2 Nothing contained in this Article or elsewhere in this Declaration shall give a Unit Owner, or any other party, priority over any rights of the mortgagee of a Unit pursuant to its mortgage in case of a distribution to an Owner of insurance proceeds or condemnation award for loss to or a taking of a Unit and/or Common Elements.

### 20.2 Approval of Mortgagees.

20.2.1 The prior written approval of at least two-thirds (2/3) of the holders of first mortgages on Units (based upon one vote for each first mortgage owned) shall be required for any of the following:

- a. The partition or subdivision of any Unit or the Common Elements;
- b. The abandoning, encumbering, selling or transferring of the Common Elements (the granting of easements for public utilities or for other public purposes consistent with the intended use of the Common Elements shall not be deemed a transfer within the meaning of this subsection);
- c. The use of hazard insurance proceeds for losses to any property in the Association for other than the repair, replacements, or reconstruction of such property.

20.3 The prior written approval of holders of first mortgages of Units representing at least fifty-one (51%) of the votes of Units subject to first mortgages shall be required to make an amendment of a material nature to the Declaration. A change directly relating to any of the following

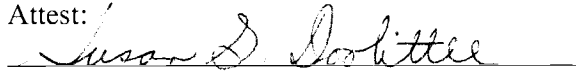
shall for this purpose be considered material:

- a. Voting Rights;
- b. Assessments, assessment liens or subordination of assessment liens;
- c. Reserves for maintenance, repair, and replacement of the Common Elements;
- d. Responsibility for maintenance and repairs;
- e. Boundaries of any Unit;
- f. Insurance or Fidelity Bonds;
- g. Leasing of Units;
- h. Imposition of any restrictions on an Owner's right to sell or transfer his or her Unit;
- i. A decision by the Association to establish self-management when professional management had been required previously by an Eligible Mortgagee;
- j. Restoration or repair of the project (after a hazard damage or partial condemnation) in a manner other than that specified in the declaration;
- k. Provisions that expressly benefit holders, insurers, or guarantors of Eligible Mortgages.

IN WITNESS WHEREOF, the President of the Chapter One Residents Association does hereby certify and the Secretary thereof does hereby attest that the above Fourth Amended and Restated Declaration of Trust and Restrictions of The Chapter One Residents Association is hereby approved by at least sixty (60%) percent of the Unit Owners on this day, the 26 day of June, 2006.

  
President

Attest:

  
Secretary

IN WITNESS WHEREOF, The Board of Directors of Chapter One Residents Association has executed this Fourth Amended and Restated Declaration of Trust and Restrictions of the Chapter One Residents Association 26 day of June, 2006.

CHAPTER ONE RESIDENTS ASSOCIATION

By Thomas L. Szilasi  
President

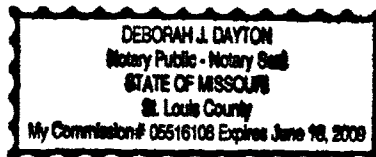
ATTEST: Susan D. Doolittle  
Secretary

STATE OF MISSOURI                    )  
  )    SS.  
COUNTY OF ST. CHARLES         )

On the 26 day of June, 2006, before me personally appeared Thomas L. Szilasi, President and Susan D. Doolittle Secretary of Chapter One Residents Association who affirm that the foregoing instrument was signed on behalf of Chapter One Residents Association.

Deborah J. Dayton  
Notary Public

My Commission Expires:



**AMENDED  
BY-LAWS  
OF**

**The Chapter One  
Residents Association**

**AMENDED BY-LAWS OF**  
**CHAPTER ONE RESIDENTS ASSOCIATION**

Table of Contents

Article I	<u>Offices</u>	<u>Page 1</u>
Section 1	Name	Page 1
Section 2	Registered Office	Page 1
Section 3	Registered Agent	Page 1
Section 4	Principal Office	Page 1
Article II	<u>Unit Owners</u>	<u>Page 1</u>
Section 1	Annual Meetings	Page 1
Section 2	Special Meetings	Page 1
Section 3	Place of meeting	Page 1
Section 4	Notice of Annual Meeting to Unit Owners	Page 2
Section 5	Waiver of Notice	Page 2
Section 6	Quorum	Page 2
Section 7	Voting Lists	Page 2
Section 8	Voting	Page 2
Section 9	No Cumulative Voting	Page 2
Section 10	Proxies	Page 3
Section 11	Vote Certification and Ballot Destruction	Page 3
Article III	<u>Directors</u>	<u>Page 3</u>
Section 1	Authority	Page 3
Section 2	Number, Election and Duration	Page 3
Section 3	Notice to Secretary of State	Page 3
Section 4	Vacancies	Page 3
Section 5	Removal	Page 3
Section 6	Quorum	Page 4
Section 7	Regular Meetings	Page 4
Section 8	Special Meetings	Page 4

Section 9	Attendance at Meetings	Page 4
Section 10	Notice	Page 4
Section 11	Presumption of Assent	Page 4
Section 12	Compensation	Page 4
Section 13	Committees	Page 4
Section 14	Collection of Assessments	Page 5
Article IV	<u>Officers</u>	<u>Page 5</u>
Section 1	Number	Page 5
Section 2	Election and Term of Office	Page 5
Section 3	Vacancies	Page 5
Section 4	Removal	Page 5
Section 5	Salaries of Compensation	Page 5
Section 6	Bond	Page 5
Section 7	The President	Page 5
Section 8	The Secretary	Page 6
Section 9	The Treasurer	Page 6
Article V	<u>Fiscal Year</u>	<u>Page 6</u>
Article VI	<u>Waiver of Notice</u>	<u>Page 6</u>
Article VII	<u>Amendments</u>	<u>Page 7</u>
	<u>Attestation</u>	<u>Page 7</u>

**AMENDED BY-LAWS**  
**OF**  
**THE CHAPTER ONE RESIDENTS ASSOCIATION**

**ARTICLE I**  
**OFFICES**

SECTION 1. NAME. The Chapter One Residents Association (hereinafter referred to as the "Association") is a Not For Profit Corporation in good standing with and duly organized pursuant to Chapter 355 of the laws of the State of Missouri.

SECTION 2. REGISTERED OFFICE. The Association shall have and continuously maintain in the State of Missouri a registered office which may be, but need not be, the same as its place of business in the State of Missouri.

SECTION 3. REGISTERED AGENT. The Association shall have an continuously maintain in the State of Missouri a registered agent, which agent may be either an individual, resident in the State of Missouri, whose business office is identical with the Association's registered office, or an Association authorized to transact business in the State of Missouri, having a business office identical with the Association's registered office.

SECTION 4. PRINCIPAL OFFICE. The principal office of the Association shall be located at 500 Hemingway Lane, St. Charles, Missouri 63304.

**ARTICLE II**  
**UNIT OWNERS**

SECTION 1. ANNUAL MEETINGS. There shall be an annual meeting of the Unit Owners of the Association, which meeting shall be held in April of each year. The annual meeting shall be for the purpose of, but not limited to, the election of directors of said Association and transaction of other business.

SECTION 2. SPECIAL MEETINGS. Special meetings of the Unit Owners may be called by the Board of Directors.

SECTION 3. PLACE OF MEETING. Meetings of Unit Owners shall be held at such place, either within or without the State of Missouri, as may be provided in a resolution of the Board of Directors. In the absence of any such provision, all meetings shall be held at the registered office of the Association in the State of Missouri.

SECTION 4. NOTICE OF ANNUAL MEETING TO UNIT OWNERS. Written or printed notice of each meeting of Unit Owners stating the place, day and hour of the meeting and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered or given not less than ten nor more than fifty days before the date of the meeting, either personally or by mail, by or at the direction of the Board of Directors, or the persons calling the meeting, to each Unit Owner of record entitled to vote as such meeting. Any notice of a Unit Owners' meeting sent by mail shall be deemed to be delivered when deposited in the United States mail with postage thereon prepaid addressed to the Unit Owner at his address as it appears on the records of the Association. Attendance of a Unit Owner at any meeting shall constitute a waiver of notice of such meeting except where a Unit Owner attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

SECTION 5. WAIVER OF NOTICE. Any notice required by these By-Laws may be waived by the persons entitled thereto signing a waiver of notice before or after the time of such meeting and such waivers shall be deemed equivalent to the giving of said notice.

SECTION 6. QUORUM. As provided in the Association's Indenture, twenty-five percent (25%) of all voting members in good standing shall constitute a quorum for any meeting. Proxy votes shall not be counted for quorum purposes but shall be counted for voting purposes.

SECTION 7. VOTING LISTS. The Board of Directors, having charge of the transfer books for shares of the Association, shall make at least ten days before each meeting of the Unit Owners a complete list of the Unit Owners entitled to vote at such meeting, arranged in alphabetical order, with the address of and the number of shares held by each, which list, for a period of ten days prior to such meeting, shall be kept on file at registered office of the Association and shall be subject to inspection by any Unit Owner, and to copying at the Unit Owner's expense, at any time during usual business hours. Such list shall also be produced and kept open at the time and place of the meeting and shall be subject to the inspection of any Unit Owner during the whole time of the meeting. The original share ledger or transfer book, or a duplicate thereof kept in the State of Missouri, shall be prima facie evidence as to who are the Unit Owners entitled to examine such list or share ledger or transfer book or to vote at any meeting of Unit Owners.

SECTION 8. VOTING. Only one person shall be entitled to vote for the Owners of each Unit, provided such person is in good standing with the Association and shall be known as the "Voting Member". Should more than one person own a Unit, the Voting Member shall be designated by all owners in writing, properly filed with the Association. Any such designation may be revoked at any time in writing properly filed with the Association. Should the same person or persons own more than one Unit, the same Voting Member may be designated for each Unit, and, in thus event, he or she shall have one vote for each such Unit. A corporation, if an Owner, shall act through its president or through such other officers or Director designates in writing.

SECTION 9. NO CUMULATIVE VOTING. In all elections, no cumulative voting is permitted and, if attempted, will render the ballot null and void for voting purposes but not for

quorum purposes.

SECTION 10. PROXIES. A Voting Member may vote either in person or by proxy. All proxies must be in writing, signed and dated by the Voting Member and must be presented to the person designated the election secretary on the day of any election or within ten (10) days immediately preceding said election. While revocable prior to presentment, all proxies shall be irrevocable once presented to the election secretary.

SECTION 11. VOTE CERTIFICATION AND BALLOT DESTRUCTION. In all elections and other votes of the owners, two election judges should be designated by the Board of Directors to tabulate the votes cast. Each election judge shall be an owner in good standing but shall not be a member of the Board of Directors, nor a candidate for the Board of Directors. The secretary shall certify the vote tabulation and notify owners of the result. Following certification of the vote tabulation, the secretary shall cause all ballots and proxies to be permanently sealed. If no challenge of the vote tabulation and results is raised by an owner within thirty days of the vote, the sealed ballots and proxies may be destroyed.

### **ARTICLE III** **DIRECTORS**

SECTION 1. AUTHORITY. The Association shall have a Board of Directors and the property and business of the Association shall be controlled and managed by the Board of Directors.

SECTION 2. NUMBER, ELECTION AND DURATION. The number of Directors of the Association shall be six (6) as stated in the Articles of Incorporation and the Indenture. Each Director shall be elected to and shall serve a term of two (2) years. To promote continuity on the Board of Directors, the terms shall be staggered such that three (3) Directors shall be elected to the Board of Directors each year.

SECTION 3. NOTICE TO SECRETARY OF STATE. The Association shall give written notice to the Secretary of State of the number of Directors of the Association. The notice shall be given within thirty days of the date when the number of Directors is fixed, and similar notice shall be given whenever the number of Directors is changed.

SECTION 4. VACANCIES. Should any Director cease to be a Unit Owner or if he or she shall die or resign or suffer other disability, his or her term of office shall thereupon automatically terminate and the remaining Directors shall appoint a new Director as provided in the Indenture.

SECTION 5. REMOVAL. A Director may be removed for cause by a majority vote of the Unit Owners and, in such event, said vacancy shall be filled in the same manner as any other vacancy as set forth in Section 4 of this Article.

SECTION 6. QUORUM. Attendance by four (4) of the Board of Directors shall constitute

a quorum for the transaction of business at a meeting of the Board of Directors, and the act of the majority of such quorum present at any such meeting shall be the act of the Board of Directors.

SECTION 7. REGULAR MEETINGS. Meetings of the Board of Directors shall be held at regular intervals at a time and place established by the Board.

SECTION 8. SPECIAL MEETINGS. A special meeting of the Board of Directors may be held and said meeting may be called at the request of the president or any two members of the Board of Directors.

SECTION 9. ATTENDANCE AT MEETINGS. Unless specifically prohibited by the articles of incorporation, members of the Board of Directors or of any committee of the Board of Directors may participate in and act at any meeting of such board or committee through the use of a conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other. Participation in such meeting shall constitute attendance and presence in person at the meeting of the person or persons so participating.

SECTION 10. NOTICE. Notice of any special meeting shall be given at least 5 days previous thereto by written notice to each Director at such Director's address. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail so addressed, with postage thereon prepaid. The attendance of a Director at any meeting shall constitute a waiver of notice of such meeting except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting.

SECTION 11. PRESUMPTION OF ASSENT. A Director of the Association who is present at a meeting of the Board of Directors at which action on any corporate matter is taken shall be conclusively presumed to have assented to the action taken unless his dissent is entered in the minutes of the meeting or unless he files his written dissent to such action with the person acting as the secretary of the meeting before the adjournment thereof or forwards such dissent by registered or certified mail to the secretary of the Association immediately after the adjournment of the meeting. Such right to dissent does not apply to a Director who voted in favor of such action.

SECTION 12. COMPENSATION. The Board of Directors, in accordance with the Association's Indentures shall serve without compensation.

SECTION 13. COMMITTEES. The Board of Directors, by resolution adopted by a majority of the whole board, may designate two or more Unit Owners to constitute a committee. Each such committee, to the extent provided in the resolution or in the bylaws of the Association, shall have and exercise all of the authority of the Board of Directors in the management of the Association; but the designation of such committee and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any member thereof, of any responsibility imposed upon

it or him by the General and Business Association Law of this State.

SECTION 14. COLLECTION OF ASSESSMENTS. The Board of Directors shall use its best efforts to ensure collection of all assessments (monthly, special and other). While the Board of Directors shall not forgive or waive any such assessment, the Board of Directors, in its sole judgment, may decide, upon good cause shown, to delay collection and may decide to waive interest, late fees, attorney fees and/or court costs in the collection of monies owed the Association.

#### **ARTICLE IV** **OFFICERS**

SECTION 1. NUMBER. The officers of the Association shall consist of a president, a treasurer, a secretary, and such other officer as may be needed in the judgment of the Board of Directors. All officers shall also be a member of the Board of Directors and elected by the Directors.

SECTION 2. ELECTION AND TERM OF OFFICE. The officers of the Association shall be elected annually by the Board of Directors at the first meeting of the Board of Directors held after the election of the new Directors at the annual meeting of Unit Owners. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as practicable. Each officer shall hold office until such officer's successor shall have been duly elected and qualified or until his death or until he shall resign or shall have been removed in the manner herein provided.

SECTION 3. VACANCIES. Vacancies because of death, resignation, removal, disqualification or otherwise may be filled by the Board of Directors for the unexpired portion of the term.

SECTION 4. REMOVAL. Any officer may be removed by the Board of Directors whenever in its judgment the best interests of the Association will be served.

SECTION 5. SALARIES OR COMPENSATION. All officers and Board Members of the Association shall serve without compensation.

SECTION 6. BOND. The Board of Directors, by resolution, may require the officers and agents of the Association, or any of them, to give bond to the Association, in sufficient amount and with sufficient surety, to secure the faithful performance of their duties, and to comply with such other conditions as the Board of Directors may from time to time require.

SECTION 7. THE PRESIDENT. The president shall be the principal executive officer of the Association. Subject to the control of the Board of Directors, he shall in general supervise and control all of the business and affairs of the Association. The president shall preside at all meetings of the Unit Owners and of the Board of Directors and in general shall perform all duties incident to the office of president and such other duties as may be prescribed by the Board of Directors from time to time.

SECTION 8. THE SECRETARY. The secretary shall a) keep the minutes of the proceedings of the Unit Owners and of the Board of Directors in one or more books provided for that purpose; b) see that all notices are duly given in accordance with the provisions of these by-laws or as required by law, c) be custodian of the corporate records and of the seal of the Association; d) keep a register of the address of each Unit Owner which shall be furnished to the secretary by such Unit Owner; e) certify these by-laws, resolutions of the Unit Owners and Board of Directors and committees thereof, and other documents of the Association as true and correct copies thereof; and f) in general perform all duties incident to the office of secretary and such other duties as are prescribed by these by-laws or the Act or as from time to time may be assigned to the secretary by the president or by the Board of Directors.

SECTION 9. THE TREASURER. The treasurer shall a) have charge and custody for all of the funds and securities of the Association and have charge and be responsible for the maintenance of adequate books of account for the Association; b) receive and give receipts for moneys due and payable to the Association from any source whatsoever, and deposit all such moneys in the name of the Association in such banks, trust companies or other depositories as the Board of Directors may select; and c) in general perform all of the duties incident to the office of the treasurer and such other duties as from time to time may be assigned to the treasurer by the president or by the Board of Directors. If required by the Board of Directors, the treasurer shall give a bond for the faithful discharge of his or her duties in such sum and with such surety or sureties as the Board of Directors shall determine.

#### **ARTICLE V** **FISCAL YEAR**

The fiscal year of the Association shall be from January 1 to December 31 of each year.

#### **ARTICLE VI** **WAIVER OF NOTICE**

Whenever any notice is required to be given under the provisions of the Articles of Incorporation, the Declaration or these By-Laws, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice. Attendance at any meeting shall constitute waiver of notice thereof unless the person at the meeting objects to the holding of the meeting because proper notice was not given.

#### **ARTICLE VII** **AMENDMENTS**

The By-Laws of the Association may be amended or repealed and new By-Laws may be adopted by the vote of four (4) of the six (6) Directors.

Adopted on this 26 day of June, 2006.

Thomas L. Szilasi

President

Chapter One Residents Association

Attest:

Susan D. Doolittle

Secretary

STATE OF MISSOURI

)

SS.

COUNTY OF ST. CHARLES

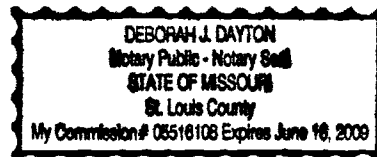
)

On the 26 day of June, 2006, before me personally appeared Thomas L. Szilasi, President and Susan D. Doolittle, Secretary of Chapter One Residents Association who affirm that the foregoing instrument was signed on behalf of Chapter One Residents Association.

Deborah J. Dayton

Notary Public

My Commission Expires:



# **CHAPTER ONE RESIDENTS ASSOCIATION (CORA) POLICIES/PROCEDURES**

## **Storm Doors:**

Storm door purchase, maintenance, repair and replacement are a Unit Owner responsibility. All doors must be "full light" style. CORA will paint storm doors as needed and bill the Owner. When purchasing storm doors, only the following colors are approved:

- 1 CORA "Barn Red"
2. Teal Green
3. Brown/Bronze
4. Black

## **Snow Removal:**

Owners of the (13) "Elliott Style" condos are entitled to front entry snow removal as these units do not have entry to their garage from inside the unit. Driveways and mailbox areas will be cleared after the "Elliott's" are completed, and then the clubhouse entry and finally sidewalks.

## **Garage Roofs / Second Floor Decks**

For Owners who have a second floor deck with roofing membrane (ie, over the garage) CORA is responsible for the roof membrane repairs and leaks, except in situations where the present or previous Owner has placed an indoor / outdoor carpeting (ie, astro turf type material) on the roof membrane, in which case the Owner becomes responsible for roof repairs and leaks to the membrane.

The Owner is responsible for garage roof wooden / walk-on decking care and replacement. CORA is only responsible for the membrane repairs and leaks. Removal of the wooden decking or other material for repair of the roof is the responsibility of the Owner.

Any changes or alterations to deck areas shall require approval from the Board of Directors prior to any work beginning.

## **Exterior Inspection:**

CORA is responsible for annual inspections of the building exterior, and treatment if required, to control damaging or unhealthy insects, e.g., termites, bees, wasps, hornets carpenter ants, etc.

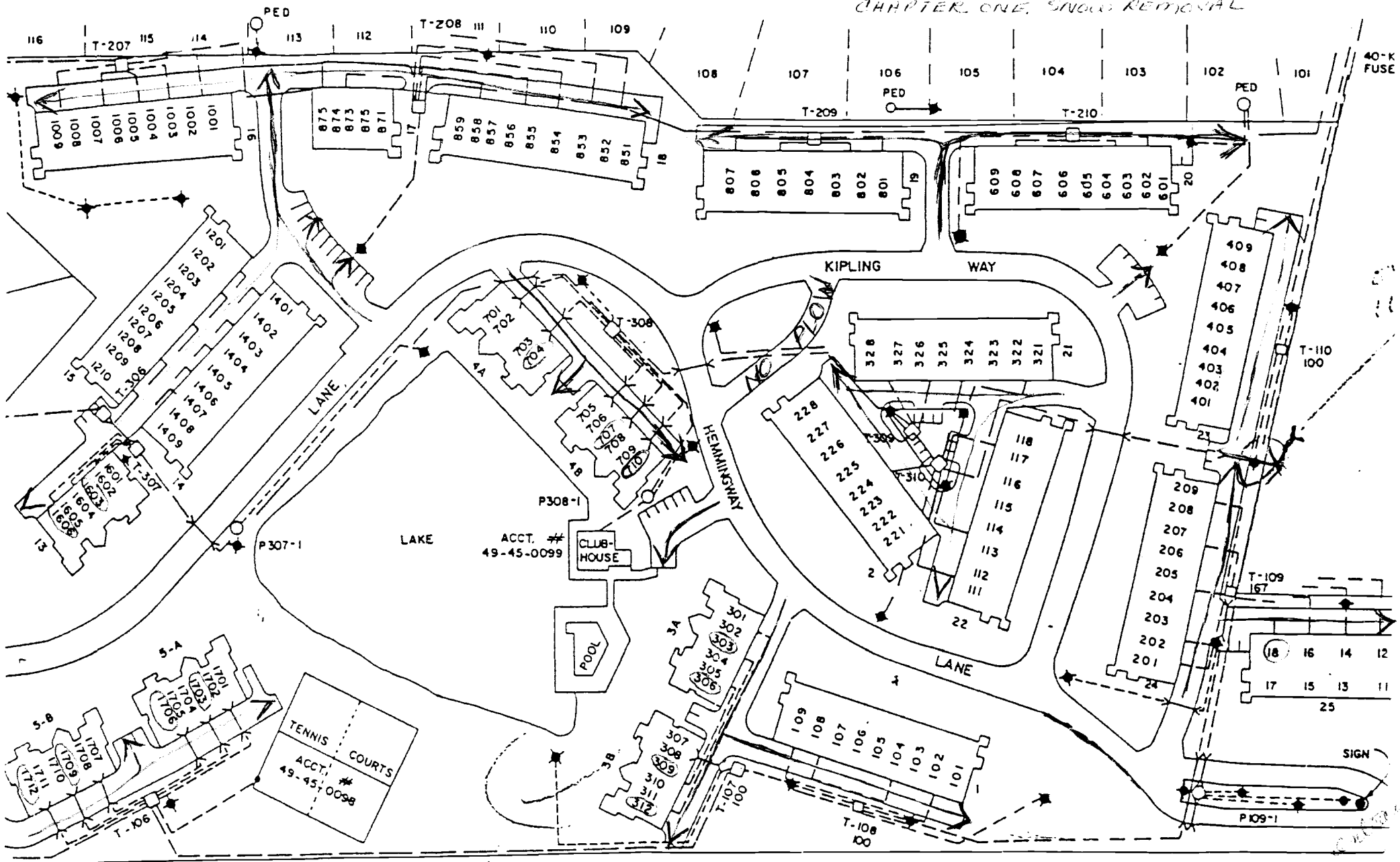
### Property Liens:

1. Owners failing to pay association dues or special assessments in accordance with prescribed policies/indentures are subject to having a lien placed on their property. Such liens will be preceded by a "pre-lien" letter [except #3 below] sent to the Owner by certified mail, return receipt requested, notifying the owner of an impending lien.
2. If the Owner makes no payment effort, or fails to initiate a working agreement with management, then a lien will be placed on the property.
3. A repeat failure to pay association dues or special assessments after one lien filing will result in no "pre-lien" letter being sent. Instead, management will directly file a lien on said property.

### Satellite Dish Policy:

Owners must submit an application for installation of any satellite dish. A satellite dish may not be installed until verbal or written approval has been received from the CORA Board of Directors. The following conditions are required for approval:

- A. Dish may not exceed 18" in diameter.
- B. The Dish must be painted a dark brown color.
- C. Dish must be concealed from view as much as possible from the main streets and neighboring buildings.
- D. All wiring must be installed in a neat and orderly manner to minimize any visibility.



**IMPORTANT!!** THERE ARE 13 UNITS (called Elliotts) THAT HAVE **OUTSIDE STEPS WHICH MUST BE CLEARED**. THEY ARE

MARKED IN RED AND THE UNIT ADDRESSES ARE ALL ON HEMMINWAY: 303, 306, 309, 312, 704, 707, 710,

1603, 1606, 1703, 1706, 1709 and 1712 + 18 on foot bridge

THESE UNITS ARE ABOVE GARAGES ON THE **BACK** SIDES OF THE BLDGS.

THEY MUST BE SWEEPED OR BLOWN - NO CHEMICALS.

County will plow Hemminway & Kipling.