

ARTICLE VII

Management of the Regime

- 1. Association; Council of Co-owners.** The operation of the condominium shall be by a non-profit membership corporation organized and existing under Chapter 504A, Code of Iowa. The name of the Association shall be Forest Greens Condominium Association. Copies of its Articles of Incorporation and By-Laws are attached hereto as Exhibits "D" and "E" respectively. Whenever a vote or other action of unit owners as a group is required the mechanics of conducting such a vote or taking such action shall be under the control and supervision of the Association. The action of the Association shall constitute the action of the owners or the Council of Co-owners whenever such action is permitted or required herein or by Chapter 499B of the Code of Iowa.
- 2. Compliance.** All owners, tenants, families, guests and other persons using or occupying the regime shall be bound by and strictly comply with the provisions of the Bylaws of the Association and applicable provisions of other condominium documents, and all agreements, regulations and determinations lawfully made by the Association and its directors, officers or agents shall be binding on all such owners and other persons. A failure to comply with the By-Laws or the provisions of the other condominium documents or any agreement or determination thus lawfully made shall be grounds for an action to recover sums due for damages on the part of the Association or any owner as applicable and any mandatory or other injunctive relief without waiving either remedy.
- 3. Power of Association.** Each owner agrees that the Association has and shall exercise all powers, rights and authority granted unto it, the Council of Co-owners and the owners as a group by Chapters 499B and 504A of the Code of Iowa, and such as are more particularly set forth in the condominium documents, including but not limited to the making of assessments chargeable to owners and the creation of a lien on units thereof and acquiring a unit at foreclosure sale and holding, leasing, mortgaging or conveying the same. Each owner hereby waives any rights to delay or prevent such foreclosure by the Association which he/she may have by reason of a homestead exemption.
- 4. Partition.** All unit owners shall be deemed to have waived all rights of partition, if any, in connection with such acquisition.
- 5. Membership Voting Rights.** The members of the Association shall consist of all of the record owners of units. After receiving the approval of the Association elsewhere required, change of membership in the Association shall be established by recording in the public records of Linn County, Iowa, a deed or other instrument establishing a record title to a unit in the condominium. The membership of the prior owner shall be thereby terminated. The members of the Association shall be entitled to cast one vote for each unit owned by such member.
- 6. Restraint upon Assignment.** The share of a member in the funds and assets of the Association cannot be assigned, hypothecated or transferred in any manner except as an appurtenance to his unit.

7. Board of Directors. The affairs of the Association shall be conducted by a Board of Directors who shall be designated in the manner provided in the By-Laws. The Board may employ a manager or managerial service company and delegate various responsibilities to such person as more particularly described in the By-Laws. The management fee shall be a common expense.

8. Discharge of Liability. All owners shall promptly discharge any lien which may hereafter be filed against their condominium unit.

9. Limitation of Association's Liability. The Association shall not be liable for any injury or damage to property whatsoever unless caused by the gross negligence of the Association. No diminution or abatement of common expense assessments shall be claimed or allowed for inconvenience or discomfort arising from the making of repairs or improvements of the common elements or from any action taken to comply with any law, ordinance or orders of a government authority.

10. Indemnification of Directors and Officers. Every director and every officer of the Association shall be indemnified by the Association against all expenses and liabilities, including legal fees, reasonably incurred by or imposed upon him/her in connection with any proceeding to which he/she may be a party, or in which he/she may become involved, by reason of his/her being or having been a director or officer of the Association, or any settlement thereof, whether or not he/she is a director or officer at the time such expenses are incurred, except in such cases wherein the director or officer is adjudged guilty of willful misfeasance or malfeasance in the performance of his/her duties; provided that in the event of a settlement the indemnification herein shall apply only when the Board of Directors approves such settlement and reimbursement as being for the best interests of the Association. The foregoing rights of indemnification shall be in addition to and not exclusive of all other rights to which such director or officer may be entitled.

11. Agent to Receive Service of Process. The following person, who is a resident of the State of Iowa, is designated as agent to receive service of process upon the Association:

Name

Michael E. Hodge

Address

711 South Gilbert Street
Iowa City, IA 52240