

BY-LAWS
OF
WOODLAND CONDOMINIUM ASSOCIATION, INC.

ARTICLE I
Identification and Applicability

Section 1.01. Identification and Adoption. These By-Laws are adopted simultaneously with the execution of a certain Declaration creating Woodland Condominium to which these By-Laws are attached and made a part thereof. These By-Laws shall be the By-Laws of the Association of owners of the units in said condominium known as Woodland Condominium Association, Inc. The Declaration is incorporated herein by reference, and all of the covenants, rights, restrictions and liabilities therein contained shall apply to and govern the interpretation of these By-Laws. The definitions and terms as defined and used in the Declaration shall have the same meaning in these By-Laws and reference is specifically made to Article II of the Declaration containing definitions of terms. The provisions of these By-Laws shall apply to the Property and the administration and conduct of the affairs of the Association.

Section 1.02. Individual Application. All of the co-owners, future owners, and their guests, invitees, and licensees, or any other person that might use or occupy units or any part of the Property, shall be subject to the rules, restrictions, terms and conditions set forth in the Declaration, these By-Laws and the Act.

ARTICLE II
The Association

Section 2.01. Name and Nature of Association. The Association shall be called Woodland Condominium Association, Inc. (the "Association").

Section 2.02. Membership. Each unit owner upon acquisition of title to a unit, shall automatically become a member of the Association. Such membership shall terminate upon the sale or other disposition by such member of his unit ownership, at which time the new owner of such unit shall automatically become a member of the Association.

ARTICLE III

Meetings of the Association

Section 3.01. Purpose of Meetings. At least annually and at such other times as may be necessary, a meeting of the co-owners shall be held for the purpose of electing the Board of Directors, adopting the annual budget, providing for the collection of common expenses, and for such other purposes as may be required by the Declaration, these By-Laws, or the Act.

Section 3.02. Annual Meetings. The annual meeting shall be held on the second Tuesday in August of each calendar year, or at such other time in August of each calendar year as the Board of Directors shall determine. At the annual meeting the owners shall elect a Board of Directors of the Association in accordance with the provisions of these By-Laws, adopt the annual budget, and transact such other business as may properly come before the meeting.

Section 3.03. Special Meetings. A special meeting of the members of the Association may be called by resolution of the Board of Directors, or upon a written petition of the co-owners who have not less than a majority of the percentage vote. The resolution or petition shall be presented to the President and Secretary of the Association and shall state the purpose for which the meeting is to be called. No business shall be transacted at a special meeting except as stated in the petition or resolution.

Section 3.04. Notice and Place of Meeting. All meetings of the members of the Association shall be held at a suitable place in Vanderburgh County, Indiana, as may be designated by the Board of Directors. Written notice stating the date, time, and place of the meeting, and, in the case of a special Meeting, the purpose or purposes for which the meeting is called, shall be personally served or mailed

by the Secretary of the Association, or his representative, to each co-owner and, if applicable, to any mortgagee, not less than seven (7) days prior to the date of such meeting. If mailed, the notice shall be addressed to each co-owner at his, her, or its address as it appears upon the records of the Association and to the mortgagee at the address as it appears upon the records of the Association. Notice of the time, place and purposes of any meeting of members of the Association may be waived in writing, either before or after the holding of such meeting, by any member of the Association, which writing shall be filed with or entered upon the records of the meeting. The attendance of any member of the Association at any such meeting without protest, prior to or at the commencement of the meeting, shall be deemed to be a waiver by him of the lack of proper notice of such meeting.

Section 3.05. Action Without a Meeting. All actions which may be taken at a meeting of the Association, except an action for the removal of a member of the Board of Directors, may be taken without a meeting with the approval of, and in a writing or writings signed by the members of the Association having the percentage of voting power required to take such action if the same were taken at a meeting. Such writing or writings shall be filed with the Secretary of the Association.

Section 3.06. Voting.

(a) Number of Votes. Each owner shall be entitled to cast that number of votes on each matter coming before the meeting which is equal to the percentage vote to which the Owner is entitled. For the purpose of illustration an owner with a percentage interest of 8.1151 would be entitled to cast 8.1151 votes. All votes to which an owner is entitled must be cast together and may not be split;

(b) Multiple Owners. Where the owner of a unit constitutes more than one person, or is a partnership, there shall be only one voting representative entitled to all the percentage vote allocable to that unit. At the time of acquisition of title to a unit by a multiple owner or a partnership, those persons constituting such owner or the partnership shall file with the Secretary of the Association a written proxy appointing one of such persons or partners as the voting representative for such unit, which shall remain in effect until the appointment is revoked in writing, the representative relinquishes such appointment in writing, becomes incompetent, dies, or such appointment is otherwise

rescinded by order of a court of competent jurisdiction. Such appointed voting representative may grant a proxy to another person to vote in his place at a particular meeting or meetings pursuant to Paragraph (d) of this Section 3.06, which will not constitute a permanent relinquishment of his right to vote as a voting representative for the unit;

(c) Voting by a Corporation or Trust. Where a corporation or trust is an owner or is otherwise entitled to vote, the trustee may cast the percentage vote on behalf of the trust and the agent or other representative of the corporation duly empowered by the Board of Directors of such corporation shall cast the percentage vote to which the corporation is entitled;

(d) Proxy. Members may vote or act in person or by proxy. The person appointed as proxy need not be a member of the Association. Designation by a member or members of a proxy to vote or act on his, her, its or their behalf shall be made in writing to the Secretary of the Association and shall be revocable at any time by actual notice to the Secretary of the Association by the member or members making such designation. Notice to the Association in writing or in open meeting of the revocation of the designation of a proxy shall not affect any vote or act previously taken or authorized; and

(e) Quorum. Except where otherwise expressly provided in the Declaration, these By-Laws, or the Act, the members of the Association representing a majority of the percentage vote present in person or by proxy shall constitute a quorum for such meeting. The term majority of percentage vote, as used in these By-Laws, shall mean the owners entitled to not less than fifty-one percent (51%) of the percentage vote in accordance with the applicable percentages set forth in the Declaration. The acts approved by a majority of the voting power present in person or by proxy shall constitute the acts of the Association; provided, however, that no action required by the Act, by the Declaration, or by these By-Laws to be authorized or taken by a designated percentage of the voting power of the Association may be authorized or taken by a lesser percentage.

Section 3.07. Conduct of Meetings. The chairman of the meeting shall be the President of the Association, or in his absence, the Vice-President of the Association. He shall call the meeting to order at the duly designated time and business shall be conducted in the following order:

(a) Ascertainment of Quorum. For the purpose of determining whether or not a quorum is present, the Secretary shall call the roll of members or take such other action as may be required to establish that a quorum is present;

(b) Reading of Minutes. The Secretary shall read the minutes of the last annual meeting and the minutes or any special meeting held subsequent thereto;

(c) Reports of Officers and Committees. The officers and chairmen of committees shall make such reports as may be appropriate. If the meeting is the annual meeting, the Treasurer shall report to the co-owners concerning the financial condition of the Association and answer relevant questions of the owners concerning the common expenses, the financial report for the prior year, and the proposed budget for the current year;

(d) Budget. If the meeting is the annual meeting, the proposed budget for the current calendar year shall be presented to the co-owners for approval or amendment;

(e) Nomination and Election of Board of Directors. If the meeting is an annual meeting, an election of the Board of Directors shall be held. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made by any owner from the floor at the annual meeting, or by a written nomination submitted by any owner to the Board at least ten (10) days prior to the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors and two (2) or more members of the Association. The Nominating Committee shall be appointed by the Board of Directors at or prior to each annual meeting of the members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Voting for the Board of Directors shall be by paper ballot, unless otherwise agreed by a majority of the members present. The ballot shall contain the name of each person nominated to serve as a Board member. Each owner may cast the total number of votes to which he is entitled for as many nominees as are to be elected; however, he shall not be entitled to accumulate his votes. Those persons receiving the highest number of votes shall be elected. Each voting owner shall sign his ballot;

(f) Other Business. Such other business, old or new, may then be brought before the meeting; and

(g) Adjournment. Following the completion of the presentation of such other business as may come before the meeting, the meeting shall adjourn.

ARTICLE IV

Board of Directors

Section 4.01. Number. Affairs of the Association and Woodland Condominium shall be governed and managed by the Board of Directors (hereinabove and hereinafter sometimes collectively called "Board" or "Directors", and individually called "Director"). The Board of Directors shall be composed of seven (7) persons.

Section 4.02. Qualifications. No person shall be eligible to serve as a Director unless he is an owner. Where an owner consists of more than one person or is a partnership, corporation, trust or other legal entity, then one of the persons constituting the multiple owner, or a partner or an officer or trustee shall be eligible to serve on the Board of Directors, except that no single unit may be represented on the Board of Directors by more than one person at a time.

Section 4.03. Term of Office and Vacancy. The Board of Directors shall be elected at each annual meeting of the Association. In the event of the death or resignation of any Director or Directors elected at an annual meeting, the vacancy or vacancies created thereby shall be filled by a vote of the majority of the remaining Directors or by a vote of the co-owners if a Director is removed in accordance with Section 4.04 of this Article IV.

Section 4.04. Removal of Directors. A Director or Directors may be removed with or without cause by vote of a majority of the percentage vote at a special meeting of the co-owners duly called and constituted. In such case, his successor shall be elected at the same meeting from eligible owners nominated at the meeting. A Director so elected shall serve until the next annual meeting of the co-owners or until his successor is duly elected and qualified.

Section 4.05. Meetings.

(a) Organizational Meeting. Immediately after each annual meeting of the members of the Association, the Directors shall hold an organizational meeting for the purpose of electing officers and transacting any other business. Notice of such meeting need not be given;

(b) Regular Meetings. Regular meetings of the Board of Directors may be held at such times and places as shall be determined by a majority of the Directors;

(c) Special Meetings. Special meetings of the Board of Directors may be held at any time upon call by the President or any two (2) Directors. Notice of the time and place of each such meeting shall be given to each Director by a method as determined by the Board at least two (2) days before the meeting, which notice need not specify the purposes of the meeting; provided, however, that attendance of any Director at any such meeting without protesting (prior to or at the commencement of the meeting) the lack of proper notice shall be deemed to be a waiver by him of notice of such meeting and such notice may be waived in writing either before or after the holding of such meeting, by any Director, which writing shall be filed with or entered upon the records of the meeting. Unless otherwise indicated in the notice thereof, any business may be transacted at any organizational, regular, or special meeting;

(d) Quorum. A quorum of the Board of Directors shall consist of a majority of the Directors then in office; provided that a majority of the Directors present at a meeting duly held, whether or not a quorum is present, may adjourn such meeting from time to time; and if any meeting is adjourned, notice of such adjournment need not be given if the time and place to which such meeting is adjourned are fixed and announced at such meeting; and

(e) Action Without a Meeting. All actions which may be taken at a meeting of the Board of Directors may be taken without a meeting with the approval of, and in a writing or writings signed by, all of the Directors. Such writing or writings shall be filed with the Secretary of the Association.

Section 4.06. Duties of the Board of Directors. Except as otherwise provided by law, the Declaration, or these By-Laws, all power and authority of the Association shall be exercised by the Board of Directors. The Board shall provide for the administration of the Association, the maintenance, upkeep, and replacement of the general and limited

common areas, and the collection and disbursement of the common expenses. These duties include, but are not limited to:

(a) Protection, surveillance, repair, maintenance, and replacement of the general common areas and the limited common areas;

(b) Procuring utilities used in connection with the Association, removal of garbage, debris and waste, and snow removal from the general common areas;

(c) Landscaping, painting, decorating, maintaining and furnishing the general common areas, and limited common areas;

(d) Surfacing, paving, repairing and maintaining driveways, streets and sidewalks;

(e) Assessment and collection from each of the owners of said owner's pro-rata share of the common expenses;

(f) Procurement of fire and extended coverage insurance covering the Property for the benefit of the owners and the Association as may be provided for in the Declaration, the Act, of these By-Laws;

(g) Preparation of the proposed annual budget;

(h) Keeping a book with a detailed account of the receipts and expenditures effecting the Property and its administration and specifying the maintenance and repair expenses of the common areas and any other expenses incurred by or in behalf of the condominium, which book and vouchers accrediting the entries made thereof shall be available for examination by all the co-owners at convenient hours on working days that shall be set and announced for general knowledge, and which books and records shall be kept in accordance with good accounting procedures and be audited at least once a year by an auditor outside of the Association;

(i) Preparing and delivering annually to the co-owners a full accounting of all receipts and expenses incurred in the prior year, which accounting shall be delivered to each owner simultaneously with delivery of the annual budget;

(j) Interpreting, applying, and enforcing all rules and regulations established by the Declaration, these By-Laws, or the Board, and the determination of whether improvements constitute general common areas or limited common areas; and

(k) Enforce the lien against any unit for which assessments are not paid in accordance with the provisions of the Declaration and these By-Laws, or to bring an action at law against the owner personally obligated to pay the same.

Section 4.07. Powers of the Board of Directors. The Board of Directors shall have such powers as are reasonable and necessary to accomplish the performance of their duties. These powers include, but are not limited to, the power to:

(a) Employ a managing agent or a real estate management company (either being hereinafter referred to as "managing agent") to assist the Board in performing its duties, to purchase for the benefit of the co-owners such equipment, materials, labor and services as may be necessary in the judgment of the Board of Directors for maintenance, repair and replacement of the common areas as evidenced by payment vouchers acknowledged by the supplier or laborer and certified by the Secretary as having been supplied or performed;

(b) Employ legal counsel, architects, contractors, accountants and others as in the judgment of the Board of Directors may be necessary or desirable in connection with the business and affairs of the Association;

(c) Include the cost of all of the above and foregoing as common expenses and pay all such costs therefrom;

(d) Open and maintain a bank account or accounts in the name of the Association;

(e) Adopt, revise, amend and alter from time to time reasonable rules and regulations with respect to the use, occupancy, operation and enjoyment of the Property;

(f) Grant easements and rights of way of every kind and nature over and across the Property for the benefit of the Property or adjoining properties and authorize an officer or officers of the Association to execute and deliver, for and on behalf of the Association, such conveyances, instruments and documents as may be necessary to effectuate any such grant;

(g) Exercise for the Association all powers, duties, and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these By-Laws or the Declaration, and authorize and direct an officer or officers of the Association to execute and deliver, for and on behalf of the Association such documents and instruments as may be necessary or required in the exercise of said powers, duties and authority; and

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

Section 4.08. Limitation on Board Action. The authority of the Board of Directors to enter into contracts shall be limited to contracts involving a total expenditure of less than Five Thousand Dollars (\$5,000) without obtaining the prior approval of a majority of the percentage vote, except in the following cases:

(a) Contracts for replacing or restoring portions of the common areas damaged or destroyed by fire or other casualty or contracts for restoring portions of the building or units in need of repair;

(b) Proposed contracts and proposed expenditures set forth in the annual budget as approved by the co-owners at the annual meeting; or

(c) Contracts for repairs, replacement or maintenance of improvements within the Property or affecting any property constituting all or a portion of the Property where delay of said repair, replacement or maintenance would increase substantially the cost and expense of the same and/or would subject the Property or the persons therein to substantial risk of injury or damage.

Section 4.09. Compensation. No Director shall receive any compensation for his services as such, except to such extent as may be expressly authorized by the majority of the percentage vote of the owners. However, any Director may at any time be reimbursed for his actual expenses incurred in the performance of his duties, and such reimbursement shall not require express approval of all of the owners or any portion thereof.

Section 4.10. Nonliability and Indemnity of Directors. The Directors shall not be liable to the co-owners for any error or mistake of judgment in exercising and carrying out their duties and responsibilities as Directors, except for their own individual willful misconduct, bad faith or gross negligence. The co-owners shall indemnify and hold harmless each of the Directors against any and all liability to any person, firm, or corporation arising out of contracts made by the Board on behalf of the Association unless any such contracts shall have been made in bad faith or contrary to express provisions of the Declaration or By-Laws. It is intended that the Directors shall have no personal liability with respect to any contract made by them on behalf of the Association and that in all matters the Board is acting for and on behalf of the co-owners as their agent. The liability of any owner arising out of any contract made by the Board or out of the aforesaid indemnity in favor of the Directors shall be limited to such percentage of the total liability or obligation

thereunder as is equal to his percentage interest. Every contract made by the Board or the managing agent on behalf of the Association shall provide that the Board of Directors and the managing agent, as the case may be, is acting as agent for the co-owners and shall have no personal liability thereunder, except in their capacity as owners and then only to the extent of their percentage interest. Co-owners shall indemnify any person, his heirs, assigns, and legal representatives, made a party to any action, suit, or proceeding by reason of the fact that he is or was a Director of the Association against the reasonable expenses, including attorneys' fees, actually and necessarily incurred by him in connection with the defense of such action, suit, or proceeding, or in connection with any appeal therein, except as otherwise specifically provided herein in relation to matters as to which it shall be adjudged in such action, suit, or proceeding that such Director is liable for gross negligence or misconduct in the performance of his duties. The co-owners shall also reimburse any such Director for the reasonable cost of settlement of any judgment rendered in any action, suit, or proceeding, unless it shall be established that the Director was guilty of gross negligence or misconduct. In making such findings and notwithstanding the adjudication in any action, suit, or proceeding against a Director, no Director shall be considered or deemed to be guilty of or liable for negligence or misconduct in the performance of his duties where, acting in good faith, such Director relied on the books and records of the Association or statements or advice made by or prepared by the managing agent or any officer or employee thereof, or any accountant, attorney, or other person, firm or corporation employed by the Association to render advice or service unless such Director had actual knowledge of the falsity or incorrectness thereof; nor shall a Director be deemed guilty of or liable for negligence or misconduct by virtue of the fact that he failed or neglected to attend a meeting or meetings of the Board of Directors.

ARTICLE V

Officers

Section 5.01. Officers of the Association. The principal officers of the Association shall be the President, Vice-President, Secretary, and Treasurer. The Board may from time to time appoint and elect such officers as in their judgment may be necessary. Any two offices may be held by the same person, except that the duties of the President shall be exclusive, and the President shall not hold any other office.

Section 5.02. Election of Officers. The officers of the Association shall be elected annually by the Board at the initial meeting of each new Board. Upon an affirmative vote of a majority of all members of the Board, any officer may be removed either with or without cause and his successor elected at any regular meeting of the Board or in any special meeting of the Board called for such purpose.

Section 5.03. The President. The President shall be elected from among the Directors and shall be the chief executive officer of the Association. He shall preside at all meetings of the Board of Directors and at all meetings of the Association, and subject to directions of the Board of Directors, the President shall have general executive supervision over the business and affairs of the Association and shall have and discharge all the general powers and duties usually vested in the office of a president or chief executive officer of an association organized under the laws of the State of Indiana. He may execute all authorized deeds, contracts and other obligations of the Association and shall have such other authority and shall perform such other duties as may be determined by the Board of Directors or otherwise provided for in the Declaration or in these By-Laws.

Section 5.04. The Vice-President. The Vice-President shall be elected from among the Directors and shall perform all duties encumbered upon the President during the absence or disability of the President. The Vice-President shall also perform such other duties as these By-Laws may prescribe or as shall, from time to time, be imposed upon him by the Board or by the President.

Section 5.05. The Secretary. The Secretary shall be elected from among the Directors. The Secretary shall attend all meetings of the Association and of the Board and shall keep or cause to be kept a true and complete copy of the proceedings of such meetings, shall perform all other duties incident to the office of the Secretary, and such other duties as, from time to time, may be prescribed by the Board. The Secretary shall specifically see that all notices of the Association or the Board are given, mailed, or delivered, in accordance with the provisions of these By-Laws.

Section 5.06. The Treasurer. The Treasurer shall be elected from among the Directors. The Treasurer shall maintain a correct and complete record of account showing accurately at all times the financial condition of the Association and such other duties

incident to the office of Treasurer. He shall be the legal custodian of all monies, notes, securities and other valuables which may from time to time come into possession of the Association, He shall immediately deposit all funds of the Association coming into his hands in some reliable bank or other depository to be designated by the Board and shall keep such bank account in the name of the Association.

Section! 5.07. Other Officers. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section.5.08. Committees. The Board of Directors shall appoint a nominating committee as provided in these By-Laws. In addition, the Board of Directors shall appoint such other committees as deemed appropriate in carrying out its purpose.

Section 5. 09. Bond. The Board of Directors shall require the Treasurer and Managing Agent, and may require such other officers as the Board deems necessary, to provide a fidelity or surety bond, indemnifying the Association against larceny, theft, embezzlement, forgery, misappropriation, wrongful extraction, willful misapplication, and other acts of fraud or dishonesty, in such sums and with such sureties as may be approved by the Board of Directors, and any such bond shall specifically include protection for any insurance proceeds received for any reason by the Board of Directors. The cost of such bond shall be paid by the Association as a common expense.

ARTICLE VI

Assessments

Section 6.01. Proposed Annual Budget. On or before the first day of July the Board of Directors shall cause to be prepared a proposed annual budget for the ensuing twelve (12) months from September 1 to August 31, estimating the total amount of the common expenses required during said period, together with a reasonable amount considered by the Board to be necessary for a replacement reserve fund for capital expenditures and replacement and repair of the common areas, and shall, on or before July 15, notify each owner in writing as to the amount of such estimate, with reasonable itemization thereof. The annual budget shall be submitted to the co-owners at the annual meeting of the Association for adoption, and, if so adopted, shall be the basis for the regular

assessments (hereinafter defined) for the twelve (12) months' period from September 1 to August 31. At the annual meeting the budget may be adopted in whole or in part or may be amended in part by a majority of the vote; provided, however, that in no event shall the annual meeting of co-owners be adjourned until an annual budget is adopted at such meeting, either the proposed annual budget or the proposed annual budget as amended.

On or before the date of each annual meeting, the Board shall supply to all owners an itemized accounting of the common expenses for the preceding twelve (12) months' period, actually incurred and paid, together with a tabulation of the amounts collected, and showing the net amount over or short of the actual expenditures plus reserves. Any amount accumulated in excess of the amount required for actual expenses and reserve shall be credited to the budget for the ensuing twelve (12) months' period and the Regular Assessment shall be adjusted accordingly. Any shortage shall be added to the Regular Assessment for the ensuing twelve (12) months' period according to each owner's percentage interest.

Section 6.02. Failure to Prepare Annual Budget. The failure or delay of the Board to prepare or serve the annual budget on the owner, or the failure of the Association to adopt said annual budget, shall not constitute a waiver or release in any manner of such owner's obligation to pay the Regular Assessment as hereinafter provided, whenever the same shall be determined, and in the absence of any annual budget, the owner shall continue to pay the monthly installments of the Regular Assessment at the rate established for the previous period until the Regular Assessment for the next ensuing twelve (12) months' period shall have been determined and delivered to the owners.

Section 6.03. Replacement Reserve Fund. The Board shall establish and maintain a replacement reserve fund for capital expenditures and replacement and repair of the common areas, which fund shall be used for those purposes and not for usual and ordinary repair expenses of the common areas. Said fund shall be maintained in a separate interest-bearing account with a bank authorized to conduct business in Vanderburgh County, Indiana.

Section 6.04. Regular Assessments. The annual budget as adopted shall, based upon the estimated cash requirements for the common expenses and the replacement reserve fund for capital expenditures and replacement and repair of the common areas in the ensuing twelve (12) months' period as set forth in said budget, contain a proposed assessment against each unit based upon the percentage interest of each unit as it relates to the total units constructed on the Property as disclosed by the Plans. Immediately following the adoption of the annual budget, each owner shall be given written notice of such assessment against his unit (herein called the "Regular Assessment"). The Regular Assessment against each unit shall be paid in equal monthly installments, commencing on the first day of September of such calendar year and on the first day of each calendar month thereafter through and including the first day of August. Payment of any of the monthly installments of the Regular Assessment shall be made to the Board of Directors or the managing agent, or such other representative of the Board as may be directed by said Board; provided, however, owners may elect to pay assessments semiannually or annually in advance. The Regular Assessment for the year shall become a lien on each separate unit as of the first day of September of each calendar year.

In the event any phase is annexed to and becomes a part of the Association pursuant to Article XI of the Declaration, payment of the Regular Assessment with respect to said phase shall commence on the first day of the month which immediately follows the month in which the Supplemental Declaration annexing such phase is recorded. Subsequent to the filing of the Supplemental Declaration and prior to the date of the assessment on the annexed phase shall commence, the Board shall revise the budget to include the additional phase and revise the Regular Assessment accordingly; provided, however, such revised Regular Assessment should not be any greater or increase the amount of the Regular Assessment that an owner is paying during the then current twelve (12) months' period without the approval of a majority of the percentage interest of the co-owners.

Section 6.05. Special Assessments. If the regular assessments are inadequate for any reason, including nonpayment of any owner's assessment, to pay the common expenses or if the replacement reserve fund proves inadequate for any reason, the Board shall prepare an estimate of the additional cash requirements then necessary, or necessary for the balance of the year, which additional amount shall be assessed to the owners according to each owner's percentage interest. The Association shall serve notice of such further assessment (herein called "Special Assessment") on all owners by a statement in writing giving the amount and the reasons therefore, and such Special Assessment shall become due and effective with the monthly Regular Assessment which is due more than ten (10) days after the delivery or mailing of such notice of said Special Assessment. All owners shall be obligated to pay said Special Assessment, and the same shall become a lien on each separate unit as of the due date of said Special Assessment.

Section 6.06. Furnishing Statements of Assessments. Upon the request of any unit owner, prospective grantee, title insurance company, or mortgagee, the Secretary of the Association shall provide, within five (5) days of the request, a statement of the amount of current and delinquent assessments against a particular unit.

Section 6.07. Remedies for Failure to Pay Assessments. If any owner is in default in the payment of any of the assessments hereinabove provided for in Sections 6.02 and 6.04, the Board of Directors may bring suit for and on behalf of the Association to enforce collection thereof and/or to foreclose the lien therefore as provided in the Declaration; and there shall be added to the amount due, the cost of said suit, together with interest and reasonable attorney's fees to be fixed by the court. In any such foreclosure the unit owner shall be required to pay a reasonable rental for the unit if he occupies the same, and the plaintiff in such foreclosure shall be entitled to the appointment of a receiver to collect the same. As provided for in the Declaration, the Board of Directors, acting on behalf of the Association, shall have the power to bid in the interest so foreclosed at foreclosure sale, and, in the name of the Association, acquire and hold, lease, mortgage and convey the same. Any mortgagee shall be entitled to written notice of such failure to pay any assessment, which notice shall be served not less than ten (10) days prior to institution of suit for collection.

ARTICLE VII
Maintenance and Repairs

Section 7.01. Unit Owners' Responsibility. Each unit owner shall promptly perform all maintenance and repair within his unit which in the opinion of the Board of Directors is necessary or required to protect the property, the common areas, or any other portion of the building. Such maintenance and repairs include, but are not limited to, internal water lines, plumbing, electric lines, appliances, gas lines, telephones, doors, garage doors, windows, sky lights, fixtures, and all other equipment and accessories belonging to the owner and appurtenant to the unit. Each unit owner shall also repair and maintain the non-structural portion of the attic, if any, appurtenant to his unit. If the owner of any unit has failed or refused to perform said maintenance or repairs within a reasonable time after written notice of the necessity thereof delivered by the Board of Directors to said owner, the Board shall cause said maintenance and repair to be performed and shall levy a Special Assessment against such unit owner for the cost thereof, which shall be a lien against said unit from the date of such levy.

Section 7.02. Directors' Right to Enter Units. The Board of Directors or its agents may enter any unit when necessary in connection with any maintenance or construction for which the Association is responsible or for the performance of the maintenance and repair for which the unit owner is responsible and has failed or refused to perform after notice as provided in Section 7.01 above. Such entry shall be made with as little inconvenience to the owner as practicable, and any damage caused thereby shall be repaired by the Association from insurance proceeds or, in the event that the damage is not covered by insurance, the damage shall be repaired by the Association and shall be considered a common expense. The Association reserves the right to retain a passkey to each unit and no locks or other devices shall be placed on the doors to the units to obstruct entry through the use of such passkey, without the consent of the Association. In the event of any emergency originating in or threatening any unit, the managing agent or his representative or any other person designated by the Board of Directors may enter the unit immediately, whether the owner is present or not.

ARTICLE VIII

Restrictions on Use

Section 8.01. Restrictions and Protective Covenants. The following restrictions and protective covenants on the use and enjoyment of the units, general common areas, limited common areas, and the Property shall be applicable to Woodland Condominium and the owners and occupants of units therein, and shall be in addition to any restrictions set forth in the Declaration, to-wit:

(a) All units shall be used exclusively for residential purposes. Each unit shall be used as a residence for a single family;

(b) No unit shall be leased or rented by the owner thereof without obtaining the written consent of the Board. Leases shall be limited to one (1) year and shall be reviewed annually for renewal;

(c) Except as otherwise approved by the Board of Directors in writing, no additional buildings shall be erected or located on the real estate included in the Property other than the buildings designated in the Declaration and any Supplemental Declaration and shown on the plans filed with the Declaration or any Supplemental Declaration. No buildings or structures shall be moved from other locations on to the Property, and no structures of a temporary character, trailer, basement, tent, shack, garage, barn or other outbuilding shall be used on any portion of the Property at any time as a residence either temporarily or permanently;

(d) There shall be no obstruction of the common areas nor shall anything be stored in or about the common areas without the prior consent of the Board, except as hereinafter expressly provided;

(e) Nothing shall be done or kept in any unit or in the common areas which will increase the rate of insurance on the building, or contents thereof, without the prior written consent of the Board. No owner shall permit anything to be done or kept in his unit or in the common areas which will result in the cancellation of insurance on the building, or contents thereof, or which would be in violation of any law;

(f) Small, minimal seasonal pieces shall be permitted to be hung or displayed on the outside of the windows or doors;

(g) No sign, awning, canopy, shutter, radio or television antenna or dish, or other attachment or thing shall be affixed to or placed upon the exterior walls or roof or any other parts of any building without the prior written consent of the Board. No billboards, unsightly objects, or nuisances shall be erected, placed, or permitted to remain on the Property. The use and covering of the interior surfaces of windows in the units, whether by drapes, shades or other items visible from the exterior of the building, shall be subject to such rules and regulations of the Association as may be adopted from time to time;

(h) Any replacement of floor covering in a second-floor unit shall require material of a quality that meets Impact Insulation Class rating of 65 – 75;

(i) No animals, livestock, or poultry of any kind shall be raised, bred, or kept in any unit or in the common areas, except that pets such as dogs, cats, or other customary household pets may be kept in a unit, provided that they are not kept, bred or maintained for any commercial purpose. Said pets shall not be allowed to run loose over the common areas, and all pets must be on leashes and in the company of their master or owner when they are in or upon the common areas; provided, however, that the Board may dispense with this requirement as to any particular pet which it finds does not create a nuisance, disturbance, inconvenience or irritation to other owners of units within the Property, and does not cause damage or detriment to the Property or improvements thereon. Where, however, any pet shall be found to create a nuisance, disturbance, inconvenience or irritation to other owners within the Property or to cause damage or detriment to the Property or improvements on the Property in being allowed to remain unleashed and unaccompanied upon the premises, then this requirement shall be strictly enforced by the Board and such pets shall not be allowed outside any unit without a leash and without the presence of his master or owner. Where any pet is the source of repeated complaints to the Board as a result of allegedly causing or creating a nuisance, unreasonable disturbance, noise, or irritation to owners, or damage to Property, and the Board finds such complaints to be justified, the Board may in addition to requiring that such pets, be permitted outside only on a leash and in the Company of its owner, further impose such additional conditions or restraints upon the continued possession of such animal by its owner and/or any party residing within the Property as the Board shall deem necessary and appropriate to prevent such complaints and to protect the interest of the unit owners generally. Where the imposition

of conditions or restraints upon the possession of the pet appears to the Board to be incapable of resolving the problems caused by such pet, or where such restraints are imposed and found to be ineffective, the Board may, in its discretion, order any pet permanently removed from the Property upon five (5) days' written notice from the Board to the respective owner of such pet or notice to any party within the Property harboring or responsible for such pet;

(j) No obnoxious or offensive activity shall be carried on in any unit or in the common areas nor shall anything be done therein, either willfully or negligently, which may be or become an annoyance or nuisance to the other owners or occupants, including without limiting the generality of the foregoing, odor, noise, or the use of any musical instruments, radio, T.V., loudspeakers, or amplifiers;

(k) Nothing shall be done in any unit or in, on, or to the common areas which will impair the structural integrity of any building or which would structurally change any building, except as may be otherwise provided in the Declaration or these By-Laws;

(l) No industry, trade, or any commercial or religious activity, educational or otherwise, designed for profit, altruism, or otherwise, shall be conducted, practiced or permitted on the Property. No "For Sale" or other signs or other window or advertising displays shall be maintained or permitted on any part of the Property or any unit without the prior written consent of the Board;

(m) No clothing, sheets, blankets, rugs, laundry, or other thing shall be hung out or exposed on any part of the common areas. The common areas shall be kept free and clear of rubbish, debris and other unsightly materials;

(n) There shall be no playing, lounging, parking of baby carriages or playpens, bicycles, wagons, toys, vehicles, benches or chairs on any part of the common areas except that balcony and patio areas may be used for their intended purposes;

(o) Except as otherwise approved by the Board in writing, no planting or gardening shall be done and no fences, hedges or walls shall be erected or maintained upon the Property, except as such are installed in accordance with the initial construction of the building located thereon or as approved by the Board of Directors or their designated representative. Owners are prohibited and restricted from the use of any land or other space outside the exterior building lines, except as may be allowed by the Board of Directors or as provided in the Declaration. It is expressly acknowledged and agreed by all parties concerned that this paragraph is for the mutual benefit of all owners and it is

necessary for the protection of said owners; provided, however, that notwithstanding anything hereinabove set forth, each owner shall be entitled to landscape his own patio in any manner that he shall deem fit so long as no planting which he shall place in or about his patio shall infringe on any area of his neighbors' patios or cause undue inconvenience, impediment, or irritation to his neighbors in the use of their respective patio areas or other common areas of the Property;

(p) No trucks, buses, boats, campers, trailers, mobile homes, house trailers, or other trailers or unconventional vehicles of any description, shall be permitted, parked or stored in or on the Property (excepting authorized vehicles of the Declarant or the Board and their respective agents and contractors for construction or maintenance purposes), except as may be permitted from time to time by the Board. All passenger vehicles of owners and occupants of the units, when not in use, shall be parked in the garage provided with each unit, and the garage doors shall remain closed except when a passenger vehicle is entering or exiting from the garage; provided, however, if the unit does not have sufficient garage spaces to house all of the passenger vehicles of the owner and occupant, those vehicles for which there is no garage space shall be parked in the driveway appurtenant to such unit;

(q) No motor bikes, terrain vehicles, or other motor-powered recreational vehicles of any kind shall be operated on or within the Property, including any roadway providing access to the Property;

(r) Nothing shall be done by any owner, member of his family, his guests, invitees, or any other occupant of any unit, which would in any manner pollute or tend to pollute the lake located upon the Property. No swimming or boating shall be permitted in or on said lake. Owners and members of their families may fish from the banks of said lake; and

(s) All owners and members of their families, their guests, invitees, and all occupants of any unit or other persons entitled to use the same and to use and enjoy the common areas or any part thereof, shall observe and be governed by such rules and regulations as may, from time to time, be promulgated and issued by the Board governing the operation, use and enjoyment of the common areas.

Section 8.02. Enforcement and Severability. Each and all of the protective covenants and restrictions contained in Section 8.01 shall run in favor of and shall inure to the benefit of all owners of units and/or the Association, and may be enforced by any of the owners or by the Board of Directors for and on behalf of the Association in any court of competent jurisdiction by injunction or other appropriate remedy. Invalidation of any of the foregoing restrictions or protective covenants by judgment or order of a court shall in no wise affect any of the other restrictions or protective covenants, all of which shall remain in full force and effect.

ARTICLE IX

Insurance

Section 9.01. Fire and Extended Coverage Insurance. The Board of Directors shall obtain and keep in full force and effect at all times fire and extended coverage insurance, insuring the Property in an amount equal to the full replacement cost thereof as determined by a qualified appraiser, the amount of such insurance to be determined and adjusted not less than annually, which insurance shall be of the type and shall contain such endorsements as the Board of Directors shall deem appropriate and shall provide that the insurer waives its rights of subrogation against unit owners, occupants, the Association, and the Board of Directors. Such Insurance shall further provide for the issuance of certificates of insurance with mortgagee endorsements to the holders of mortgages on the units, if any. Such insurance coverage shall be for the benefit of each owner, and if applicable, the owner's mortgagee. The proceeds shall be payable to the Association who shall hold such proceeds as Trustee for the individual owners and mortgagees, and such proceeds shall be held, used, and disbursed by the Board of Directors in accordance with the terms and provisions set forth in Article X hereof.

Section 9.02. Other Insurance. The Board of Directors shall also obtain comprehensive public liability insurance in such limits as the Board of Directors shall deem appropriate, together with Workmen's Compensation Insurance and such other liability insurance if deemed necessary or appropriate by the Board of Directors. Such insurance shall cover and inure to the benefit of the Association, the Board of Directors, the managing agent, if any, all persons acting or who may come to act as agents or employees of any of the foregoing with respect to the condominium, all unit owners, and

all other persons entitled to occupy any unit or other portions of the condominium.

Section 9.03. Payment of Premiums. The premiums for all such insurance shall be paid by the Association, as part of the common expenses.

Section 9.04. Owner's Insurance. Each owner shall have the right to purchase any additional insurance he may deem necessary, and each owner shall be solely responsible for insurance on the contents of his unit, including all floor and wall coverings, fixtures and betterments not covered by the fire and extended coverage insurance obtained by the Board of Directors pursuant to Section 9.01 of this Article IX. All such fire and extended coverage insurance procured by a unit owner shall provide that the insurer waives its rights of subrogation against all the unit owners, occupants, the Association, and the Board of Directors.

Section 9.05. Notice of Insurance. When any policy of insurance has been obtained by or on behalf of the Association, written notice of the obtainment thereof and of any subsequent changes therein or termination thereof shall be promptly furnished to each owner or mortgagee whose interest may be affected thereby by the secretary of the Association.

ARTICLE X

Casualty and Reconstruction

Section 10.01. Less Than Complete Destruction. In the event of damage or destruction of the buildings located upon the Property by fire or any other casualty or disaster and there is not complete destruction of all of the buildings, the Association shall cause said buildings to be promptly repaired and/or reconstructed in accordance with the provisions of Section 10.03 of these By-Laws. The Board shall call a special meeting of the owners within ten (10) days after the occurrence of such damage or destruction. If, at such meeting, two-thirds (2/3) of all co-owners by vote decide that there has been total destruction of all the buildings, such decision shall be binding and final.

Section 10.02. Complete Destruction. In the event at the special meeting of the owners called pursuant to the provisions of Section 10.01 of these By-Laws, two-thirds

(2/3) of all co-owners decide by vote that there has been total destruction of all of the buildings, the Board shall promptly obtain reliable and detailed estimates of the cost of reconstruction of said buildings. The Board shall also ascertain as promptly as possible the net amount of insurance proceeds, if any, available for such reconstruction.

Thereupon, a special meeting of the owners shall be called by the Board to determine whether or not the buildings shall be reconstructed, which meeting shall be held not later than thirty (30) days after the occurrence of said casualty. If, at said meeting, two-thirds (2/3) of all co-owners by vote decide to rebuild the buildings, the Association shall cause said buildings to be promptly reconstructed in accordance with the provisions of Section 10.03 of these By-Laws. If, at said meeting, two-thirds of all of the co-owners do not vote to rebuild the buildings, said buildings shall not be reconstructed and in that event:

(a) Sufficient restoration or demolition of all damaged areas shall be effected by the Board to the extent necessary to avoid unreasonable risk of liability from injuries to persons in or about the premises or in the vicinity of the same. The extent of such restoration and/or demolition required for this purpose shall be determined by the Board;

(b) The property and insurance proceeds, if any, shall be deemed to be owned in common by all of the unit owners and the undivided interest in the Property and the insurance proceeds, if any, which shall appertain to each unit owner shall be the percentage of the undivided interest of the unit owner in the Property and insurance proceeds, if any; and

(c) The Property may be sold by agreement of all the owners or shall be subject to an action for partition at the suit of any unit owner, in which event the net proceeds of sale, together with the net proceeds of the insurance on the Property, if any, shall be considered as one fund and shall be divided among all the unit owners in a percentage equal to the percentage of undivided interest owned by each owner in the Property, after first paying out of the respective shares of the unit owner, to the extent sufficient for the purpose, all mortgages and other liens on the undivided interest in the Property owned by each unit owner.

Section 10.03. Repair and Reconstruction by the Association. If repair and reconstruction is required pursuant to the provisions of this Article, the Board of Directors shall have the right and obligation and shall proceed to negotiate and contract for such repair and reconstruction. If the insurance proceeds are not adequate to cover the cost of reconstruction, or in the event there are no insurance proceeds, the cost for the repair and reconstruction shall be assessed by the Association as a common expense against all owners in accordance with each unit's percentage interest, and shall constitute a lien from the time of assessment.

Section 10.04. Plans and Specifications. Any repair or reconstruction must be substantially in accordance with the original plans and specifications for the buildings, or as the buildings were last constructed; provided, however, that material or substantial changes in plans and specifications may be made with unanimous approval of all owners and all holders of mortgages or other liens with respect to said units, and the approval of the Board of Directors of the Association as to the architectural design and style of said buildings.

ARTICLE XI

General Provisions

Section 11.01. Notices to Mortgagee. Upon written request to the Board of Directors by the holder of any duly recorded mortgage or trust deed against any unit ownership, the Board of Directors shall give such mortgage holder a copy of any and all notices permitted or required by the Declaration or these By-Laws to be given to the owner or owners whose unit ownership is subject to such mortgage or trust deed.

Section 11.02. Notices to the Board of Directors. Notices required to be given to the Board of Directors or to the Association may be delivered to any member of the Board of Directors or officers of the Association either personally or by mail addressed to such member or officer at his unit.

Section 11.03. Notices of Mortgages. Any owner who mortgages his unit shall notify the Association in such manner as the Association may direct of the name and

address of his mortgagee and thereafter shall notify the Association of the payment, cancellation, or other alteration and the status of such mortgage.

Section 11.04. Non-waiver of Covenants. No covenants, restrictions, conditions, obligations or provisions contained in the Declaration or these By-Laws 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 breeches which may occur.

Section 11.05. Agreements Binding. All agreements and determinations lawfully made by the Association in accordance with the procedures established in the Declaration and these By-Laws shall be deemed to be binding on all unit owners, their successors and assigns.

Section 11.06. Severability. The invalidity of any covenant, restriction, condition, limitation, or any other provisions of these By-Laws, or any part of the same, shall not impair or affect in any manner the validity, enforceability, or affect the rest of these By-Laws or the Declaration.

Section 11.07. Perpetuities and Restraints on Alienation. If any of the options, privileges, covenants, or rights created by these By-Laws shall be unlawful or void for violation of (a) the rule against perpetuities, (b) the rule restricting restraints or alienation, or (c) any other statutory or common law rules imposing time limits, then such provisions shall continue only until twenty-one (21) years after the death of the survivor of the now living descendants of Guthrie May, President of the Declarant.

ARTICLE XII

Amendment of By-Laws

These By-Laws may be amended by a vote of not less than fifty-one percent (51%) of the total percentage of the co-owners in a duly constituted meeting called for such purpose or in any regular meeting of the owners provided copy of such amendment has been submitted to the owners at least fourteen (14) days prior to the meeting.

Section 9.06 Responsibility for Insuring.

ITEM	WHO IS RESPONSIBLE FOR INSURING?
Air Conditioning & Heating Systems including all mechanical & electrical components, thermostats, wiring, plumbing, duct work & registers	ASSOCIATION
Appliances, Built In	OWNER
Appliances, Freestanding	OWNER
Bathroom Fixtures, includes toilet, tub, shower, sink	ASSOCIATION
Building Structures, includes original major structural components not with unit, including exterior (load bearing) walls & roofs	ASSOCIATION
Cabinets, including built-in & bookcases	ASSOCIATION
Ceiling surfaces, including paint & acoustical surfaces	ASSOCIATION
Counter Tops	ASSOCIATION
Contents	OWNER
Curtains, shutters, blinds & other window coverings including rods & hardware	OWNER
Doors - exterior, including all surfaces, hardware & jams, including screen doors & sliding doors	ASSOCIATION
Electrical Fixtures	ASSOCIATION
Electrical Wiring Outlets (interior & exterior) & switches, including wiring	ASSOCIATION
Exterior lighting fixtures controlled from within the unit, including wiring	ASSOCIATION
Exterior lighting fixtures controlled by the HOA, including wiring and outlets in garage	ASSOCIATION
Elevators	ASSOCIATION
Fans - overhead recessed or surface mounted	ASSOCIATION
Fireplaces – built in	ASSOCIATION
Fireplace - free standing	OWNER
Floor coverings, including carpet, pad, linoleum, tile, hardwood or other floor coverings	ASSOCIATION
Furnaces - all components including duct work	ASSOCIATION
Garage Doors - including all structural components, hardware, opening systems, & surfaces	ASSOCIATION
Gutters & Downspouts	ASSOCIATION
Kitchen Fixtures -including sinks, built in ranges, oven, dishwashers	ASSOCIATION
Paint or Surface finish, exterior and interior	ASSOCIATION
Pipes & Plumbing, including water & natural gas	ASSOCIATION
Plumbing Fixtures	ASSOCIATION
Roofs-including structure & surface	ASSOCIATION
Skylights - including glass or plastic & frame	ASSOCIATION
Communication wiring and cable - including outlets & fixtures	ASSOCIATION
Television Cable Wiring including fixtures	ASSOCIATION
Walls -interior & exterior	ASSOCIATION
Wall Surface - exterior and interior	ASSOCIATION
Water Heaters, includes all water & gas fixtures	ASSOCIATION
Windows -including frame & glass or plastic (excludes breakage)	ASSOCIATION
Window Screens	ASSOCIATION

