

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

Please see the Secretary for a copy of the legal description.

ARTICLE I DEFINITIONS

Section 1. "Association" shall mean and refer to the RAINTREE LAKE PROPERTY OWNERS ASSOCIATION, its successors and assigns.

Section 2. "Properties" shall mean and refer to that certain real property hereinbefore described, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 3. "Common Area" shall mean all real property owned or leased by the Association for the common use and enjoyment of the Members of the Association.

Section 4. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision plat relating to the Properties excepting the Common Area, Developer Owned Acreage, and land devoted to use by Multi-Family Residential or Commercial Units.

Section 5. "Developer Owned Acreage" Shall mean land lying within the heretofore described properties which is owned by the Developer which has not been subdivided into lots or developed into Multi-Family Residential or Commercial Units, including the Common area and other land improved by the construction lakes, dams, parks and clubs thereon.

Section 6. "Multi-Family Residential Units" shall mean occupied living units situated in a duplex, apartment, townhouse or other structure which affords residential living space for more than one family on land located within the properties, whether such units are owned or leased by the occupant. For purpose of this instrument Multi-Family Residential floor space which is constructed for sale pursuant to the condominium Property Act, Chapter 448, Revised Statutes of Missouri 1969, shall be considered occupied when it is conveyed by the builder to the first owner who takes title under the act; the actual occupancy of such units shall not be material. Multi-Family units which are constructed for rental, and to which title to one or more buildings is retained by a single landlord, shall be considered occupied only when a valid lease to such premises is in effect.

Section 7. "Commercial Units" shall mean occupied premises upon which commercial business operations are conducted, without regard for whether such unit is owned or leased by the Occupant, on land located within the premises. For purposes of this instrument commercial buildings shall be considered occupied only when business activity is actually being conducted on the premises or a valid lease to such premises is in effect between the Owner and some other individual or entity.

Section 8. "Member" shall mean and refer to every person or entity who holds membership in the Association pursuant to Article III of the Declaration.

Section 9. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any lot or other land which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 10. "Declarant" shall mean and refer to RAINTREE LAKE DEVELOPMENT CORPORATION, a Missouri Corporation, and its successors and assigns.

Section 11. "Developer" shall refer to RAINTREE LAKE DEVELOPMENT CORPORATION, a Missouri Corporation, and its successors and assigns.

Section 12. "Parcel" shall mean and refer to all platted portions of the Properties consisting of one or more lots or Multi-Family Residential or Commercial Units which are subject to the same supplementary Declaration.

Section 13. "Supplementary Declaration" shall mean any declaration of covenants, conditions and restrictions which may be recorded by the Declarant or Developer which contains such complementary provisions in relation to a Parcel as are authorized herein and required for the general welfare of Owners or Occupants of lots or units within the Parcel.

ARTICLE II ANNEXATION OF ADDITIONAL PROPERTIES

Section 1. Annexation by the Membership. Annexation of additional property to be made subject to these restrictions will require the assent of two-thirds (2/3) of all votes cast without regard to class at a meeting duly called for this purpose, written notice of which shall be sent to all Members not less than 30 days nor more than 60 days in advance of the meeting setting forth the purpose of the meeting. The presence of Members or of proxies entitled to cast sixty (60%) percent of the votes of each class of membership shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called subject to the notice requirement set forth above and the required quorum at such subsequent meeting shall be one-third (1/3) of the required quorum of the preceding meeting. No such subsequent meeting shall be held more than 60 days following the preceding meeting. In the event that the requisite number of votes are not represented, in person or by proxy, Members not present may give their written assent to the action taken thereat.

Section 2. Annexation by the Developer. The foregoing notwithstanding, if within 10 years of the date of incorporation of the Association the Developer should develop additional lands within the immediate vicinity of, and contiguous to, or immediately adjacent to a public road or area which is contiguous to, the heretofore described land subject to this Declaration, such additional lands may be annexed to said properties without the assent of any Member other than the Developer.

ARTICLE III MEMBERSHIP

Every person or entity that is a record owner of a fee or undivided fee interest in any lot or of land where Multi-Family Residential or Commercial Units are located, or of Developer Owned Acreage, which is subject by covenants of record to assessment by the Association, including contract sellers, shall be a Member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. No owner shall have more than one membership. Membership shall be appurtenant to and may not be separated from ownership of any lot or other land which is subject to assessment by the Association and within the foregoing definition. Ownership of such lot or other land shall be the sole qualification for Membership.

ARTICLE IV VOTING RIGHTS

The Association shall be three (3) classes of voting membership:

Class A. Class A Members shall be all Owners of Single-Family Residential lots, with the exception of the Developer. Class A Members shall be entitled to one vote for each lot in which they hold the interest required for membership by Article III. When more than one person holds such interest in any lot, all such persons shall be Members. The vote for such lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any lot, except as hereinafter provided for Class C voting rights.

Class B. Class B Members shall be all persons or entities owning land upon which Multi-Family Residential Units or Commercial Units have been developed. Class B Members shall be entitled to one vote for each Multi-Family Residential Unit and one vote for each 5000 square feet or major fraction thereof of floor space in Commercial Units located upon land in which they hold the interest required for membership in Article III.

Class C. The Class C Member shall be the Developer. The Class C Member shall be entitled to three (3) votes for each lot in which it holds the interest required for membership by Article III. The Class C Member shall be entitled to three (3) votes for each 5000 square feet, or major fraction thereof of developed Multi-Family Residential or Commercial floor space comprising units upon land in which Developer holds the interest required for membership by Article III. The Class C Membership

shall cease to be converted to Class A or Class B membership, as appropriate, on the happening of either of the following events, whichever occurs earlier;

- a) When the total outstanding in the Class A Membership and the Class B Membership equal the total votes outstanding in the Class C Membership, or
- b) On January 1, 1994.

ARTICLE V PROPERTY RIGHTS

Section 1. Members Easement of Enjoyment. Every member shall have a right and easement of enjoyment in and to the common area, and such easement shall be appurtenant to and shall pass with the title to every assessed lot or other tract of land, excepting unimproved acreage not owned by the Developer, subject to the following provisions:

- a) The right of the Association to limit the number of guests of members, other than the Developer;
- b) The right of the Association to charge reasonable admission and other fees for the use of any facility situated upon the common area;
- c) The right of the Association, in accordance with its Articles and by-laws, to borrow money for the purpose of improving the common area and facilities and in aid thereof to mortgage said property, and the rights of such mortgagee in said properties shall be subordinate to the rights of the homeowners hereunder unless and until such time as any mortgage shall be foreclosed in accordance with the laws of the State of Missouri, in which case the relative interests of the parties shall be controlled by such laws;
- d) The right of the Association to suspend the voting rights and right to use of the recreational facilities by a Member for any period during which an assessment against his lot remains unpaid; and for a period not to exceed 90 days for any infraction of its published rules and regulations;
- e) The right of the Association to dedicate or transfer all or any part of the common area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members No such dedication or transfer, other than the dedication of a utilities easement, shall be effective unless an instrument signed by Members entitled to cast two-thirds (2/3) of all eligible votes in each class under the provisions of Article IV has been recorded, agreeing to such dedication or transfer, and unless written notice of the proposed action is sent to every Member not less than 30 days nor more than 60 days in advance;
- f) The right of the Association to make reasonable rules and regulations and impose reasonable restrictions upon such use and enjoyment for the benefit of all members, their guests and assigns;
- g) The right of the Developer by Supplementary Declaration to limit access to, or membership in, club houses and clubs by class of property ownership or parcel. Such power to limit membership and access being, however, specifically limited to club houses and clubs;
- h) The rights of the mortgagee under any deed of trust of record at the time this instrument is filed to foreclose pursuant to Missouri law free of the rights of Members of the Association herein created.

Section 2. Delegation of Use. Any Member may delegate, in accordance with the bylaws, his right to enjoyment to the Common Area and facilities to the members of his family, his tenants, or contract purchasers.

Section 3. Title to the Common Area. The Declarant hereby covenants for itself, its successors and assigns, that it will convey fee simple title to the Common area to the Association, subject to existing encumbrances and liens, upon demand by the Board of Directors of the Association, or at such time as the Declarant may wish to make, and the Board of Directors wished to accept, such a conveyance.

ARTICLE VI

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each lot and all other land owned within the properties, hereby covenants, and each owner of any lot or other land upon which Multi-Family Residential units or Commercial Units have been developed, by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed thereof, whether or not it shall be so expressed in any such deed or other conveyance, is deemed to covenant and agree, effective January 1, 1975, to pay to the Association: (1) annual assessments or charges, and (2) special assessments for maintenance and capital improvements, such assessments to be fixed, established and collected from time to time as hereinafter provided, and (3) annual or special parcel assessments or charges which shall be established and collected as provided herein and in Supplementary Declarations recorded pursuant hereto. The annual special and parcel assessments, together with such interest thereon and costs of collection thereof, as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with such interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the person who was the owner of such property at the time when the assessment fell due. The personal obligation shall not pass to the successors in title unless expressly assumed by them.

Section 2. Purpose of Assessments.

a) **Annual Assessments.** The annual assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety, and welfare of the residents in the properties, and in particular for the improvements and maintenance of the properties, services and facilities devoted to this purpose and related to the use and enjoyment of the Common area, and of the buildings situated upon the properties, and for any other purpose which is necessary or desirable for the maintenance and improvement of the properties and Common area or which is to be of general benefit to the Owners and Occupants.

b) **Special Maintenance Assessments.** Special assessments may be imposed by the Board of Directors upon any Lot or other land upon which Multi-Family Residential or Commercial Units are located, for the purpose of maintaining the exterior appearance thereof if the Owner shall have failed or refused to do so, including but not limited to mowing and cleaning of unsightly brush and debris, painting, repairing, replacing and caring for roofs, gutters, downspouts, and exterior building surfaces, trees, shrubs, grass, walks, and other exterior improvements necessary to keep the Owner's property from deteriorating or becoming unsightly. For the purpose solely of performing the exterior maintenance authorized by this paragraph, representative of the Association and its duly authorized agents or employees shall have the rights, after reasonable notice to the Owner, to enter upon any lot, unit or other property at reasonable hours on any day except Sunday.

c) **Special Assessments for Capital Improvements.** In addition to the foregoing the Association may levy in any assessment year uniform special assessments against lots, units and acreage, by category, applicable to that year and not more than the next two succeeding years, for the purpose of defraying, in whole or in part, the costs of any construction, reconstruction, repair, or replacement of a capital improvement upon the Common area, including fixtures and personal property related thereto, providing that any such assessment shall have the assent of the Class C Member and be approved by two-thirds (2/3) vote of Class A and B Members present and voting in person or by proxy at a regular or special membership meeting.

Section 3. Parcel Assessments.

a) **Purpose of Assessment.** Annual parcel assessments shall be used for such purpose as are authorized by the Supplementary Declaration for each Parcel.

b) **Method of Assessment.** The annual assessment for each parcel shall be levied by the Association against lots or units in a parcel, using the basis set forth in the supplementary Declaration for the given Parcel, and collected and disbursed by the Association. The Board of

Directors, in accordance with each Supplemental Declaration, shall fix the annual Parcel assessment for each Parcel and the date(s) such assessment becomes due.

c) **Special Parcel Assessments for Capital Improvement.** In addition to the annual Parcel assessments authorized above., the Association may levy in any assessment year a special assessment against the lots of a parcel for the purpose of defraying in whole or in part the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Parcel, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the Class A and B votes relating to lots or units in the Parcel cast in person or by proxy at a meeting of Class A and B Members owning lots or units within the parcel.

Section 4. Maximum Annual Assessment. Beginning January 1, 1975, and until January 1, 1978, the maximum annual assessment, as determined by the Board of Directors of the Association, shall be One hundred Eighty Dollars (\$180.00) for each lot,, One hundred Sixty Dollars (\$160.00) for each Commercial Unit, One Hundred Twenty Dollars (\$120.00) for each Multi-Family Residential Unit, and Twenty-Five Dollars (\$25.00) per acres (and major fraction thereof) for each acre of undeveloped and unplatted land not owned by the Developer; provided, however, that assessments for all lots, units and land owned by the Class C Member, as defined in Article IV, shall be assessed separately from other lots, units, and land, as may be reasonably necessary to provide for the care, maintenance and welfare thereof, without regard to the foregoing maximum annual assessments and without regard to the assessments imposed against other lots, units and land.

a) From and after January 1, 1978, the maximum annual assessment in each of the heretofore enumerated categories may be increased effective January 1 of each year without a vote of the membership in conformance with the rise, if any, of the Consumer Price Index (published by the Department of Labor, Washington D.C.) for the preceding month of July.

b) From and after January 1, 1978, the maximum annual assessment for any or all categories may be increased without regard to the Consumer Price index formula by a vote of the Members for the next succeeding year, and at the end of each such period of one year, for each succeeding year, provided that any such change shall have the assent of a majority of the votes of each class of Members who are voting in person or by proxy at a meeting duly called for this purpose, written notice of which shall be sent to all Members not less than 30 days nor more than 60 days in advance of the meeting setting forth and the purpose of the meeting. The limitations hereof shall not apply to any change in the maximum and basis of the assessments undertaken as an incident to a merger or consolidation in which the Association is authorized to participate under its Articles of Incorporation.

c) After consideration of current maintenance costs and future needs of the Association, the Board of Directors may fix the annual assessment at any amount not in excess of the maximum, provided, however, the actual assessments for each of the heretofore identified categories must bear the same ratio to the assessments imposed in other categories as the maximum annual assessment for each such category bears to the maximum annual assessments for other categories.

Section 5. Uniform Rate of Assessment. Both annual and special assessments must be fixed at a uniform rate within all categories of lots, units and land, and may be collected on a monthly basis.

Section 6. Quorum for any Action Authorized under Sections 2 and 4. At a first meeting called, as provided in Sections 2 (c) and 4 (b) hereof, the presence at the meeting of Members or of proxies entitled to cast sixty per cent (60%) of all votes of each class of membership shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called, subject to the notice requirement set forth in Section 2 and 4, and the required quorum at any such

subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than 60 days following the preceding meeting.

Section 7. Date of Commencement of Annual Assessments: Dues Dates. The annual assessments provided for herein shall commence as to all lots, units and other land heretofore enumerated on January 1, 1975, or on the first day of the month following the conveyance of such lots, the occupancy of Multi-Family Residential or commercial Units, and the conveyance of undeveloped and unplatted acreage not owned by the Developer, whichever occurs last. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each lot, unit or tract of land at least 30 days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors, which may require payments on a monthly basis. The Association shall upon demand at any time furnish a certificate in writing signed by an officer of the association setting forth whether the assessments on a specified lot, unit or tract have been paid. A reasonable charge may be made by the Board for the issuance of these certificates. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid.

Section 8. Effect of Nonpayment of Assessments: Remedies of the Association. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within 30 days after the due date, the assessment shall bear interest from the date of delinquency at the rate of eight per cent (8%) per annum, and the Association may bring action at law against the owner personally obligated to pay the same, or foreclose the lien against the property, and interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessment provided for herein by non-use of the Common area or abandonment of his lot or property.

Section 9. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any mortgage or mortgages. Sale or transfer of any lot or land shall not affect the assessment lien. However, the sale or transfer of any lot or land which is subject to any mortgage, pursuant to a decree of foreclosure under such mortgage or any proceeding in lieu of foreclosure thereof, shall extinguish the lien of such assessments as to payments thereof which become due prior to such sale or transfer. No sale or transfer shall relieve such lot or land from liability for any assessments thereafter becoming due or from the lien thereof.

Section 10. Exempt Property. The following property subject to this Declaration shall be exempt from the assessments created herein: (a) all property dedicated to and accepted by a local public authority; (b) the Common area; and (c) all properties owned by a charitable or nonprofit organization exempt from taxation by the laws of the State of Missouri. However no land or improvements devoted in whole or part to dwellings, multi-family residences or commercial shall be exempt from said assessment.

ARTICLE VII

ARCHITECTURAL CONTROL

Section 1. The Architectural Review Board. An Architectural Review Board consisting of three or more persons shall be appointed by the Class C Member. At such time as the Class C Membership shall cease to exist, the Board shall be appointed by the Board of Directors.

Section 2. Purpose. The Architectural Review Board shall regulate the external design, appearance, use, location and maintenance of the Properties and of improvements thereon in such a manner so as to preserve and enhance values and to maintain a harmonious relationship among structures and the natural vegetation and topography.

Section 3. Conditions. No improvements, alterations, repairs, change of paint colors, excavations, changes in grade or other work which in any way alters the exterior of any property or the improvements located thereon from its natural or improved state existing on the date such property was first conveyed in fee by the Developer to an owner shall be made or done without the prior approval of the Architectural Review Board, except as otherwise expressly provided in this

Declaration. No building, fence, wall, residence, or other structure shall be commenced, erected, maintained, improved, altered, made or done without the prior written approval of the Architectural Review Board.

Section 4. Procedures. In the event the Board fails to approve, modify or disapprove in writing an application within thirty (30) days after plans and specifications in writing have been submitted to it, in accordance with adopted procedures, approval will be deemed granted. The applicant may appeal any adverse Architectural Review Board decision to the Board of Directors, which may reverse or modify such decision by a two-thirds (2/3) vote of Directors.

Section 5. Exceptions to Use Restriction. The Architectural Review Board shall have the power to make variations, alterations and changes in the restrictions set forth in Articles VIII and IX of this Declaration and similar Articles in Supplementary Declarations, where the Board is specifically given such power in such Supplementary Declarations as to any lots, units, or land, provided the same is accomplished for the mutual benefit of the applicant Owner and the Owners of surrounding lots, units and land. Any decision of the Architectural Review Board in relation to any exception authorized by this section may be appealed to the Board of Directors of the Association, which may reverse or modify such decision by a two-thirds (2/3) vote of the directors.

ARTICLE VIII GENERAL USE RESTRICTIONS

All of the existing property and all additional lands which shall be subject to this Declaration under Article II above shall be subject to the following use restrictions:

Section 1. Compliance with Laws and Restrictions. No lot or land may be improved, used or occupied for purpose other than as provided by applicable zoning laws and restrictions filed of record in relation thereto.

Section 2. Uncompleted Structures. No building shall be permitted to stand with its exterior in an unfinished condition for longer than five (5) months after commencement of construction. In the event of fire, windstorm, or other damage, no building shall be permitted to remain in a damaged condition longer three (3) months. No building shall be occupied until the exterior shall have been completed, nor until the landscaping as approved by the Architectural Review Board shall have been completed, or other arrangements for completion shall have been approved by the Architectural Review Board.

Section 3. Area and Width. No residential structure shall be erected on any building plot, which plot has a minimum lot width and size less than that shown on the recorded plat.

Section 4. Easements. Easements for installation and maintenance of utilities and drainage facilities are and will be reserved by Developer as shown on the recorded plats of said land. Such easements shall include the right of ingress and egress for construction and maintenance purposes. Within these easements, no structure, planting or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities, or which may change the direction or flow of drainage channels in the easements, or which may obstruct or retard the flow of water through drainage channels in the easements. The easement area of each lot and tract of land and all improvements in it shall be maintained continuously by the Owner of the land, except for those improvements for which a public authority or utility company is responsible.

Section 5. Nuisances. No noxious or offensive activity shall be carried on upon any portion of the properties, nor shall anything be done thereon that may be or become a nuisance or annoyance to the neighborhood. No exterior lighting shall be directed outside the boundaries of a Lot or other tract, unless authorized by the Developer, Architectural Review Board or other governmental or community authority.

Section 6. Temporary Structures. No structure of a temporary character, trailer, basement, tent, shack, garage, barn or other outbuilding shall be used on any lot at any time as a residence, either temporarily or permanently, or on any other property as a Multi-family Residential or Commercial Unit.

Section 7. Animals. No animals, livestock or poultry of any kind shall be raised, bred, or kept on any lot or other tract of land, except dogs, cats or other household pets may be kept in residential areas, provided that they are not kept, bred or maintained for any commercial purposes, and except one horse may be kept for non-commercial purposes on any 40,000 square feet or larger lot.

Section 8. Garbage and Refuse. No lot or other tract of land shall be used or maintained as a dumping ground for rubbish. Trash, garbage or other waste shall not be kept except in sanitary containers, kept in a clean and sanitary condition, and housed and screened as specified by the Architectural Review Board.

Section 9. Parking or Motor Vehicles Boats and Trailers. No trucks or commercial vehicles, boats or other similar water-borne vehicles, house trailers, boat trailer, trailers or every other description, campers or camping units shall be permitted to be parked or to be stored on any lot or other tract of land used for residential purposes unless they are parked or stored in any enclosed garage or in such other enclosure approved by the Architectural Review Board, except only during periods of approved construction on the land.

Section 10. Utilities. Water, gas, electricity, telephone and other utilities shall be located underground on each residential lot and other tracts of land, except perimeter lots and tracts.

Section 11. New Construction. All residences and other buildings shall be of initially new construction. No building shall be moved onto any lot or other tract of land.

Section 12. Signs. No signs or advertising the sale or rental of any lot or other land, whether or not improved, located within the properties shall be erected except those which shall be furnished or approved by the Developer of not more than five (5) square feet in area advertising new buildings for sale or rental by the builder of single-family Residential homes or the developer of Multi-Family residential or Commercial Units. No other signs of any type whatsoever may be placed or erected on residential property. Signs appropriate to the use thereof, anything to the contrary herein notwithstanding, may be placed or erected on Commercial Units following occupancy and approved by the Architectural Review Board.

ARTICLE IX

ADDITIONAL USE RESTRICTIONS APPLICABLE TO RESIDENTIAL LOTS

All lots, as heretofore defined, located within the existing properties or additional lands which shall be subject to the Declaration under Article II above shall be subject to the following use restrictions in addition to those contained in Article VIII, next above:

Section 1. Land Use. None of said lots may be improved, used or occupied for other than private residence purposes (except for model homes used by the Developer or commercial builders) and no flat or apartment house, although intended for residential purposes, may be erected thereon. Any residence erected or maintained on any of said lots shall be designed and used for occupancy by a single family.

Section 2. Height Limitation. Any residence erected on any of said lots shall not be more than two (2) levels in height, above ground, provided that a residence more than two (2) stories in height may be erected on any of said lots with the written consent of the Architectural Review Board.

Section 3. Any residence consisting of a single level above ground level shall contain a minimum of 1200 square feet of enclosed floor area. If, however, a single level residence shall contain a basement garage, the minimum enclosed floor area shall be 1400 square feet. Any residence consisting of two levels above ground level shall contain a minimum of 800 square feet of enclosed floor on the first level above ground level and an overall minimum of 1400 square feet of enclosed floor area in the two levels above ground level. Any residence consisting of a level or part of a level below ground level with garage beneath a part of the living area, sometimes referred to as a "split-level" or a "split foyer", shall have a minimum of 1200 square feet of total enclosed floor area on the level above the ground level and above the garage. It shall have an additional 250 square feet of enclosed floor area either above or below the principal living area, for a total minimum enclosed floor area of 1450 square feet. The words "enclosed floor area" as used herein shall mean and include

areas of the residence enclosed and finished for all year occupancy, computed on outside measurements of the residence, and shall not mean or include any patio areas, basements, garages, carports, porches or attics. A residence containing less than the minimum enclosed floor area provided herein may be erected on any of said lots with the written consent of the Architectural Review Board, it being intended that the foregoing shall serve as a guide for the Board's consideration.

Section 4. Building Lines. No part of any residence shall be located on any lot nearer to the front street or the side street than is the front building line or the side building line shown on the recorded plat. However, a residence or part of any residence may be located on any lot nearer than the said building line shown upon said plat with the written consent of the Architectural Review Board.

Section 5. Garage. Each residence shall have an attached or basement private garage for not less than two nor more than three cars, provided, however, that the use of a two or three car carport instead of a garage shall be permitted if the minimum ground level enclosed floor area of the residence shall be 1200 square feet. The driveway on each lot shall contain sufficient paved area for the off-street parking of at least two cars. All garages facing any street must be equipped with doors which shall be kept closed as much as practicable to preserve the appearance of the elevation of the house fronting on the street.

Section 6. No signs of any kind shall be displayed to public view on any lot except one professional sign of not more than one square foot or a sign which meets the specifications enumerated in Article VIII, Section 12, hereof..

Section 7 Parking of Motor Vehicles, Boat and Trailers. No trucks or commercial vehicles, boats, or other similar water-borne vehicles, house trailers, boat trailers of every other description, campers or camping units shall be permitted to be parked or to be stored on any lot, nor shall any inoperative vehicle of any type be parked or stored on any lot for more than 72 hours unless they are parked or stored in an enclosed garage or in such other enclosure approved by the Architectural Review Board, except only during periods of approved construction on the lot. This prohibition of parking shall not apply to temporary parking of trucks and commercial vehicles, such as for pick-up, delivery, and other commercial services.

Section 8. Antennas and Towers. No antenna or tower shall be erected upon any lot, unless with the prior written approval of the Architectural Review Board.

Section 9. No Commercial Activities. No commercial activity of any kind shall be conducted on any lot, but nothing herein shall prohibit the carrying on of promotional activities by the Developer.

Section 10. Elevation. No building shall be constructed with its ground level below an elevation of 962 feet above sea level.

Section 11. Sewers. Lots with an area of 15,000 square feet or more may install a private sewer system or septic tank on an interim basis pending completion of a public sewer disposal system. Said system or private sewer shall be disconnected and the lateral lines connected to the public sewer system within one year from the date said public sewer system is operative.

ARTICLE X GENERAL PROVISIONS

Section 1. Enforcement. The Association, or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 2. Severability Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions, which shall remain in full force and effect.

Section 3. Amendment. The covenants and restrictions of the Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Association, or the Owner of any lot, unit or tract of land subject to this Declaration, their respective legal representatives, heirs, successors, and assigns, for a term of twenty (20) years from the date this Declaration is recorded,

after which time said covenants shall be automatically extended for successive periods of ten (10) years. The covenants and restrictions of this Declaration may be amended during the first twenty (20) year period by an instrument signed by members entitled to cast not less than ninety per cent (90%) of the total votes in the Association, without regard to class, and thereafter by an instrument signed by members entitled to cast not less than seventy-five percent (75%) of the total votes in the Association, without regard to class. Any amendment must be properly recorded.

Section 4. Limitations. As long as there is a Class C Membership, the Association may not use its resources nor take a public position in opposition to the General plan of Development or to changes thereto proposed by the Developer. Nothing in this section shall be construed to limit the rights of the members acting as individuals or in affiliation with other members or groups.

Section 5. FHA/VA Approval. As long as there is a Class C Membership, the following actions will require the prior approval of the Federal Housing Administration or the Veterans Administration: Annexation of Additional properties, dedication of Common area, and amendment of this Declaration of Covenants, Conditions and restrictions.

Section 6. The Common Area shall not be mortgaged or conveyed without the consent of at least two-thirds of the Class A and Class B membership.

As Amended 5/22/84.

**AMENDED BY-LAWS OF
RAINTREE LAKE PROPERTY OWNERS ASSOCIATION, INC.**

**ARTICLE I
NAME AND LOCATION**

The name of the corporation is RAIN TREE LAKE PROPERTY OWNERS ASSOCIATION, INC., hereinafter referred to as the "Association." The principal office of the corporation shall be located at 825 S.W. Raintree Drive, Lee's Summit, Missouri, but meetings of members and directors may be held at such places within the State of Missouri, County of Jackson, as may be designated by the Board of Directors.

**ARTICLE II
DEFINITIONS**

Section 1. "Association" shall mean and refer to the RAIN TREE LAKE PROPERTY OWNERS ASSOCIATION, INC., its successors and assigns.

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

Section 3. "Common Area" shall mean all real property owned or leased by the Association for the common use and enjoyment of the Members of the Association.

Section 4. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision plat relating to the Properties, excepting the Common Area, Developer Owned Acreage, and land devoted to use by Multi-Family Residential or Commercial Units.

Section 5. "Developer Owned Acreage" Shall mean land lying within the heretofore described properties which is owned by the Developer which has not been subdivided into lots or developed into Multi-Family Residential or Commercial Units, including the Common area and other land improved by the construction lakes, dams, parks and clubs thereon.

Section 6. "Multi-Family Residential Units" shall mean occupied living units situated in a duplex, apartment, townhouse or other structure which affords residential living space for more than one family on land located within the properties, whether such units are owned or leased by the occupant. For purpose of this instrument Multi-Family Residential floor space which is constructed for sale pursuant to the condominium Property Act, Chapter 448, Revised Statutes of Missouri 1969, shall be considered occupied when it is conveyed by the builder to the first owner who takes title under the act; the actual occupancy of such units shall not be material. Multi-Family units which are

constructed for rental, and to which title to one or more buildings is retained by a single landlord, shall be considered occupied only when a valid lease to such premises is in effect.

Section 7. "Commercial Units" shall mean occupied premises upon which commercial business operations are conducted, without regard for whether such unit is owned or leased by the Occupant, on land located within the Properties. For purposes of this instrument commercial buildings shall be considered occupied only when business activity is actually being conducted on the premises or a valid lease to such premises is in effect between the Owner and some other individual or entity.

Section 8. "Member" shall mean and refer to every person or entity who holds membership in the Association pursuant to Article III of the Declaration.

Section 9. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any lot or other land which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 10. "Declarant" shall mean and refer to RAIN TREE LAKE DEVELOPMENT CORPORATION, a Missouri Corporation, and its successors and assigns.

Section 11. "Developer" shall refer to RAIN TREE LAKE DEVELOPMENT CORPORATION, a Missouri Corporation, and its successors and assigns.

Section 12. "Parcel" shall mean and refer to all platted portions of the Properties consisting of one or more lots or Multi-Family Residential or Commercial Units which are subject to the same supplementary Declaration.

Section 13. "Supplementary Declaration" shall mean any declaration of covenants, conditions and restrictions which may be recorded by the Declarant or Developer which contains such complementary provisions in relation to a Parcel as are authorized herein and required for the general welfare of Owners or Occupants of lots or units within the Parcel.

Section 14. "Declaration" shall mean and refer to the Declaration of Covenants, Conditions and Restrictions applicable to the Properties recorded in the Office of the Recorder of Deeds for Jackson County, Missouri, at Independence, Missouri, and in the Office of the Recorder of Deeds for Cass County, Missouri, at Harrisonville, Missouri.

ARTICLE III. MEMBERSHIP

Section 1. Membership. Every person or entity that is a record owner of a fee or undivided fee interest in any lot or of land where Multi-Family Residential or Commercial Units are located, or of Developer Owned Acreage, which is subject by covenants of record to assessment by the Association, including contract sellers, shall be a Member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. No owner shall have more than one membership. Membership shall be appurtenant to and may not be separated from ownership of any lot or other land which is subject to assessment by the Association and within the foregoing definition. Ownership of such lot or other land shall be the sole qualification for Membership.

Section 2. Suspension of Membership. During any period in which a member shall be in default in the payment of any annual or special assessment levied by the Association, the voting rights and right to use of the recreational facilities of such member may be suspended by the Board of Directors until such assessment has been paid. Such rights of a member may also be suspended, after notice and hearing, for a period not to exceed 90 days, for violation of any rules and regulations established by the Board of Directors governing the use of the Common Area and facilities.

ARTICLE IV PROPERTY RIGHTS: RIGHTS OF ENJOYMENT

Section 1. Members' Rights to Enjoyment. Each member shall be entitled to the use and enjoyment of the Common Area and facilities as provided in the Declaration. Any member may delegate his rights of enjoyment of the Common Area and facilities to the members of his family, his

tenants or contract purchasers who reside on the property . Such member shall notify the secretary in writing of the names of such delegates. The rights and privileges of such delegatee are subject to suspension to the same extent as those of the member.

Section 2 Charges and Fees. The Association may charge reasonable admission and other fees for the use of any facilities situated upon the common area.

ARTICLE V

BOARD OF DIRECTORS: SELECTION: TERM OF OFFICE

Section 1 Number. The affairs of this Association shall be managed by a board of nine (9) Directors, who need not be members of the Association.

* **Section 2 Election** The nine (9) Directors shall be elected by class A and B members according to the classes of voting membership in the Association provided in Article IV of the Articles of the Incorporation and Article IV of the Declaration of Covenants, Conditions and restrictions. At the membership meeting held on March 25, 1993, seven (7) Directors shall be elected by the Class A members voting at the annual meeting with four (4) Directors to serve a two (2) year term and three (3) Directors to serve for a one(1) year term . Further at said meeting, two (2) Directors shall be elected by the Class B members, one (1) of whom shall serve for a two year(2) year term and one(1) shall serve for a one(1) year term. Thereafter, at each successive annual meeting of the membership, vacancies on the Board of Directors shall be filled by annual election for two (2) year term with the number of Directors to remain at nine (9) unless charged in conformity with the Articles of Incorporation and By Laws of the Association. The Directors elected shall serve for a term of two (2) years and shall serve until their successors have been elected.

* Correct wording is in question.

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

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

Section 5. Action Taken Without a Meeting. The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

ARTICLE VI

MEETING OF DIRECTORS

Section 1 Regular Meetings. Regular meetings of the Board of Directors shall be held monthly without notice, at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday ,then that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 2 Special Meetings. Special meetings of the Board of Directors shall be held when called by the president of the Association, or by any two (2) Directors, after not less than three (3) days notice to each director.

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

ARTICLE VII

NOMINATION AND ELECTION OF DIRECTORS

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

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

ARTICLE VIII POWERS AND DUTIES OF THE BOARD OF DIRECTORS

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

(a) To adopt and publish rules and regulations governing the use of the common area and facilities, and the personal conduct of the members and their guest thereon, and establish penalties for the infraction thereof;

(b) To exercise for the association all powers, duties and authority vested in or delegated to this association not reserved to the membership by other provisions of these By-Laws, the Articles of incorporation, or the Declaration;

(c) To employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties.

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

(a) To cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members or at any special meeting, when such statement is requested in writing by one-third(1/3) of the class A and B members who are entitled to vote.;

(b) To supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

(c) As more fully provided herein and in the Declaration,

(1) To fix the amount of the annual assessment against each lot at least thirty (30) days in advance of each annual assessment period, as hereinafter provided in Article XII and

(2) To send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period:

(d) To issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. Such certificate shall be conclusive evidence of any assessment therein stated to have been paid;

(e) To procure and maintain adequate liability insurance, and to procure adequate hazard insurance on property owned by the Association;

(f) To cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;

(g) To cause the common area to be maintained.

(h) To cause the exterior of the dwellings to be maintained.

ARTICLE IX COMMITTEES

Section 1 Required Committees. The Board of Directors of the Association shall annually appoint a Nominating Committee and shall select chairmen for the various Parcel Committees, in addition to the Architectural review board provided in the Declaration, as follows:

(a) The Board shall appoint a Nominating Committee as heretofore provided. The Committee shall consist of a chairman and at least four members, none of whom shall be candidates for office.

(b) Annually, the board shall appoint a Parcel chairman from each Parcel within the properties. The chairman shall appoint four (4) other Parcel owners to serve as members. It shall be the duty of the committee to advise the Board each year on the proposed budget for maintaining and operating the common areas and providing services in the Parcel. The Committee also shall perform such other duties as may be assigned by the board.

Section 2. Other Committees. In addition to the foregoing, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purposes.

ARTICLE X MEETINGS OF MEMBERS

Section 1 Annual Meetings. The first annual meetings of the members shall be held within one year from the date of incorporation of the Association, and each subsequent regular annual meeting of the members shall be held on the last Thursday in March of each year thereafter, at the hour of 7:00 o'clock p.m. If the day for the annual meeting of the members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday.

Section 2 Special Meetings. Special meetings of the members may be called at any time by the president or by the Board of Directors, or upon written request of the members who are entitled to cast one-third (1/3) of all of the votes of the entire membership.

Section 3 Notice of Meetings Written notice of each meetings of the members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid ,at least 15 days before such meeting to each member entitled to vote thereat, addressed to the member's address last appearing on the books of the Association, or supplied by such member to the Association for the purpose of notice.. Such notice shall specify the place, day and hour of the meeting and, in the case of a special meeting, the purpose of the meeting.

Section 4 Quorum. Unless otherwise provided in the Declaration, Articles of incorporation or these By-Laws, the presence at the meeting of the members entitled to cast, or of proxies entitled to cast, one-tenth (1/10) of the votes of each class of membership shall constitute a quorum for any action . If, however such quorum shall not be present or represented at any meeting ,the members entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

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

ARTICLE XI OFFICERS AND THEIR RULES

Section 1. Enumeration of Offices. The officers of this Association shall be a president and vice-president, who shall at all times be members of the Board of Directors, a secretary, and a treasurer, and such other officers as the Board may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place the first meeting of the Board of Directors following each annual meeting of the members.

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

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

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board Any officer may resign at any time by giving written notice to the Board, the president or the secretary . Such resignation shall take effect on the date of receipt of such notice or

at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6 Vacancies. A Vacancy in any office may be filled in the manner prescribed for regular election. The officer elected to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7 Multiple Offices. The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article .

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

(a) **President.** The president shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and written instruments and shall co-sign all promissory notes.

(b) **Vice-President.** The vice president shall act in the place and stead of the president in the event of his absence, inability or refusal to act, shall exercise and discharge such other duties as may be required of him by the Board.

(c) **Secretary.** The secretary shall record the votes and keep the minutes of all meetings and proceedings of the board and of the members; keep the corporate seal of the association and affix it on all papers requiring said seal; serve notice of meetings of the board and of the members; keep appropriate current records showing the members of the association together with their addresses, and shall perform such other duties as required by the board.

(d) **Treasurer.** The treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; keep proper books of account; cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the members.

ARTICLE XII ASSESSMENTS

Section 1 Creation of the Lien and Personal Obligation of Assessments. By the Declaration each member is deemed to covenant and agree, beginning January 1, 1975, to pay to the Association: (1) annual assessments or charges ,and (2) special assessments for maintenance and capital improvements, such assessments to be fixed, established, and collected from time to time as hereinafter provided, and (3) annual or special parcel assessments or charges which shall be established and collected as provided herein and in Supplementary Declaration recorded pursuant hereto. The annual, special and parcel assessments, together with such interest thereon and costs of collection thereof, as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made . Each such assessment , together with such interest, cost, and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation shall not pass to his successors entitle unless expressly assumed by them.

Section 2. Purpose of Assessments.

(a) **Annual Assessments.** The annual assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety, welfare, of the residents in the Properties, and in particular for the improvements and maintenance of the properties, service and facilities devoted to this purpose and related to the use and enjoyment of the Common Area ,and of the buildings situated upon the Properties and for any other purpose which is necessary or desirable for the maintenance and improvements of the Properties and Common Area or which is to be of general benefit to the Owners and Occupants.

(b) **Special Maintenance Assessments.** Special assessments may be imposed by the Board of Directors upon any Lot or other land upon which multi-family residential or commercial units are

located, for the purpose of maintaining the exterior appearance thereof if the Owner shall have failed or refused to do so, including, but not limited to, mowing and cleaning of unsightly brush and debris, painting, repairing replacing and caring for roofs, gutters, downspouts, and exterior building surfaces, trees, shrubs, grass walks and other exterior improvements necessary to keep the Owner's property from deteriorating or becoming unsightly. For the purpose solely of performing the exterior maintenance authorized by this paragraph, representatives of the Association and its duly authorized agents or employees shall have the right, after reasonable notice to the Owner, to enter upon any Lot, unit or other property at reasonable hours any day except Sunday.

(c) **Special Assessments for Capital Improvements.** In addition to the forgoing, the Association may levy in any assessment year uniform special assessment against Lots, units and acreage, by category, applicable to that year and not more than the next two succeeding years, for the purpose of defraying, in the whole or in part, the cost of any construction, reconstruction, repair, or replacement of a capital improvements upon the Common Ares, including fixtures and personal property related thereto, providing that any such assessment shall have the assent of the Class C member and be approved by two-thirds (2/3) vote of Class A and B members present and voting in person or by proxy at a regular or special membership meeting

Section 3 Parcel Assessments

(a) **Purpose of Assessments.** Annual Parcel assessments shall be used for such purposes as are authorized by the Supplementary Declaration for each Parcel

(b) **Method of Assessment.** The annual assessments for each Parcel shall be levied by the Association against Lots or units in a Parcel, using the basis set forth in the Supplementary Declaration for the given Parcel, and collected and disbursed by the Association. The Board of Directors, in accordance with each Supplemental Declaration, shall fix the annual Parcel assessment for each Parcel and the date(s) such assessments become due

(c) **Special Parcel Assessments for Capital Improvement.** In addition to the annual Parcel assessments authorized above, the Association may levy in any assessment year a special assessment against the Lots or units of a Parcel for the purpose of defraying in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Parcel, including fixtures and personal property related thereto, provided that any such assessments shall have the assent of two-thirds (2/3) of the class A and B votes relating to lots or units in the Parcel cast in person or by proxy at a meeting of Class A and B members owning lots or units within the Parcel.

Section 4 Maximum Annual Assessment. Beginning January 1, 1975, and until January 1, 1978 the maximum annual assessment, as determined by the Board of Directors of the Association, shall be One Hundred Eighty Dollars (180.00) for each lot, One Hundred Sixty Dollars(160.00) for each commercial unit, One Hundred Twenty Dollars(120.00) for each multi-Family residential unit, and Twenty Five Dollars(25.00) per acre (and major fraction thereof) for each acre of undeveloped and unplatted land not owned by the Developer, provided, however, that assessments for all Lots, units and land owned by the class C member, as defined by article IV, shall be assessed separately from other Lots, units and land, as may be reasonably necessary to provide for the care, maintenance and welfare thereof without regard to the foregoing maximum annual assessments and without regard to the assessments imposed against other lots, units and land.

(a) From and after January 1, 1978, the maximum annual assessment in each of the heretofore enumerated categories may be increased effective January 1 of each year without a vote of the membership in conformance with rise, if any, of the consumer price index (published by the department of labor, Washington, D. C.) for the preceding month of July.

(b) From and after July 1 1978, the maximum annual for any or all categories may be increased without regard to the Consumer Price Index formula by a vote of the members of the next succeeding year, and at the end of each such period of one year, for each succeeding year, provided that any such change shall have the assent of a majority of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose, written notice of which shall be sent to all members not less than 30 days nor more than 60 days in advance of the meeting setting forth the

purpose of the meeting. The limitations hereof shall not apply to any change in the maximum and basis of the assessments undertaken as an incident to a merger or consolidation in which the Association is authorized to participate under its articles.

(c) After consideration of current maintenance cost and future needs of the Association, the Board of Directors may fix the annual assessment at any amount not in excess of the maximum, provided, however, the actual assessment for each of the heretofore identified categories must bear the same ratio to the assessments imposed in other categories as the maximum annual assessments for each such category bears to the maximum annual assessments for other categories.

Section 5 Method of Computation When Using the Consumer Price Index. The consumer Price Index established the United States City Average numerical rating upon which calculations are based as 126.20. This will be the base rating. To determine the percentage to be applied to the maximum annual assessment for each subsequent year, divide this base rating into the numerical rating established by the Consumer Price Index for the month of July preceding the proposed assessment year. The quotient resulting, if in excess of one (1) is multiplied by the original maximum annual assessment to obtain the assessment for the subsequent year.

Section 6. Uniform Rate of Assessment. Both annual and special assessments must be fixed at a uniform rate within all categories of lots, units and land, and may be collected on a monthly basis.

Section 7. Quorum for Any Action Authorized Under Sections 2 and 4. At the first meeting called, as provided in sections 2 (b) and 4 (a) hereof, the presence at the meeting of members or of proxies entitled to cast sixty per cent (60 %) of all the votes of each class of membership shall constitute a quorum. If the quorum is not forthcoming at any meeting another meeting may be called, subject to the notice requirement set forth in sections 2 and 4, and the required quorum at any subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than 60 days following the preceding meeting

Section 8. Date of Commencement of Annual Assessments: Due Dates. The annual assessments provided for herein shall commence as to all Lots, units and other land heretofore enumerated on January 1, 1975, or on the first day of the month following the conveyance of such Lots, the occupancy of multi-family residential or commercial units, and the conveyance of undeveloped and unplatted acreage not owned by the Developers, which occurs last. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each Lot, unit or tract of land at least 30 days in advance of each assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors, which may require payments on a monthly basis. The Association shall upon demand at any time furnish a certificate in writing signed by an officer of the Association setting forth whether the assessments on a specified Lot, unit or tract have been paid. A reasonable charge may be made by the Board for the issuance of these certificates such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid .

Section 9 Effect of Nonpayment of Assessments: Remedies of the Association. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within 30 days after the due date, the assessment shall bear interest from the date of delinquency at the rate of eight (8%) per annum, and the Association may bring an action at law against the owner personally obligated to pay the same, or foreclose the lien against the property, and interest, costs and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the common area or abandonment of his lot or other property.

Section 10. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any mortgage or mortgages. Sale or transfer of any lot or land shall not affect the assessment lien. However, the sale or transfer of any lot or land is subject to mortgage pursuant to a decree of foreclosure under such mortgage or any proceeding in lieu of foreclosure thereof, shall extinguish the lien of such assessments as to payments thereof which

became due prior to such sale or transfer. No sale or transfer shall relieve such lot or land from liability for any assessments thereafter becoming due or from the lien thereof.

Section 11. Exempt Property. The following property subject to this declaration shall be exempt from the assessments created herein; (a) all properties dedicated to and accepted by a local public authority; (b) the common area; and (c) all properties owned by a charitable or non-profit organization exempt from taxation by the laws of the State of Missouri. However, no land or improvements devoted in whole or part to dwelling, multi-family residences or commercial use shall be exempt from said assessments.

ARTICLE XIII BOOKS AND RECORDS

The books ,records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any member upon ten (10) day written notice to the Association. The Declaration, the articles of incorporation and the by-laws of the Association shall be available for inspection by any member at the principle office of the Association, where copies may be purchased at reasonable cost.

ARTICLE XIV CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the words: RAINTREE LAKE PROPERTY OWNERS ASSOCIATION, INC.

ARTICLE XV AMENDMENTS

Section 1. These By- Laws may be amended, at a regular or special meeting of the members, by a vote of a majority of a quorum of members present in person or by proxy, except that the federal housing administration of the Veterans Administration shall have the right to veto amendments while there is a Class C membership

ARTICLE XVI MISCELLANEOUS

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