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**ARTICLES OF INCORPORATION
OF BRIDGES BAY RESORT HOMEOWNER'S ASSOCIATION
(A Non-Profit Corporation)**

TO: The Secretary of State
State of Iowa

I, the undersigned, acting as incorporator of a corporation under the Iowa Non-Profit Corporation Act, Chapter 504 of the 2005 Code of Iowa, adopt the following Articles of Incorporation for such corporation.

- I. The name of this corporation shall be Bridges Bay Resort Homeowner's Association, hereinafter referred to as "Association".
- II. The purposes of the Association are as follows:
- A. To hold title to, maintain and manage the use of the common areas of that property to be known as Bridges Bay Resort, a development located in Dickinson County, Iowa.
 - B. To administer and enforce the Master Provisions applying to Bridges Bay Resort.
 - C. To take such action as is consistent with the promotion of the health, safety and general welfare of the owners of the property in Bridges Bay Resort.
 - D. To operate without profit and for the sole benefit of owners of property in Bridges Bay Resort.
 - E. All other purposes allowed by Iowa law, which supplement and facilitate the foregoing purposes.
- III. The address of the Corporation's initial registered office shall be 708 Lake St., Spirit Lake, Dickinson County, Iowa. The initial registered agent at said address is Earl H. Maahs.
- IV. The number of directors constituting the initial Board of Directors of the Corporation is three (3). The names and addresses of the persons who are to serve as initial directors are as follows:
- | | | |
|--|--|--|
| Jon E. Broek
4208 West 38th Street
Sioux Falls, SD 57106 | Randy E. Ronsiek
4208 West 38th Street
Sioux Falls, SD 57106 | Marybeth Ronsiek
4208 West 38th Street
Sioux Falls, SD 57106 |
|--|--|--|
- V. The incorporators are the same persons as the initial board of directors, whose names and addresses appear above.
- VI. The membership of the Association shall consist of all property owners of units within the property described on attached Exhibit "A". This property consists of developments known as Bridges Bay Resort. Ownership of a Resort Condo unit, Residence Condo unit, Residence unit and Commercial unit in Bridges Bay Resort shall

carry with it one membership in the Corporation. Membership in the Association and all attendant rights and obligation are appurtenant to ownership of property in Bridges Bay Resort, and cannot be separated from property ownership.

VII. Each member of the Association shall have one vote for each share owned by that member, provided however that in case of multiple ownership of a single parcel or unit the owners of that parcel or unit and the appurtenant share shall have, as a group, one vote for each share.

VIII. (A) The business of the Association shall be managed by a Board initially consisting of three (3) directors. The number of Directors on succeeding Boards shall be five (5), unless altered through the Corporation By-Laws, but in no event shall the number be less than five (5) nor more than nine (9).

(B) All directors shall be appointed by and serve at the pleasure of BBR, LLC, a South Dakota Limited Liability Company, which shall appoint two (2) directors and Bridges Bay Resort, L.L.C., a South Dakota Limited Liability Company, which shall appoint one (1) director, their successors or assigns, hereinafter referred to as "Developer", until the Developer no longer holds for sale property located within Bridges Bay Resort, or any earlier date on which Developer voluntarily relinquishes its right to appoint the Directors. When the Developer voluntarily relinquishes the right to appoint, or no longer holds property in Bridges Bay Resort for sale, Directors shall be elected by the members by plurality vote. When the Developer voluntarily relinquishes the right to appoint, or no longer holds property in Bridges Bay Resort for sale, Directors shall be elected by the members by plurality vote, however, the owner of the commercial units shall have the right, without the need for the consent, vote or other action of any other residential unit owner or the Association's Board, to designate, name and appoint to the Board forty percent (40%) of the total number of Board members, unless the owner of the commercial unit relinquishes the right to appoint.

(C) All Directors, whether appointed or elected, shall serve terms of one year. Appointed Directors may only be removed by action of the Developer. Elected Directors may only be removed by vote of the members.

(D) Upon dissolution, the assets shall be distributed to the current members of the Corporation.

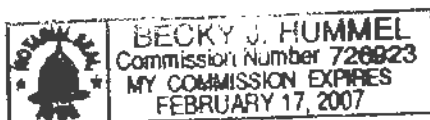
Dated this 12th day of September, 2006.

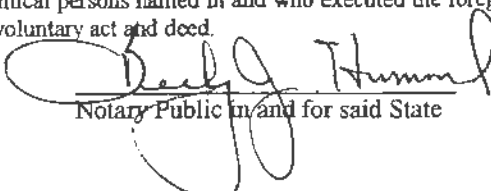


Jon E. Broek

STATE OF IOWA)
)ss:
COUNTY OF DICKINSON)

On this 12th day of September, 2006, before me, the undersigned, a Notary Public in and for said County and State, personally appeared Jon E. Broek, to me known to be the identical persons named in and who executed the foregoing instrument, and who acknowledged that they executed the same as their voluntary act and deed.





Notary Public in and for said State

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Rules and Regulations - Bridges Bay Resort Homeowners Association

PREAMBLE

The rules set forth in this document are based on the Bylaws and Declarations of this Association. Our primary concerns are the appearance of your property, goodwill, and the safety of you, your guests, and your neighbors. Other considerations in the development of these rules are general courtesy, common sense, and basic good judgment. The management, acting as agents of the Association, has the authority to enforce all of the rules set forth in this document. However, the first step to resolving any problem is the willingness of you, the owner, to file a complaint with management.

ARTICLE ONE.

DEFINITIONS

- A. Commercial unit shall be defined as Unit ____ in Trestle Bridge Resort Condo building.
- B. Residence Condo units shall be defined as those condominium units located in buildings designated as Residence Condo.
- C. Resort Condo units shall be defined as those units in buildings designated as Resort Condo.
- D. Residence units shall be defined as single family townhomes or dwellings.

ARTICLE TWO.

BUILDING AND GROUNDS

- A. Quiet hours are from 10:00 p.m. to 7:00 a.m. During this time, please remember to be considerate of your neighbors. No obnoxious or offensive activity shall be carried on in any area of the complex (individual units or the common areas) either knowingly or negligently which may be an annoyance or nuisance to other owners or occupants.
- B. The use of barbecue grills within any building of any Resort Condo Unit is prohibited. Upon violation, barbecue grills will be removed from the building or deck. Resort Condo Units have access to common barbecue grill areas. The use of barbecue grills is allowed on deck area of Residence Condo Units.
- C. Use caution when using barbecue grills by keeping them away from the

building and railings. Please remember your upstairs neighbors; smoke rises.

D. The general appearance and cleanliness of all outside decks is the responsibility of each unit owner and/or his or her guests. Care should be exercised when washing down or sweeping to prevent debris from littering decks of your neighbors below.

E. Do not place decorative pieces or other items on outside deck railings. Secure all hanging items for the safety of those below.

F. Nothing may be placed over outside railings for drying purposes. Do not use any type of "clothes lines" on decks.

G. It is the owner's responsibility to control their children or their guests' children while on property. There shall be no climbing or playing on entries, railings, fences, ladders, etc. on the property. Minors shall be supervised by a responsible adult at all times.

H. Roller-blades, roller-skates, skateboards, bicycles, etc., are prohibited in the parking lots or sidewalks. Basketball games and all other sporting activities are prohibited from the parking lots or sidewalks.

I. The common elements shall be kept free and clear of rubbish, debris, and other unsightly materials, decorations, or furniture. Cigarette butts must be disposed of in the proper container. All trash shall be in plastic bags and placed inside the trash hoppers or trash cans provided. The Association may permit furniture in specified common areas by written approval prior to placement of any such furniture. Any such approval is revocable at any time at the discretion of the Association. Disposal dumpsters are located throughout the property. Make certain dumpster lids are closed. Pick up litter around these receptacles.

J. Burning of refuse is prohibited on the premises.

K. Fireworks, firearms, and air guns may not be discharged on the property at any time.

L. The throwing or launching of any projectiles in the complex is prohibited. This includes but is not limited to stones, rocks, and water balloons.

M. Only one decorative sign or ornament may be displayed on the outside wall of the primary entrance side of the unit. No signs may be attached to the outside rails of the unit deck.

N. The approved window treatments facing the exterior of the building are white and off-white blinds. There are approved window tints, sunshades, and fans. For more information contact the Property Manager.

O. In addition to the weatherization period, owners must turn the water for entire unit and the water-heater breaker off each time they leave the condo for extended periods (i.e., from weekend to weekend) to minimize the possibility of damage to units around them. The owner will be liable for damages for violation of this rule.

P. Each unit owner shall comply strictly with the provisions of any recorded Condominium Declarations and Bylaws, Rules and Regulations, and any amendments to the same.

Q. Owners shall not cause or permit any change in utilities or anything to be placed on the outside walls, decks, or balconies of the building such as, but not limited to, signs, awnings, shutters, radio or television antennas, or satellite television receiving equipment without the prior approval of the Board.

ARTICLE THREE.

PETS

A. Owners are allowed no more than one common domestic pets. At the unit owner's cost, he or she shall repair any damage incurred in common areas caused by the conduct of a pet. Pets must be on a leash at all times. No animals shall be restricted by chain, rope, or other method that is secured to any portion of a building, tree, shrubbery, or stake. Pet owners must immediately clean up after their pet's defecation. No pets shall be allowed to create a nuisance or disturbance.

Violation of the provisions of this Article Two shall subject violators to the following penalties:

1. Any pet unleashed and unattended on the Association property will be confined to be reclaimed by such pet's owner.
2. Failure of any owner to reclaim (within 24 hours) a pet will result in that pet being taken to the Humane Society.

B. Do not leave pets unattended on condo decks.

C. Any unit owner violating the provisions of this Article Two more than twice may be prohibited from maintaining any pets in the condominium.

ARTICLE FOUR.

PARKING

A. Vehicles blocking entry walkways or stairways to buildings or dumpsters are prohibited. Only those vehicles marked accordingly may be parked in handicapped designated spots. After all reasonable attempts to locate owners of any illegally parked

vehicles (trailers, boats, cars, etc.) have been made, and the vehicle is not moved to a proper area will be subject to removal and storage at commercial storage facilities in the area at the owner's cost.

B. The parking, storage, or repair of unlicensed, expired license, or disabled vehicles is prohibited; and any such vehicle will be subject to removal and storage at commercial storage facilities in the area at the owner's cost. There will be no parking or storage of vehicles on premises beyond your stay. Vehicles left unattended for an extended period of time will be subject to removal and storage at commercial storage in the area at the owner's cost.

C. Oversized vehicles must be parked (except for loading and unloading) in designated areas only.

D. Because of the limited parking space, boats, boat trailers, RVs, campers, etc. are prohibited from parking on the premises, other than in designated areas. If parked or stored under unauthorized circumstances the owner will be subject to removal and storage (at owner's or guest's expense) at commercial storage facilities in the area.

E. The use of common area utility services such as water faucets is prohibited unless otherwise authorized.

F. Cooking, sleeping, or living in or on RVs is prohibited.

G. The operation, or any other use of a golf cart, moped, an all-terrain vehicle ("ATV") or similar vehicle upon any of the common elements of the Association property, including paved and unpaved portions, is prohibited; any moped, ATV, or other similar vehicle so operated will be subject to removal and storage at commercial storage in the area at the owner's cost. Motorized vehicles used by physically disabled persons such as motorized wheelchairs or electrically motorized three- and four-wheeled scooters are not subject to this restriction.

ARTICLE FIVE.

INDOOR WATERPARK

A. Access to the water park shall be four per member unit for each two bedroom unit and six per member unit for each three bedroom unit and may be by wristband issued for each member unit. Additional access may be available at a special rate for unit owners. All people in the waterpark must have a wristband.

B. This schedule will change as demand is known and hours of operation are subject to the Owners Association approval. The hours and days of operation of the waterpark will be determined based on useage and demand. The waterpark will be open from 10 am to 10 pm Sunday through Thursday and 10 am to 11 pm Friday and Saturday during the Summer Season. The Summer Season is defined as Memorial Day weekend through Labor Day weekend. The waterpark will be open from 5 pm to 10 pm Friday, 10

am to 10 pm Saturday and 10 am to 6 pm Sunday during the remainder of the year. On weekdays the waterpark may be open when demand dictates. The capacity of the waterpark will be set by the State of Iowa. The maximum member unit wristbands will exceed the capacity set by the State of Iowa and at any time the admission will be limited to the capacity on a first come basis.

- C. Children under the age of 12 must be accompanied by an adult.
- D. When member units are not expected to utilize the pool to capacity, third party users may use the waterpark for a fee. Such fee is to be determined by the Owners Association. All such revenue will be used to reduce operating expenses of the waterpark.
- E. The waterpark hours and time and rules will be established by the Owners Association once it is open.

ARTICLE SIX.

BOAT DOCK AREA

- A. Each slip lessee is expected to keep his or her area clean and free of debris.
- B. Swimming off or near boat docks is prohibited. Because of underwater bracing around every dock this is for the safety of both the swimmers and boat operators
- C. Running on docks or ramps is prohibited. Roller-blades, skateboards, roller skates, bicycles, etc., are not allowed on the boat docks or ramps.
- D. Dock fingers and walkways must be cleared of all obstacles, including all personal watercraft (i.e., paddle boats, canoes, rafts, wave runners, jet skis, etc.).
- E. Cleaning of fish on docks and ramps is prohibited.
- F. No-wake speed is mandatory within 300 feet of docks or other watercraft and inside buoyed areas adjacent to docks.
- G. Caution your guests in visiting boats that vacant slips are private.
- H. While on docks or ramps, respect the rights of others by keeping all excessive noise at a minimum. Loud and boisterous conduct on docks and ramps is prohibited.
- I. Dock utility service is restricted to the lessee or owner of a boat slip.
- J. There shall be no cooking, sleeping, or living on watercraft docked.
- K. No boats over 29 feet in length are to be tied up to the dock at any time except to load and unload. No overnight docking is permitted on the outside of any dock.

L. Special wiring beyond what is available is paid for by a slip owner after obtaining permission from the Manager to install.

M. The proper way a boat is to be parked is as follows: the nose not extending onto or over the walkway area as to obstruct the pathway, and not beyond the upright steel posts closest to the walk area of your slip. Watercraft will not be permitted to, in any way, obstruct the walkway. Please follow this parking procedure because if someone is injured due to your boat being improperly parked, you will be held solely responsible.

N. The subleasing or use of dock slips by non-owners or persons not residing on the premises is prohibited, except for commercial unit slips.

O. The permanent mooring or tying to the ramps and stairs leading to the docks and the fingers of the docks are prohibited.

P. Other than PWC lifts, no front-mounted boatlifts over [number] pounds may be installed in any slip.

Q. The storage and use of combustible material on the docks is strictly prohibited.

R. Fueling of boats, jet skis, or any motorized vehicle is strictly prohibited on the boat docks.

S. One dock storage container per lessee is allowed. It shall be a white fiberglass chest type, of a size approved by the Board and shall be located on the shore side and closest on your slip. Any hoist boxes or related equipment must also be located on the shore side and closest to your slip.

T. No trash containers, other than those provided by the Association, shall be located on any dock.

U. All boat hoists or personal watercraft hoists installed in a slip shall be of a design and size approved by the Board.

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**BY-LAWS
OF
THE BRIDGES BAY RESORT HOMEOWNER'S ASSOCIATION
(A Non-Profit Corporation)**

The Bridges Bay Resort Homeowner's Association, a non-profit corporation, hereinafter referred to as "Association", hereby adopts the following By-Laws:

1. The registered office and principal office of Association shall be located at 708 Lake Street, Spirit Lake, Iowa or at such other place as may be established by resolution of the Board of Directors of Association.

2. The corporation shall be governed by a board of three (3) directors until BBR, L.L.C. and Bridges Bay Resort, L.L.C., hereinafter Developer, either surrender or lose the right to appoint directors under Article VIII B of the Articles of Incorporation, then the board shall consist of five (5) directors. Whenever there are three (3) directors, at least two (2) directors must be present to constitute a quorum. Whenever there are five (5) directors, at least three (3) directors must be present to constitute a quorum. Action may be taken at any Board of Directors meeting upon majority vote of those present. The initial directors and subsequent directors shall be appointed by Developer until such time as Developer surrenders, voluntarily or otherwise, its right to appoint under Article VIII B of the Articles of Incorporation, whereupon all directors shall be elected by vote of the membership as described below. Upon the death, resignation or removal of any director, that director's position shall be filled by an appointment made by the remaining directors, except that in the case of a director appointed by Developer and not yet elected by the membership, Developer shall fill any vacancy by appointment. Any directors appointed by the Board or Developer pursuant to the preceding sentence shall serve for the remainder of the term of the previous director.

3. The Board of Directors shall have the power to call meetings of the members, to appoint and remove all officers and employees of Association, and to direct the action of said officers and employees.

4. Association Meetings.

A. There shall be annual meetings of Association on the second Saturday[®] of July in each year at 10:00 o'clock a.m. for the purpose of electing a President, Vice President and Secretary-Treasurer and after Developer surrenders or loses the right to appoint, two (2) Directors shall be appointed by the owner of the commercial units, subject to Developer's reserved rights and shall constitute the Board of Directors, and for transacting any other business authorized to be transacted by Association.

B. The annual meeting and all other meetings of Association shall be held at the corporation office or such other suitable place convenient to the directors and members as may be designated by the Board. No notice need be given of Association's annual meeting nor the Board's annual meeting.

C. Special meetings of Association may be called by the Board by majority vote or upon the written request of a majority of the voting membership. Notice of any special meetings shall be given to all voting members by ordinary mail addressed to their last known address not less than ten (10) days nor more than thirty (30) days prior to the date set for such meeting. The notice shall state the time and place of such meeting and the purpose thereof. No business may be conducted at such meeting other than as stated in the written notice unless all voting members are personally in attendance (not including proxies).

D. Notice of a meeting may be waived in writing. Attendance by a voting member at any meeting of Association shall constitute a waiver of notice.

E. A quorum at Association meetings shall consist of twenty-five percent (25%) of the voting membership. Action approved by a majority of those present at a meeting at which a quorum is present shall be valid except where approval by a greater number of voting members is required by these By-Laws or the Master Covenants. The joinder of a voting member in the action of a meeting by signing and concurring in the minutes thereof shall constitute the presence of a member for the purpose of determining a quorum.

F. Votes may be cast in person or by proxy. Proxies must be in writing and filed with the Secretary-Treasurer before the time of the meeting. A proxy so filed shall constitute that owner's presence at the meeting except as stated in Paragraph 4.C above.

G. If any Association meeting cannot be held because a quorum is not in attendance, the voting members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present.

H. The order of business at all annual meetings of Association shall be as follows:

1. Roll call and certification of proxies;
2. Proof of notice of meeting and waivers of notice;
3. Reading the minutes of the preceding meeting;
4. Report of officers;
5. Report of committees;
6. Election of officers;
7. Unfinished business;
8. New business;
9. Adjournment.

I. The latest edition of Roberts Rules of Order shall govern meetings unless specifically provided otherwise.

5. The board of administration of this Association shall be the Executive Board or Board of Directors established as follows.

A. The Executive Board shall be in charge of the administration of this Association. Until such time as Developer surrenders or loses its right to appoint Directors under Article VIII B of the Articles of Incorporation, the Board shall consist of three (3) persons who shall collectively serve as President, Vice President and Secretary-Treasurer as appointed by Developer. After Developer surrenders or loses the right to appoint Directors under Article VIII B of the Articles of Incorporation, the President, Vice President, Secretary-Treasurer shall be elected by the voting members at Association's annual meeting and two (2) Directors appointed by the Owner of the commercial units and the Board shall then consist of five (5) members. In all cases, Directors shall serve for a period of one (1) year and until their successors are appointed or elected, unless otherwise removed.

B. The powers and duties of the executive board shall include all of the powers and duties existing under Chapter 504 of the 2005 Code of Iowa. These powers and duties shall include but not be limited to the following, subject however to the provisions of the Articles of Incorporation and these By-Laws:

1. To make and collect assessments against members to pay the costs and expenses of The Landings;
2. To use the proceeds of assessments in the exercise of the powers and duties of the Board;
3. To maintain, repair, furnish, replace and operate the common areas owned or maintained by Association;
4. To purchase insurance upon the property and insurance for the operation of Association and its members, including but not necessarily limited to casualty and liability insurance;
5. To reconstruct improvements after casualty and to further improve the property;
6. To make and amend reasonable regulations, standards and rules of conduct regarding the use and occupancy of the property;
7. To enforce by legal means, if necessary, the provisions of law, the Master Covenants, Articles of Incorporation and regulations, standards and rules of conduct properly adopted;
8. To contract for the management of the regime and to delegate to a manager such powers and duties of Association and Board as it may deem appropriate and to terminate such management. The Board shall also have the power to employ

attorneys, accountants and such other professional persons as necessary to assist in said management;

9. The designation and removal of personnel necessary for the maintenance, repair, replacement and operation of the common areas and facilities.

C. The officers of this Association shall have the following duties and responsibilities:

1. The President shall be the chief executive officer of the Board and Association. He or she shall have all the general duties and powers which are usually vested in the office of President, including, but not limited to, the power to appoint committees from among the voting members from time to time, as he or she decides is appropriate to assist in the conduct of the affairs of Association or Board;

2. The Vice President shall, in the absence of the President, perform the President's duties. The Vice President shall also perform such other duties and provide assistance to the President as shall be imposed by Association, Board or President;

3. Secretary-Treasurer. The Secretary-Treasurer shall have the minute book wherein resolutions and other business of Association shall be recorded, shall have charge of such books and papers as Association or Board may direct, shall give all notice to members and directors or other notices required by law or these By-Laws and shall in general perform all duties incident to the office of the Secretary-Treasurer. He or she shall also have the responsibility for Association funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements of Association and of the Board in books belonging to Association or to the Board. No expenditure above \$1,000.00 may be made without approval of the Board unless this provision is amended by resolution of the Board. In general, the Secretary-Treasurer shall keep the books in accordance with good accounting practices and perform all other duties incident to the office of Secretary-Treasurer;

4. All officers shall be voting members, spouses of voting members or officers or agents of corporate or fiduciary voting members, but this shall not preclude the appointment and employment of nonvoting members as assistant secretary or assistant treasurer;

5. Compensation of all directors and officers including assistant secretary and assistant treasurer shall be fixed by Association.

D. The annual meeting of the Board of Directors shall be held in each year immediately following the adjournment of the annual meeting of Association. At such meeting, the Board shall determine what time, if any, shall be established for periodic board meetings.

E. The qualifications for voting membership and the method of voting shall be governed by Articles VI and VII of Association's Articles of Incorporation.

F. Special meetings of the Board may be called by the President and shall be called by the President if requested by two other board members. Notice of special meetings of the board shall state the time and place of any such meeting and the purpose thereof and shall be mailed by ordinary mail to each board member at least three (3) days but not more than fifteen (15) days prior to such meeting. Such special meeting shall not consider business other than that set out in the notice unless all board members are in attendance.

G. Board members may waive notice of the meeting in writing and their attendance at a meeting shall constitute a waiver of said notice.

H. There shall be no proxies for Board meetings. A majority of those present shall be necessary for Board action.

I. Ordinary business and decisions and resolutions of the Board may be conducted and put into effect without a formal meeting of the Board provided the full particulars of the item are reduced to writing and signed by all Board members and filed with the Secretary who shall keep said written document with the minutes of the meeting of the Board.

J. If desired by Association or by the Board, a Blanket Fidelity Bond may be secured to cover anyone who may handle Association funds. The premium on such bonds shall be paid from Association funds.

K. After Developer has relinquished or lost its right to appoint Directors under Article VIII B of the Articles of Incorporation, upon an affirmative vote of the majority of the voting members any Board member may be removed either with or without cause and a successor elected at a regular or special meeting of Association. Assistant officers may be removed upon an affirmative vote of the majority of the members of the Board present at a meeting either with or without cause and successors may be elected at any meeting, regular or special.

L. Payment vouchers exceeding the amount established by paragraph 5.C.3. above shall be approved by a majority of the Board with such approval noted in the minutes.

M. The joinder of any director in the action of a meeting of the Board by signing and concurring in the minutes thereof shall constitute the presence of such director for the purpose of determining a quorum.

6. The fiscal management of this Association shall be subject to the following.

A. For each calendar year, the Board of Directors shall adopt an annual budget which shall include the following accounts:

1. Current expense, which shall include all funds and expenditures to be made within the year for which the funds are budgeted, including a reasonable amount for contingencies and working funds. Any balance in this fund at the end of each year may be applied to reduce the assessments for current expense for the succeeding year;
2. Reserve for deferred maintenance, which shall include funds for maintenance items which occur less frequently than annually;
3. Reserve for replacement, which shall include funds for repair or replacement required because of damage, depreciation or obsolescence;
4. The budgets for 1. and 3. above may be zero as determined by the Board.

B. Since the commercial units and garage units cannot be used for residential purposes, they will not be assessed for the portions of the common expenses with regard to budget items related primarily to residential use of units or which otherwise primarily inure to the residential units (for example, by way of qualification and not limitation, costs associated with the indoor water park and docks). The commercial units and garage units will be assessed on the basis of the total square feet of those units as it relates to the total square feet of all buildings within Bridges Bay Resort. The balance shall be assessed to all residential units within Bridges Bay Resort on an equal fee, based on the total budget for that calendar year divided by the number of residential units. A copy of the annual budget shall be mailed to each member and shall state the fraction of the budget assessed against that member. Said statement shall be prepared and mailed to each owner prior to the December 1st preceding the year for which the budget is made. If no budget is prepared and no annual assessment made, the assessment shall be presumed to continue at the same amount as the previous year. In the event the annual assessment proves to be insufficient, the budget and assessments may be amended at any time by the Board, but only at a special meeting after notice of said intention to amend the budget is given to all voting members.

C. The Board shall have the discretion to determine whether the assessments for any given year shall be due monthly, quarterly, semi-annually, in a lump sum payment by a given date, or pursuant to any other format arrived at by the Board. In all cases, the format for payment shall be specifically stated in the notice mailed to each member prior to the December 1st preceding the year for which the budget is made.

D Assessments for non-emergency major improvements shall require the affirmative vote of 60% of the members eligible to vote. Major improvements shall be defined as those costing more than \$10,000.00; this figure shall be adjusted annually by reference to the Consumer Price Index for All Urban Consumers on the U. S. City Average for all items.

E. If as a result of emergencies the annual assessments for common expenses are inadequate, additional assessments for common expenses may be made, but only after notice of the need thereof to all voting members. After such notice and upon approval by a simple majority of the voting members, the assessment shall become effective and shall be due within thirty (30) days of notice thereof.

F. Non-payment of any assessment when due subjects the non-payor to an interest charge to be established by the Board. Every assessment and any attendant interest are the personal obligation of the owner of the property assessed. Any non-paid and past due assessment shall constitute a lien against all property subject to said assessment as of the time said assessment is past due. Such assessment lien may be foreclosed by Association as permitted by law and Association shall be entitled to recover from the property owner the assessment, interest and all costs including reasonable attorney's fees.

G. An accounting shall be made of all Association accounts at least annually and a copy provided to each unit owner. A majority of the voting members, or of the Board, may require an audit by an independent party.

7. In a voluntary conveyance of a unit the grantee shall be jointly and severally liable with the grantor for all unpaid assessments against the latter for the grantor's share of the common expenses up to the time of the grant or conveyance, without prejudice to the grantee's right to recover from the grantor the amounts paid by the grantee therefore. However, any such grantee shall be entitled to a statement from Association, setting forth the amount of the unpaid assessments against the grantor and such grantee shall not be liable for, nor shall the unit conveyed be subject to a lien for, any unpaid assessments against the grantor in excess of the amount therein set forth.

8. Upon authorization of the Executive Board any two officers may execute an instrument affecting an interest in real estate.

9. No modification of or amendment to the By-Laws shall be valid unless set forth in writing and duly recorded. These By-laws may be amended by Association at a meeting duly called for such purpose. No amendment shall take effect unless approved by the voting members representing 60% of the units. However, Section 6B may not be amended unless consented to by all of the owners of the commercial units and garage units.

IN WITNESS WHEREOF, the undersigned has executed this instrument this ____ day of _____, 2006, at Spirit Lake, Dickinson County, Iowa.

BRIDGES BAY RESORT
HOMEOWNER ASSOCIATION



CONSENT BY MORTGAGEE

Great Western Bank, Mortgagee named in a certain real estate mortgage on the following described property, to-wit:

That part of Government Lot 1, Section 20, Township 99 North, Range 36 West of the 5th P.M., Dickinson County, Iowa, described as follows: Commencing at the Southeast corner of said Section 20; thence North 0°16'57" West 55.66 feet along the Easterly line of said Government Lot 1 to the Northerly right-of-way line of County Road A-31; thence North 89°37'48" West 1208.55 feet along said road right-of-way line; thence Westerly 365.68 feet along said road right-of-way line along a 2043.34 feet radius curve concave Southerly with a long chord bearing South 85°14'00" West 365.19 feet; thence South 89°46'35" West 29.75 feet along said road right-of-way line; thence North 56°12'33" East 100.47 feet; thence North 88°07'48" East 391.59 feet; thence North 62°57'10" East 210.88 feet; thence North 77°40'23" East 348.72 feet; thence North 45°59'46" East 263.24 feet; thence North 13°07'42" West 359.21 feet; thence South 84°06'32" East 172.30 feet to the point of beginning; thence North 37°41'06" East 108.00 feet; thence South 52°18'54" East 30.00 feet; thence South 37°41'06" West 108.00 feet; thence North 52°18'54" West 30.00 feet to the point of beginning, containing 3,240 square feet AND

That part of Government Lot 1, Section 20, Township 99 North, Range 36 West of the 5th P.M., Dickinson County, Iowa, described as follows: Commencing at the Southeast corner of said Section 20; thence North 0°16'57" West 55.66 feet along the Easterly line of said Government Lot 1 to the Northerly right-of-way line of County Road A-31; thence North 89°37'48" West 1208.55 feet along said road right-of-way line; thence Westerly 365.68 feet along said road right-of-way line along a 2043.34 feet radius curve concave Southerly with a long chord bearing South 85°14'00" West 365.19 feet; thence South 89°46'35" West 29.75 feet along said road right-of-way line; thence North 56°12'33" East 100.47 feet; thence North 88°07'48" East 391.59 feet; thence North 62°57'10" East 210.88 feet; thence North 77°40'23" East 348.72 feet; thence North 45°59'46" East 263.24 feet; thence North 13°07'42" West 359.21 feet; thence North 32°32'01" East 217.64 feet; thence South 55°53'33" East 145.77 feet to the point of beginning; thence North 39°48'59" East 144.00 feet; thence South 50°11'01" East 30.00 feet; thence South 39°48'59" West 144.00 feet; thence North 50°11'01" West 30.00 feet to the point of beginning, containing 4,320 square feet.

does hereby consent to the submission of the real estate secured by such mortgage to a Horizontal Property Regime to be known as Bridges Bay Resort Garages.

Great Western Bank

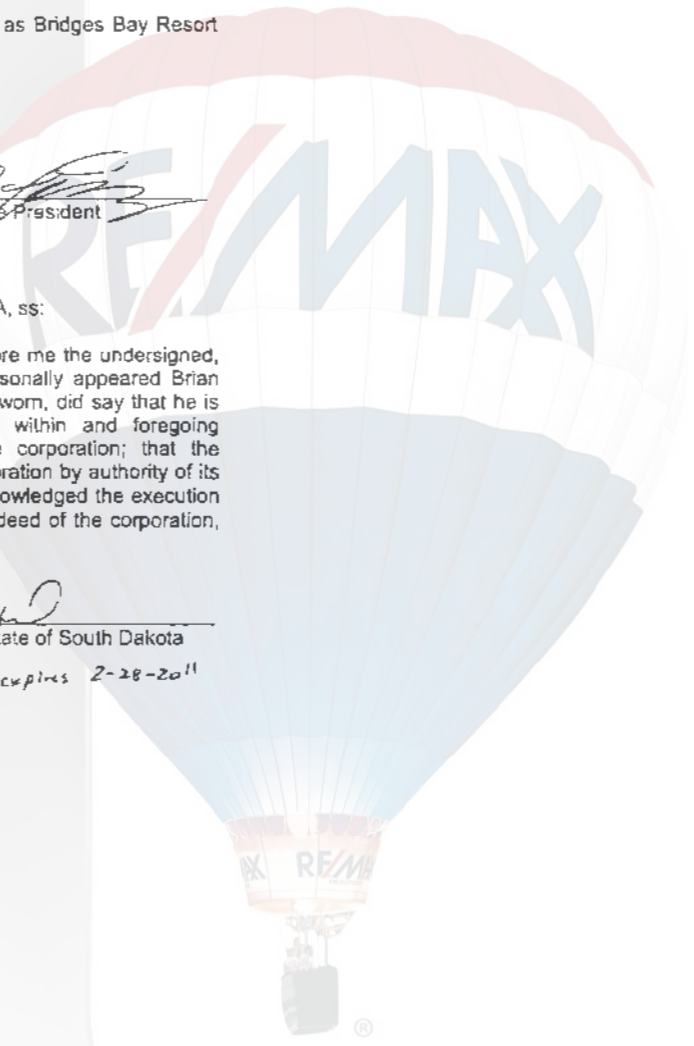
By *Brian Grady*
Brian Grady, Vice President

STATE OF SOUTH DAKOTA, COUNTY OF MINNEHAHA, ss:

On this 25th day of May, 2007, before me the undersigned, a notary public, in and for said County and State, personally appeared Brian Grady to me personally known, who being by me duly sworn, did say that he is the Vice-President of the corporation executing the within and foregoing instrument, that no seal has been procured by the corporation; that the instrument was signed and sealed on behalf of the corporation by authority of its Board of Directors; and that Brian Grady, as officer acknowledged the execution of the foregoing instrument to be the voluntary act and deed of the corporation, by it and by him voluntarily executed.



Jason Applegate
Notary Public/State of South Dakota
My Commission expires 2-28-2011



Sep. 28 06 10:24a

Ladegaard Maahs & Owens

(712) 335-1317

P. 3

334/336

509938 ART122 \$20.00 SELF 2 10608

ARTICLES OF INCORPORATION OF BRIDGES BAY RESORT HOMEOWNER'S ASSOCIATION (A Non-Profit Corporation)

TO: The Secretary of State State of Iowa

I, the undersigned, acting as incorporator of a corporation under the Iowa Non-Profit Corporation Act, Chapter 504 of the 2005 Code of Iowa, adopt the following Articles of Incorporation for such corporation

- I. The name of this corporation shall be Bridges Bay Resort Homeowner's Association, hereinafter referred to as "Association".
II. The purposes of the Association are as follows:
A. To hold title to, maintain and manage the use of the common areas of that property to be known as Bridges Bay Resort, a development located in Dickinson County, Iowa.
B. To administer and enforce the Master Provisions applying to Bridges Bay Resort.
C. To take such action as is consistent with the promotion of the health, safety and general welfare of the owners of the property in Bridges Bay Resort.
D. To operate without profit and for the sole benefit of owners of property in Bridges Bay Resort.
E. All other purposes allowed by Iowa law, which supplement and facilitate the foregoing purposes.
III. The address of the Corporation's initial registered office shall be 708 Lake St., Spirit Lake, Dickinson County, Iowa. The initial registered agent at said address is Earl H. Maahs.
IV. The number of directors constituting the initial Board of Directors of the Corporation is three (3). The names and addresses of the persons who are to serve as initial directors are as follows:
Jon E. Brock 4208 West 38th Street Sioux Falls, SD 57106
Randy B. Ronsiek 4208 West 38th Street Sioux Falls, SD 57106
Marybeth Ronsiek 4208 West 38th Street Sioux Falls, SD 57106
V. The incorporators are the same persons as the initial board of directors, whose names and addresses appear above.
VI. The membership of the Association shall consist of all property owners of units within the property described on attached Exhibit "A". This property consists of developments known as Bridges Bay Resort. Ownership of a Resort Condo unit, Residence Condo unit, Residence unit and Commercial unit in Bridges Bay Resort shall

3811

3

carry with it one membership in the Corporation. Membership in the Association and all attendant rights and obligation are appurtenant to ownership of property in Bridges Bay Resort, and cannot be separated from property ownership.

VII. Each member of the Association shall have one vote for each share owned by that member, provided however that in case of multiple ownership of a single parcel or unit the owners of that parcel or unit and the appurtenant share shall have, as a group, one vote for each share.

VIII. (A) The business of the Association shall be managed by a Board initially consisting of three (3) directors. The number of Directors on succeeding Boards shall be five (5), unless altered through the Corporation By-Laws, but in no event shall the number be less than five (5) nor more than nine (9).

(B) All directors shall be appointed by and serve at the pleasure of BBR, LLC, a South Dakota Limited Liability Company, which shall appoint two (2) directors and Bridges Bay Resort, L.L.C., a South Dakota Limited Liability Company, which shall appoint one (1) director, their successors or assigns, hereinafter referred to as "Developer", until the Developer no longer holds for sale property located within Bridges Bay Resort, or any earlier date on which Developer voluntarily relinquishes its right to appoint the Directors. When the Developer voluntarily relinquishes the right to appoint, or no longer holds property in Bridges Bay Resort for sale, Directors shall be elected by the members by plurality vote. When the Developer voluntarily relinquishes the right to appoint, or no longer holds property in Bridges Bay Resort for sale, Directors shall be elected by the members by plurality vote, however, the owner of the commercial units shall have the right, without the need for the consent, vote or other action of any other residential unit owner or the Association's Board, to designate, name and appoint to the Board forty percent (40%) of the total number of Board members, unless the owner of the commercial unit relinquishes the right to appoint.

(C) All Directors, whether appointed or elected, shall serve terms of one year. Appointed Directors may only be removed by action of the Developer. Elected Directors may only be removed by vote of the members.

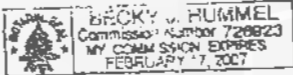
(D) Upon dissolution, the assets shall be distributed to the current members of the Corporation.

Dated this 12th day of September, 2006

Jon E. Brock

STATE OF IOWA)
)ss
COUNTY OF DICKINSON)

On the 12th day of September, 2006, before me, the undersigned, a Notary Public in and for said County and State, personally appeared Jon E. Brock, to me known to be the identical person named in and who executed the foregoing instrument, and who acknowledged that they executed the same as their own act and deed.



David J. Hummel
Notary Public in and for said State

Sep, 29 06 10:25a

Ladegaard Maahs & Owens

(712)396-1317

P.5

Exhibit "A"

The Southwest Quarter of the Southwest Quarter of Section 21, Township 99 North, Range 36 West of the 5th P.M., Dickinson County, Iowa, containing 39.96 acres subject to public roads right-of-ways along the easterly and southerly lines of said Southwest Quarter of the Southwest Quarter by easements of record.

AND

That part of Government Lot 1, Section 20, Township 99 North, Range 36 West of the 5th P.M. Dickinson County, Iowa, described as follows:

Beginning at the Southeast corner of said Section 20; thence South 89°45'00" West 1812.80 feet along the southerly line of said Government Lot 1 to the Iowa State Conservation Commission Master Property platted East Okoboji Lake Shoreline; thence North 38°35'10" East 259.47 feet along said shoreline, thence North 39°30'15" East 192.21 feet along said shoreline, thence North 54°14'39" East 510.93 feet along said shoreline; thence North 49°22'25" East 58.87 feet along said shoreline; thence South 39°26'10" East 560.71 feet; thence North 77°40'23" East 116.81 feet; thence North 45°59'46" East 263.24 feet; thence North 13°07'42" West 359.21 feet; thence North 45°10'30" West 56.61 feet, thence North 47°45'50" West 317.73 feet to the said Master Property platted East Okoboji Lake Shoreline; thence North 43°45'30" East 66.82 feet along said shoreline; thence North 33°30'00" East 214.11 feet along said shoreline; thence North 42°38'30" East 817.21 feet along said shoreline; thence North 43°12'02" East 57.43 feet along said shoreline to the easterly line of said Government Lot 1; thence South 0°16'57" East 1927.92 feet along said Government Lot 1 easterly line to the point of beginning, containing 32.08 acres subject to public road right-of-way along the southerly line of said Government Lot 1, by easement of record.

AND

Parcel "D" of that plat of survey in Government Lot 1 of Section 20, Township 99 North, Range 36 West of the 5th P.M., Dickinson County, Iowa, recorded as Instrument No. 05-03321 in Survey Book 12, Page 69, in the office of the Dickinson County Recorder, containing 5.38 acres.

FILED
IOWA
SECRETARY OF STATE
9-29-2006
10:24 AM
W506531



REC'D NO. 12-03799
PAGE _____
2012 JUN 28 PM 2 03
COUNTY RECORDER
DUNKIRGH COUNTY, IOWA
FEE \$ 22.00

Prepared by: Earl H. Maahs 708 Lake Street Spirit Lake (712) 336-1292

**SUPPLEMENTAL DECLARATION TO
DECLARATION OF ESTABLISHMENT OF
A HORIZONTAL PROPERTY REGIME (CONDOMINIUM)
TO BE KNOWN AS
BRIDGES BAY RESORT GARAGES**

The undersigned, BBR of SD, L.L.C., a South Dakota limited liability company, hereinafter referred to as "Developer" and pursuant to the authority reserved by Developer under paragraph 9 of the Declaration of Establishment previously filed herein on May 31, 2007 and recorded in Book 28, Page 79, hereby supplements such original Declaration.

This Supplemental Declaration is filed for the purpose of submitting additional land and garage building to the Horizontal Property Regime. The improvements hereby submitted to this Horizontal Property Regime are as depicted on the Site Plan attached hereto as Exhibit A. The description of the land and the Units in such Building are as shown on the Footprint attached hereto as Exhibit B.

This additional land and garage building are automatically incorporated by reference and made a part of the original Declaration as if such building had been constructed and submitted at the time and filing of the original Declaration.

The additional garage building contains 11 units numbered consecutively from 22 to 32. Ownership of each garage unit herein shall include an undivided one-thirty-second (1/32nd) interest in all general common elements and facilities.

In witness whereof, the undersigned has executed this instrument this 28th day of June, 2012, in Spirit Lake, Dickinson County, Iowa.

BBR of SD, LLC



Randy Ronsiek, Member Manager

STATE OF IOWA, COUNTY OF DICKINSON, ss:

On this 28th day of June, 2012 before me, a Notary Public in and for said State, personally appeared Randy Ronsiek to me personally known, who being by me duly sworn did say that they he is a **Member Manager** of said limited liability company, that no seal has been procured by the said limited liability company and that said instrument was signed on behalf of the said limited liability company by authority of its Member Manager and the said **Randy Ronsiek** acknowledged the execution of said instrument to be the voluntary act and deed of said limited liability company by it voluntarily executed.

Tammy Stine
Notary Public in and for said State

