

Bella Vista Townhouse Association By Laws

ARTICLE I NAME AND LOCATION

The name of the corporation is BELLA VISTA TOWNHOUSE ASSOCIATION, hereinafter referred to as the "Association." The principal office of the corporation shall be located at Bella Vista, Arkansas, but meetings of members and Directors may be held at such places within the State of Arkansas as may be designated by the Board of Directors.

ARTICLE II DEFINITIONS

Section 1. "Association" shall mean and refer to Bella Vista Townhouse Association, a nonprofit corporation organized and existing under the laws of the State of Arkansas; its successors and assigns.

Section 2. "Townhouse Properties" shall mean and refer to that certain real property described in the Supplemental Declaration of Covenants and Restrictions, Townhouse Tract No. 1, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 3. "Limited Common Property" shall mean and refer to those areas of land so designated upon any recorded subdivision or plat of the Properties intended to be devoted to the common use and enjoyment of the owners of specifically designated property; and also those areas so designated from time to time by the Developer for the purposes aforesaid.

Section 4. "Lot" shall be the numbered lots in the numbered blocks as shown upon any recorded subdivision map of the Townhouse Properties.

Section 5. "Member" shall mean and refer to every person or entity who holds a membership in the Association.

Section 6. "Owner" shall mean and refer to the Developer, the record owner or any contract purchaser from the Developer, whether one or more persons or entities, of the fee simple title to any Lot or Living Unit which is a part of the Townhouse Properties, including contract sellers, but excluding (except the Developer) those having such interest merely as security for the performance of an obligation.

Section 7. "Developer" shall mean and refer to Cooper Communities, Inc. Bella Vista, Arkansas, its successors or assigns.

Section 8. "Declaration" shall mean and refer to the Supplemental Declaration of Covenants and Restrictions Townhouse Tract No. 1 applicable to the Townhouse Properties recorded in the office of the Recorder of Benton County, Arkansas and is there recorded in Book 415, Pages 177-199.

Section 9. "Board" shall refer to the Board of Directors of the Association.

Section 10. "Director" shall refer to a single member of the Board. "Directors" shall refer to more than one member but less than the entire membership of the Board

ARTICLE III

MEMBERSHIP

Section 1. 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 until such assessment has been paid. Such rights of a member may also be suspended by the Board, for any infraction of the Association's published rules and regulations as long as such infraction continues.

ARTICLE IV

VOTING RIGHTS

Members shall be all those Members described in Article III, Section 1. Members shall be entitled to one vote for each Lot or Living Unit/Townhouse. When more than one person holds a membership interest in any Lot or Living Unit/Townhouse, the vote for such shall be exercised as the Members between themselves determine, but in no event shall more than one vote be cast by the Owner(s) on any Lot or Living Unit/Townhouse.

ARTICLE V

PROPERTY RIGHTS:

RIGHTS OF ENJOYMENT

Section 1. Each member shall be entitled to the use and enjoyment of the Limited Common Properties and facilities provided in the Declaration. Any member may delegate his rights of enjoyment of the Limited Common Property and facilities as provided in the Declaration by providing the Association with a copy of the lease, for a minimum period of six (6) months, which the Member has entered into with the lessee. The rights and privileges of such lessee are subject to suspension to the same extent as those of the member.

Section 2. The Board shall make such rules from time to time as shall be appropriate relative to the use of the Limited Common Properties and facilities by guests of Members and all other persons who have a right to use such property and facilities. The Members, guests and all other persons rightfully using such property and facilities be bound by such rules as same shall be made and published.

ARTICLE VI BOARD OF DIRECTORS: SELECTION: TERM OF OFFICE

Section 1. Number, Requirements and Election of the Board of Directors. The number, requirements, and election of the Board shall be as follows:

(a) The management of the affairs of the corporation shall be vested in the Board of seven (7) Directors. It shall be required that any person nominated, elected or serving *on* the Board be a deeded owner of townhouse property in Bella Vista.

(b) The directors shall be elected for a term of three years and until their respective successors are elected and qualified. Directors may be elected to additional three (3) year terms.

Section 2. Election Process. The election of the Board shall be as follows:

(a) Election of the Board shall be by written ballot as hereinafter provided. At such election the members may cast one vote for each vacancy to be filled.

(b) Nominations: All applicants, received by the published deadline, whose membership is in good standing, shall be placed in nomination.

(c) All elections to the Board shall be made on written ballot which shall (1.) describe the vacancies to be filled; (2.) set forth the names of applicants for such vacancies. Such ballot shall be prepared and mailed by the *Association* to the members at least thirty (30) days in advance of the date designated by the Board as the date for the election. The date of the election shall ordinarily be ten (10) days prior to the date of the annual meeting, but may be held at any time selected by the Board, and the term of office of a Director shall be for three (3) years, or until his/her successor shall have been elected or appointed and shall have qualified; the term shall expire upon the date of the annual meeting of members three (3) years after his/her election, unless a successor shall not have been elected and shall not have qualified, and in such event, he/she shall continue to serve until his/her successor is elected and shall qualify.

(d) Each member shall receive one ballot to be mailed by the *Association* with a return envelope addressed to the Association.

(e) Upon receipt of each returned ballot envelope, the *Association* office staff shall open the envelope, count and record same. Each ballot, proxy and return envelope shall be placed in a secure location and results kept confidential by staff until date of election at which time the

count shall be verified by at least two Directors not on the ballot. In the event two or more persons have been nominated for a vacancy, the person receiving the greater number of affirmative votes shall be declared elected.

Section 3. Removal. Any director may be removed from the Board, with or without cause, by a majority vote of the members of the Association. In the event of death, resignation or removal of a director, his/her successor shall be selected by the affirmative vote of a majority of the remaining members of the Board and shall serve for the unexpired term of his/her predecessor.

Section 4. Compensation. No director shall receive compensation for any service he/she may render to the Association. However, any director may be reimbursed for his/her actual expenses incurred in the performances of his/her duties.

ARTICLE VII MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board shall be held monthly without notice, at such place and hour as may be fixed from time to time by resolution of the Board.

Section 2. Special Meeting. Special meetings of the Board shall be held when called by the President of the Association, or by any two Directors.

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 an act of Board.

Section 4. Action Without A Meeting. Action taken by a majority of the Directors without a meeting in respect to any Association matter is nevertheless valid Board action if either before or after such action is taken all Members of the Board sign, and file with the Secretary, for exclusion in the Association minute book, a memorandum showing the nature of the action taken; also showing that each Member of the Board consented to the Board acting informally in respect to such matter; also showing the names of the Directors who approve the action taken and the names of those who oppose it.

**ARTICLE VIII
POWERS AND DUTIES OF THE BOARD OF
DIRECTORS**

Section 1. Powers. The Board shall have power to:

(a) Adopt and publish rules and regulations governing the use of the Limited Common Property and facilities, and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof;

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

(c) May declare the office of a member of the Board to be vacant in the event such member shall be absent from three (3) consecutive regular meeting of the Board;

(d) Employ a manager, an independent contractor, or such other employees as it deems necessary, and to prescribe their duties;

(e) To call special meetings of the Members whenever it deems necessary and it shall call a meeting at any time upon written request of one-fourth (1/4) of the voting membership; and

(f) To elect all officers and appoint all agents and employees of the Association, prescribe their duties and fix their compensation. Nothing contained in these By-Laws shall be construed to prohibit the employment of any Member, officer, or Director of the Association in any capacity whatsoever. Such duties as are provided in this subparagraph (f) may be delegated by the Directors to a specific Director who shall report his actions to the Board from time to time. An officer, an agent, or an employee may be removed at the pleasure of the Board.

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

(a) 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-fourth (1/4) of the Members who are entitled to vote;

(b) As more fully provided in the Declaration, may place a lien against any property for which assessments are not paid within thirty (30) days after due date may bring action at law against the property owner personally obligated to pay the same if such actions is determined as necessary to the collection of the assessment;

(c) Issue, or cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states that an assessment has been paid, such certificate shall be conclusive evidence of such payment;

(d) Procure and adequate liability and hazard insurance on property owned by the Association;

- (e) Cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;
- (f) Cause the Limited Common Property to be maintained; and
- (g) In its discretion, may provide exterior maintenance in the event that a Member fails to maintain the exterior of his/her Lot or Living Unit/Townhouse, and assess the costs of such exterior maintenance against such Lot or Living Unit/Townhouse and add that amount to the amount of the annual assessment to which such Lot or Living Unit/Townhouse is subject.

ARTICLE IX COMMITTEES

Section 1. The Board may act as a committee of the whole or may appoint any committee deemed necessary.

ARTICLE X MEETINGS OF MEMBERS

Section 1. Annual Meeting. The regular annual meeting of the Members shall be held in February of each year.

Section 2. Special Meetings. Special Meetings of the Membership may be called at any time by the President or by the Board, or upon written request of one-fourth (1/4) of the Members who are entitled to vote.

Section 3. Notice of Meetings. Written notice of each meeting 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 such 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. Members present at the meeting plus any proxies received shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these By-Laws. If, however, such a quorum shall not be present or represented at any meeting, the Members entitled to vote thereat shall have the 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 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/her Lot or Living Unit/Townhouse.

ARTICLE XI OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices. The officers of this Association shall be a President, Vice President, Treasurer and Secretary who shall at all times be members of the Board; 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 at the first meeting of the Board following each annual meeting of the Members. The officers shall be chosen by a majority vote of the Directors.

Section 3. Term. Each officer shall hold his/her respective office during the pleasure of the Board but for a term not to exceed three (3) years. All officers may succeed themselves.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for the term specified in Section 3 of this Article XI, 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/she 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; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all checks and promissory notes of \$2500.00 or more.

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

(c) Secretary. The Secretary or designee 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 or designee shall receive and deposit in appropriate bank accounts all moneys of the Association and shall disburse such funds as directed by resolution of the Board; may sign checks and promissory notes of the Association; keep proper books of account; cause an annual audit or review 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

As MORE FULLY PROVIDED IN THE Declaration, each Member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the due date at the rate of ten percent (10%) per annum, which rate may be raised or lowered by the Board, but shall not exceed the maximum rate allowable under the laws of the State of Arkansas; accrue a late fee; and the Association may bring an action at law against the Owner personally obligated to pay the same or foreclosure of the lien against the property, both actions shall be cumulative and neither shall preclude the other; 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 Limited Common Properties and facilities or abandonment of his/her Lot or Living Unit/Townhouse.

ARTICLE XIII

BOOKS AND RECORDS

“Books and Records” of the Association, both financial and otherwise, shall be made accessible to members in the BVTA office, during normal business hours, by appointment after signing a written request/disclaimer. Members desiring copies of the Association’s Declaration, Articles of Incorporation, By-Laws, Policy Manual or other information shall be required to pay for the cost of producing copies. These documents can also be viewed and printed online at the Association’s website.

Working papers prepared by BVTA staff or Board Members normally will not be available to the membership unless they are presented at open meetings.

While financial reports shall be made accessible to members, background documentation and accounting files normally will not be made available to other than BVTA staff or Board members.

Personal information, other than salary ranges, regarding individual BVTA personnel shall be confidential.

BVTA membership lists are for the use of the Association only. Such lists will not be distributed to BVTA members or to other parties. Information on whether or not an individual is or is not a member of the Association shall be provided. The General Manager is authorized to provide name and contact information to members in good standing in appropriate situations.

Most bids and contracts executed by the Association shall be open to inspection by the members. Excluded will be personnel-related contracts and those that have non-disclosure provisions.

Communication between or among Board members or BVTA staff shall be considered private and not accessible to BVTA members, regardless of whether such documents exist in electronic or hard-copy form.

BVTA shall not be required to uniquely compile information for a member(s) unless agreed to by the General Manager or the Board of Directors.

The Association will follow the normal practice of attorney-client privilege with legal counsel. This includes written and oral advice and opinion rendered to the Association, its staff, and Board, which shall be confidential unless released by BVTA at its discretion. Members of the Board of Directors shall be considered part of the client body, and shall have confidential access to such advice and opinions.

The General Manager or Chairman of the BVTA Board of Directors may, at their discretion, permit a normally-confidential document to be made available to BVTA members.

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ARTICLE XIV
CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the words: "Bella Vista Townhouse Association. Seal. 1970."

ARTICLE XV
AMENDMENTS

Section 1. These By-Laws may be amended, at a regular or special meeting of the Board, by a vote of a majority of a quorum present and voting, provided that those provisions of these By-Laws which are governed by the Articles of Incorporation or applicable law; and provided further that any matter stated herein to be or which is in fact governed by the Declaration applicable to the Townhouse Properties may not be amended except as provided in the Declaration.

Section 2. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

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 every year, except that the first fiscal year shall begin on the day of incorporation.

ARTICLE XVII
AESTHETIC CHANGES

The provisions of these By-Laws noted below contain descriptions which differ from the Supplemental Declarations and /or Articles of Incorporation. It is the Board's specific intention only to clarify the By-Laws and in no way to create a conflict with the Supplemental Declaration and/or Articles of Incorporation.

AMENDMENTS

Article VI, Section 1 a, b: Section 2 b, c, d, e

Article VII, Section 1, 2

Article VIII, Section 2 b, g

Article IX, Section 1 a, b, c, d: Section 2

Article X, Section 4

Article XI, Section 8 d

Bella Vista Townhouse Association
Record & Memorandum of the Action of the Directors
February 20, 2008

Article VI, Section 2, c, d, e

Article XIII

Bella Vista Townhouse Association
Record & Memorandum of the Actions of the Directors
March 18, 2009

Article XII

Bella Vista Townhouse Association
Record & Memorandum of the Actions of the Directors
July 15, 2009

Article X, Section 1

Bella Vista Townhouse Association
Record & Memorandum of the Actions of the Directors
February 16, 2011

Approval of Amended By-Laws.

WHEREAS the Board of Directors has reviewed the Amended and Restated By-Laws attached hereto as **Exhibit A**; and

WHEREAS, Article XV of the By-Laws vests the Board of Directors with the power and authority to amend the By-Laws at a special or regular meeting by a majority vote of a quorum present and voting;

And

RESOLVED, that the Amended and Restated By-laws attached hereto as **Exhibit A** be approved and adopted.

This record and Memorandum of Action may be executed in multiple counterparts, each of which shall be deemed an original and all of which shall constitute but one Record and Memorandum of Action of the Board of Directors of **Bella Vista Townhouse Association**, dates February 16, 2011.

We, the undersigned, hereby certify that we are all of the Directors of **Bella Vista Townhouse Association**, an Arkansas nonprofit corporation, entitled to vote on the foregoing matters and we, and each of us, hereby consent and agree to all the foregoing actions, resolutions and matters effective February 16, 2011.

Jack Adams, President

James Severa, Vice President

Brian Grosnickle, Secretary/Treasurer

Melva Acker

Dave Doneske

Carolyn Sutton

Art Leu

Made a part of the corporate records of Bella Vista Townhouse Association, this
16th day of February, 2011_____, Brian Grosnickle, Secretary