

AMENDED
BY-LAWS
OF
MAUMELLE HEIGHTS PROPERTY OWNERS ASSOCIATION,
A NON-PROFIT CORPORATION

ARTICLE I.

BOARD OF DIRECTORS

SECTION 1: General Powers. The management of all the affairs of the Association shall be vested in a Board of Directors which, subject to the restrictions imposed by law, by the Articles of Incorporation, or by these By-Laws, may exercise all the power of the Association.

SECTION 2: Number, Term, Quorum. The number of members of the Board of Directors (the "Board") shall be a minimum of five (5) and a maximum of twelve (12). The members shall be elected at the annual meeting of the Property Owners Association, provided for in Article II, and each member shall be elected to serve until his successor shall be elected and shall qualify; provided that in the event of failure to hold an annual meeting of the Property Owners Association or in the event of failure to hold such election at such meeting, the election may be held at any special meeting of the Property Owners Association called for that purpose. Each member of the Board shall be a natural person and shall be or shall represent an owner of property within Maumelle Heights, Palisades Heights, Riverland Heights or Tract No. 1 Single Family Attached Addition. (As amended, November 7, 2002).

A majority of the members of the Board shall constitute a quorum of the transaction of business. If at any meeting of the Board there shall be less than a quorum present, a majority of those present may adjourn the meeting from time to time until a quorum is obtained and no further notice thereof need be given other than by announcement at said meeting which shall be so adjourned.

SECTION 3: Election of Officers. At the first meeting, or at any subsequent meeting called for the purpose, the members shall elect a Chairman from their number, a Secretary and a Treasurer, the latter two of which need not be members of the Board. Such officers shall hold office until the next election of officers and until their successors are elected and qualify. A person may be elected to hold one or more of the above-mentioned offices simultaneously except that the offices of Chairman and Secretary may not be held by the same person simultaneously.

SECTION 4: Regular and Special Meetings. Regular meetings of the Board may be held with or without notice at such places and times as shall be determined from time to time by resolution of the members of the Board. Special meetings of the Board may be called by the Chairman or by the Secretary or upon call of any two members on at least one day's notice to each member.

SECTION 5: Place of Meeting. The Board may hold their meetings at any office or offices of the Association, or at any other place as they may, from time to time, by resolution determine.

SECTION 6: Specific Powers of Board of Directors. Without in any way limiting the general power hereinabove granted to the Board of Directors, it is hereby expressly declared that the Board shall have the following powers:

- (1) To enforce all of the restrictions, covenants and conditions contained in the Bill of Assurance for Maumelle Heights Addition to the City of Maumelle. (As amended, November 7, 2002).
- (2) To maintain, preserve and improve all recreational facilities and other public areas, open spaces, and common property of any kind throughout the Addition.
- (3) To make and change regulations, not inconsistent with these By-Laws, for the management of the Association's affairs.
- (4) To purchase or otherwise acquire for the Association any real or personal property, rights, or privileges which the Association is authorized pursuant to the Articles of Incorporation to acquire, and to lease, sell, convey, transfer or exchange for the Association any real or personal property, rights, or privileges which the Association is authorized pursuant to the Articles of Incorporation to lease, sell, convey, transfer or exchange.
- (5) To execute and enter into such contracts, leases, notes, obligations, etc. on behalf of the Association as are necessary or required to carry out the business of the Association.
- (6) To make and change internal rules having to do with the common property, and any other property, real or personal, comprising or belonging to the Association. The internal rules promulgated by the Board shall be binding on all property owners within the Addition and may be enforced through any appropriate legal remedy including but not limited to, injunctive relief. Such rules shall be reduced to writing and each co-owner shall be furnished a copy thereof and of all changes.
- (7) To remove any officer and/or any employee for cause, or any officer and/or any employee other than the Chairman summarily with or without cause, and in its discretion, from time to time, to devolve the power and duties of any officer upon any other person for the time being.
- (8) To appoint and remove or suspend such subordinate officers, agents or employees as it may deem necessary for the care, upkeep and surveillance

of the common property and services of the Association, and to determine duties, and fix, and from time to time, change the salaries or remuneration of such officers, agents and employees and to require security as, and when it thinks fit.

- (9) To confer upon any officer of the Association the power to appoint, remove and suspend subordinate officers, agents and employees.
- (10) To determine who shall be authorized, on the Association's behalf to make and sign acceptances, endorsements, checks, releases, receipts, contracts and other instruments.
- (11) To fix and, from time to time, change, if necessary, the amount of assessment to the property owners necessary to cover the needs of the Association and to provide for the care and upkeep of the property and provision of necessary services, all as set forth in the Articles of Incorporation.
- (12) To call special meetings of the property owners for any purpose or purposes.
- (13) To exercise such other powers as are specifically granted to the Board elsewhere herein or in the Articles of Incorporation, or which might be necessary or required to carry out responsibilities of the Board.

SECTION 7: Compensation of Board of Directors. Members of the Board shall not receive any stated salary for their services as members. Nothing herein contained shall be construed to preclude any member from serving the Association in any other capacity as an officer, agent, employee or otherwise, and receiving compensation therefor.

ARTICLE II.

RIGHTS AND DUTIES OF PROPERTY OWNERS

SECTION 1: Place of Holding Meetings. All annual meetings of the property owners shall be held at 10 Lake Point Drive, Maumelle, Arkansas (Maumelle Public Library) unless written notice of another place for meeting is given in the meeting notice. (As amended, November 7, 2002.)

SECTION 2: Annual Election of Board of Directors. The annual meeting of the property owners for the election of members of the Board of Directors and transaction of other business shall be held not later than January 16 at 6:30 p.m. or at other such time as may be properly announced by the Board of Directors, of each year. If this date shall fall upon a legal holiday, the meeting shall be held on the next succeeding business day. At each annual meeting, the property owners entitled to vote shall by plurality vote, by ballot,

elect a Board of Directors, and they may transact such other business as shall be stated in the notice of the meeting.

No change of time or place of meeting for the election of members of the Board, as fixed by the By-Laws, shall be made within five (5) days before the day on which such election is to be held. In the case of any change in such time or place for such election of members of the Board, notice thereof shall be given to each property owner entitled to vote, in person or by letter mailed to his last known post office address, at least five (5) days before the election is held.

SECTION 3: Voting. The owner or owners of each lot whose homeowner's association dues are current shall be entitled to one vote in person or by proxy. No proxy shall be voted after eleven months from its date unless such proxy provided for a longer period. The vote for members of the Board, and, upon the demand of any property owner the vote upon any question before the meeting, shall be by ballot. All elections shall be held and all questions decided by plurality vote of all homeowners whose dues are current except as otherwise provided by there By-Laws and/or the laws of the State of Arkansas. (Amendment of August 13, 1993).

SECTION 4: Quorum. Except as provided in the next section hereof, any number of property owners together, whose homeowner's association dues are current, owning at least fifty-one percent (51%) of the lots who shall be present, in person or represented by proxy at any meeting duly called, shall constitute a quorum for the transaction of business. (Amendment of August 13, 1993).

SECTION 5: Adjournment of Meetings. If less than a quorum shall be in attendance at any time for which the meeting shall have been called, the meeting may, after the lapse of at least half an hour, be adjourned from time to time by a majority of the property owners present or represented and entitled to vote thereat, and no further notice thereof need be given other than by announcement at said meeting which shall be so adjourned.

SECTION 6: Special Meetings. Special meetings of the property owners for any purpose or purposes may be called by the Chairman or Secretary, and shall be called upon a requisition in writing thereof, stating the purpose or purposes thereof, delivered to the Chairman or Secretary, signed by a majority of the members of the Board of Directors or by twenty-five percent (25%) in interest of the property owners entitled to vote, or by resolution of the Board of Directors.

SECTION 7: Notice of Property Owners' Meeting. Written or printed notice, stating the place and time of the meeting, and the general nature of the business to be considered, shall be given by the Chairman or Secretary to each property owner entitled to vote, at his last known post office address, at least three days before the meeting in the case of an annual meeting, and at least three days before the meeting in the case of a special meeting.

ARTICLE III.

OFFICERS

SECTION 1: The officers of the Association shall be a Chairman, a Secretary, a Treasurer, and such other officers as may from time to time be elected or appointed by the Board. One person may hold one or more of the officer positions of the Association except that one person shall not serve simultaneously both as Chairman and Secretary.

SECTION 2: Duties. The Chairman, when present, shall preside at all meetings of the Board and at all meetings of the property owners. The Chairman and the other officers of the Association shall have such other powers, duties and responsibilities as are set out herein or as the Board may, from time to time, fix and declare by resolution.

SECTION 3: Treasurer's Bond. The treasurer shall furnish bond with a reputable corporate surety for the faithful discharge of his duties in such amount as the Board may prescribe. The premium for said bond shall be a general expense of the Association.

SECTION 4: Resignations, Filling of Vacancies, Increase of Number of Members or the Board. Any Board member or other officer may resign at any time by written resignation which shall take effect at the time specified therein, or if no time be specified, upon receipt of same by the Chairman or Secretary. The acceptance of a resignation shall not be necessary to make it effective. If the office of any Board member or other officer becomes vacant, the remaining members of the Board in office, no less than quorum, may appoint any qualified person to fill such vacancy which person shall hold office for the unexpired term and until his successor shall be duly chosen.

ARTICLE IV.

INSURANCE

The Board, for the benefit of the owners, shall acquire and shall pay for, out of the common expense fund hereinafter provided for, the following insurance:

- (a) A policy or policies of fire insurance with extended coverage endorsement, for the full insurable replacement value of the common property, or such other fire and casualty insurance as the Board shall determine gives substantially equal or greater protection to the owners.
- (b) A policy or policies insuring the Board and the owners against any liability to the public and their invitees, incident to the ownership and/or use of the common properties, and including the personal liability exposure of the owners. Limits of liability under such insurance shall not be less than Three Hundred Thousand Dollars and No/100 (\$300,000.00) for any one person injured, for any one accident, and shall not be less than

One Hundred Thousand Dollars and No/100 (\$100,000.00) for property damage each occurrence (such limits and coverage to be reviewed at least annually by the Board and increased in its discretion). Said policy or policies shall be issued on a comprehensive liability basis and shall provide cross-liability endorsement wherein the right of named insured under the policy or policies shall not be prejudiced as respects his, her, its, or their action against another named insured;

- (c) Workmen's compensation insurance to the extent necessary to comply with any applicable law;
- (d) The Board shall obtain and maintain at all times insurance of the type and kind and in at least the amounts provided hereinabove, and including insurance for such other risks as the Board shall reasonably determine, which insurance shall be governed by the following provisions:
 - (1) All policies shall be written with a company licensed to do business in the State of Arkansas, and holding a rating of "AAA" or better by Best's Insurance Reports;
 - (2) Exclusive authority to adjust losses under policies hereafter in force in the Association shall be vested in the Board or its authorized representative;
 - (3) The Board shall be required to make every effort to secure insurance policies that will provide for the following:
 - (i) A waive of subrogation by the insurer as to any claims against the Board, the owners and their respective agents, servants and guests;
 - (ii) That the master policy of the Association cannot be canceled, invalidated or suspended on account of the conduct of any officer or employee of the Board without a prior demand in writing that the Board cure the defect;

ARTICLE V.

COMMON EXPENSES – ASSESSMENT

- (a) Within thirty (30) days prior to the beginning of each calendar year the Board shall estimate the net charges to be paid by the Association during such year (including a reasonable provision for contingencies and replacement, less any expected income and any surplus from the prior year's fund). The amount so estimated shall be assessed to the owners of each lot equally. If said sum estimate proves inadequate for any reason,

including nonpayment of any owner's assessment, the Board may, at any time, levy a further assessment, which shall be assessed in like proportions, unless otherwise provided herein. Each owner shall be obligated to pay assessment made pursuant to this Article to the Board by the 15th day of March of the year due. (As amended, November 7, 2002.)

- (b) All funds collected hereunder shall be kept in a common expense fund and expended for the purposes herein designated;
- (c) The omission by the Board, before the expiration of any year, to fix the assessment for that or the next year, shall not be deemed a waiver or modification in any respect of the provisions of these By-Laws, or a release of the owner from the obligation to pay the assessments, or any installment thereof for that or any subsequent year, but the assessment is fixed. Amendments to this Article shall be effective only upon unanimous written consent of the owners and their mortgagees;
- (d) The Board shall keep detailed, accurate records in chronological order, of the receipts and expenditures affecting the common property, specifying and itemizing the maintenance and repaid expenses of the common property and any other expenses incurred. Records and vouchers authorizing the payments involved shall be available for examination by the owners at any reasonable time.

ARTICLE VI.

DEFAULT IN PAYMENT OF ASSESSMENTS

SECTION 1: Each yearly assessment and each special assessment shall be separate, distinct and personal debts and obligations of the owner against whom the same are assessed. If not paid at the time and in the manner the Board might reasonably direct, such assessment shall be deemed to be delinquent. The Board may assess the penalty and such interest as is provided herein upon the delinquency and may collect the same by any legal and acceptable means. Suit to recover a money judgment for delinquent assessment shall be maintainable without foreclosing or waiving the lien securing the same. The amount of any delinquent assessment whether regular or special, plus a penalty totaling twenty percent (20%) of the past due amount, interest at the maximum rate allowed by law compounded annually, costs, and a reasonable attorney's fee, shall become a lien upon such lot or lots upon recordation of a Notice of Delinquent Assessment. Such lien shall have priority with respect to all other liens and encumbrances, recorded or unrecorded (except bona fide mortgages or deeds of trust as set out in Section 2). (As amended, November 7, 2002).

A certificate executed and acknowledged by a majority of the Board stating the amount of indebtedness secured by such lien shall be conclusive upon the Board and the owners as to the amount of such indebtedness on the date of the certificate, in favor of all persons who rely thereon in good faith, and such certificate shall be furnished to any owner or any encumbrancer or prospective encumbrancer of a lot or lots upon request at a reasonable fee, not to exceed Ten Dollars and No/100 (\$10.00). Unless the certificate of indebtedness shall be furnished within ten (10) days after requested, all unpaid common expenses which become due prior to the date of the making of such request shall be subordinate to the lien held by the person making the request. Any encumbrancer holding a lien on a lot may pay any unpaid common expenses payable with respect to such lot and upon such payment such encumbrancer shall have a lien on such lot of the amounts paid of the same rank as the lien of his encumbrance.

Upon payment or other satisfaction of a delinquent assessment concerning which such a certificate has been so recorded, the Board shall cause to be recorded in the same manner as the certificate of indebtedness, a further certificate stating the satisfaction and release of the lien thereof. Such lien for a delinquent assessment may be foreclosed in any manner permitted by law. In any foreclosure or sale, the owner shall be required to pay the costs and expenses of such proceedings and a reasonable attorney's fee.

The Board shall have the power to bid on the lot at foreclosure or other sale and to hold, lease, mortgage and convey the lot.

SECTION 2: Notwithstanding any contrary provisions hereof:

- (a) The liens created hereunder upon any lot shall be subject and subordinate to, and shall not affect the rights of the holder of the indebtedness secured by any recorded prior mortgage or similar encumbrance upon such interest made in good faith and for value, provided that after the foreclosure of any such encumbrance any lien created pursuant to Section 1 of the Article shall attach to the interest of the purchaser at such foreclosure sale to secure all assessments, whether regular or special, assessed hereunder to such purchaser as an owner after the date of such foreclosure sale, which said lien, if any, shall have the same effect and be enforced in the same manner as provided herein;
- (b) No amendment to this Article shall effect the right of the holder of any such prior recorded encumbrance unless such holder joins in the execution thereof;
- (c) By subordination agreement executed by a majority of the Board, the benefits of subsections (a) and (b) above may be extended to encumbrances not otherwise entitled thereto.

ARTICLE VII.

OWNER'S OBLIGATION TO MAINTAIN

Each owner shall at the owner's expense keep his lot in good order, condition, and shall do all maintenance which may at any time be necessary to maintain the good appearance and condition of his lot.

If such maintenance is reasonably necessary in the discretion of the Board to protect the general common property or preserve the appearance and value of the Association, and the owners of said lot have failed or refused to perform said maintenance within a reasonable time after written notice of the necessity of said maintenance governed by the Board to said owners, the Board may cause such maintenance to be performed at the expenses of the owners and shall levy a special assessment against the lot of such owners for the cost of said maintenance.

ARTICLE VIII.

RESTRICTIONS ON USE

The common property shall be occupied and used as follows:

- (a) There shall be no obstruction of the common property. Nothing shall be stored in or on the common property without the prior consent of the Board. The Board shall have full power to set, make and establish regulations concerning the usage of all common property. The use of such an area for a house, pen, cage or container for a pet is specifically prohibited.
- (b) Nothing shall be done or kept in or on the common property which is in violation of law or which will cause the cancellation of or increase the rate of insurance on the common property without prior written consent of the Board.
- (c) No animals, livestock or poultry of any kind shall be raised, bred or kept in or on the common property, and no animal shall be allowed to run free or without leash.
- (d) No noxious or offensive activity shall be carried on in or on the common property, nor shall anything be done therein or thereon which may be or become an annoyance or nuisance to the other owners; and
- (e) Nothing shall be altered or constructed in or on or removed from the common property, except upon the written permission of the Board.

- (f) No advertisements, signs, or posters shall be erected or displayed on or about the common property except such as may be authorized in advance by the Board of Directors.
- (g) Due care shall be exercised at all times with regard to noise and all other uses or practices which may be a source of annoyance to residents or which may be a nuisance or may interfere with the peaceful possession and proper use of the property or premises of other persons.

ARTICLE IX.

AMENDMENTS

SECTION 1: Amendments of By-Laws. The property owners, by the affirmative vote of the owners of a majority in number of the lots may, at any meeting, amend or alter any of those by-laws, as may a majority of the members of the Board of Directors. Any such amendment shall not be effective until it is filed for record in the office of the Circuit Clerk of Pulaski County, Arkansas.

ARTICLE X.

DEFINITIONS

SECTION 1: The word "Association" shall mean the Maumelle Heights Property Owners Association.

SECTION 2: The words "owner" or "property owner" shall mean the person, firm or corporation holding record legal title to a lot or lots in the Maumelle Heights, Palisades Heights, Riverland Heights or Tract No. 1 Single Family Attached Addition.

SECTION 3: The word "Board" shall mean the Board of Directors set out in Article 1 of these By-Laws.

CERTIFICATE OF ADOPTION

The original By-Laws of the Corporation were duly adopted on the 23rd day of November, 1988, by action of the Board of Directors of the Corporation pursuant to the laws of this State.

The Amended By-Laws of the Corporation were duly adopted on the 7th day of November, 2002, by action of the Board of Directors of the Corporation pursuant to the laws of this State.

IN TESTIMONY WHEREOF, witness the hand of the undersigned as Directors of the Corporation on such date.

Westlaw Attached Printing Summary Report
for
DAVIS, JANAN 4146018 Friday, September 27, 2002 10:19:32 Central

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Request Created Date/Time:	Friday, September 27, 2002 10:19:00 Central
Client Identifier:	MAUMELLE
DataBase:	AR-ST-ANN
Citation Text:	AR ST s 24-4-101
Query Text:	MUNICIPAL /P RETIREMENT
Print Command:	Current document, Complete result
Lines:	596
Lines Charged:	596
Documents:	1
Documents Charged:	0
Images:	0
Images Charged:	0

MHPOA BY-LAWS

The by-laws are incorporated from the bill of assurance. The by-laws are the governing document for the association.

ACKNOWLEDGMENT

STATE OF ARKANSAS
COUNTY OF PULASKI

On this day, before me personally appeared the following:

Orig on File

to me personally well known, who each acknowledged that he or she was a director of
Maumelle Heights Property Owners Association, an Arkansas non-profit corporation, and
that he or she, as such director, being authorized so to do, had, on _____, 2002,
executed the foregoing instrument for the purposes therein contained, by signing the
name of the corporation by himself or herself as such director.

Given under my hand and official seal this ____ day of _____, 2002.

Notary Public

My Commission Expires:

MAUMELLE HEIGHTS PROPERTY OWNERS ASSOCIATION

Date: _____

By: _____

Date: _____

By: _____

Date: _____

By: _____

Date: _____

By: _____

Date: _____

By: _____

Date: _____

By: _____

Date: _____

By: _____

Date: _____

By: _____

MAUMELLE HEIGHT SUBDIVISION
1. MAUMELLE HEIGHTS 2. RIVERLAND HEIGHTS
3 PALISADES HEIGHTS
SPECIFIC REQUIREMENTS

HOUSE HEIGHT: 2 ½ stories maximum (not including basement)

HOUSE SIZE: Lots #67-81 inclusive of Palisades Heights and Lots #29-33 inclusive of Riverland Heights shall not be less than 2,200 sq. ft. of heated and cooled space.

Lots #1-66 inclusive of Palisades Heights and Lots #1-28 inclusive and Lots #34-49 inclusive of Riverland Heights shall not be less than 2000 sq. ft. of heated and cooled space.

Each tract of Maumelle Heights shall not be less than 3000 sq. ft of heated and cooled space.

SET BACKS:

Primary House,

25 foot building line from front survey pins.

25 feet back yard for primary house.

10% of front lot width or 10 feet, which ever is greater for side yards.

Out Buildings,

Detached garages and storage buildings, 10 feet from rear property line and same as side set back.

FENCING:

No chain link fencing allowed.

No fencing allowed beyond front structure line.

No privacy fencing allowed in Palisades Heights lots #67-81.

LANDSCAPE:

Sod shall be placed in front and side yards and twenty (20) feet beyond back line of building.

No trees greater than six (6) inches in diameter measured twenty four (24) inches up from base of tree shall be removed outside the building line.

GARAGE:

Minimum two (2) car garage.

REFUSE:

It is the responsibility of the contractor/owner to provide a receptacle/containment for trash that could be blown onto adjoining property or unto the street. It is also the contractor/owners responsibility to keep the street clear of dirt, mud, gravel, construction material and or any refuse left by workers on the construction site. If the site and surrounding areas are not maintained in good order the said area will be cleaned at the expense of the owner and there shall be a special assessment levied against the lot for cost of said maintenance.

I hereby acknowledge that I have read, and fully understand, these Specific Requirements of the Bill of Assurance and By-Laws for the above subdivision as previously filed with the Maumelle City Clerks Office.

Signature of Applicant

Date