

BYLAWS OF
ARLINGTON PARKS HOMES ASSOCIATION

ARTICLE I

DEFINITIONS

Section 1.01. Definitions. (a) All terms used herein, such as (but not by way of limitation) "Owners", "Lot", "Land", "Common Area", "Developer", "Turnover Date" and "Assessments" shall have the same meanings as set forth in that certain Declaration of Covenants, Conditions and Restrictions for Arlington Park ("Declaration"), a subdivision in the City of Olathe, Johnson County, Kansas.

(b) "Act" shall refer to the Kansas Corporation Act, as amended from time to time.

ARTICLE II

NAME

Section 2.01. Name. The name of this corporation shall be Arlington Park Homes Association (hereinafter called the "Corporation").

ARTICLE III

OFFICES OF THE CORPORATION

Section 3.01. Principal Office. The initial principal office of the Corporation shall be located at 308 North Rogers, Olathe, Kansas, but meetings of directors may be held at such place within the State of Kansas as may be designated by the Board of Directors.

Section 3.02. Other Offices. The Corporation may also have offices at such other places both within and without the State of Kansas as the Board of Directors may from time to time determine or as the business of the Corporation may require.

ARTICLE IV

**CORPORATION RESPONSIBILITIES AND
MEETINGS OF MEMBERS**

Section 4.01. Corporation Responsibilities. The members will constitute the Corporation, which shall be responsible for administering and enforcing the covenants, conditions and restrictions contained in the Declaration, including with respect to the collection and disbursement of charges and assessments as provided therein, and coordinating with other homeowners' corporations in the adjacent subdivisions in administering and enforcing such covenants, conditions and restrictions through their respective boards of directors. In the event

of any dispute or disagreement between any members relating to the land, or any questions of interpretation or application of the provisions of the Declaration, Articles of Incorporation or these Bylaws, such dispute or disagreement shall be submitted to the Board of Directors. The resolution of such dispute or disagreement by the Board of Directors shall be binding on each and all members subject to the right of members to seek other remedies provided by law after such determination by such Board of Directors.

Section 4.02. Place of Meeting. Meetings of the Corporation shall be held at such suitable place, reasonably convenient to the directors, within the State of Kansas, as the Board of Directors may determine.

Section 4.03. Annual Meetings. The first meeting of the Corporation's members shall be held within one (1) year from the Turnover Date, and each subsequent regular annual meeting of the members shall be held on the same day of the same month of each year thereafter as determined by the Board. At such meetings, there shall be elected a Board of Directors by ballot of the members in accordance with the requirements of the Declaration. The directors may also transact such other business of the Corporation as may properly come before them at such meeting. If the day for the annual meeting of members is a legal holiday, the meeting will be held at the same hour on the first day following such day which is not a legal holiday.

Section 4.04. Notice of Members Meetings. Written or printed notice stating the place, day and hour of the members' meeting and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered by the Secretary or Assistant Secretary of the Corporation not less than fifteen (15) nor more than thirty (30) days before the date of the members' meeting, either personally or by mail, to each member of record entitled to vote at such members' meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the member at his address as it appears on the books of the Corporation, with postage thereon prepaid. Business transacted at any special members' meeting shall be confined to the purposes stated in the notice or waiver thereof.

Section 4.05. Quorum. The holders of one-tenth (1/10) of the votes of each class of membership, represented in person or by proxy, shall constitute a quorum for any meetings of members except as otherwise provided in the Articles of Incorporation, the Declaration or the Bylaws. If, however, such quorum shall not be present or represented at any meeting of the members, the members present, or represented by proxy, 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. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted at the meeting as originally notified.

Section 4.06. Proxies. At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing and shall be filed with the Secretary of the Corporation. Every proxy shall be revocable and shall automatically cease upon conveyance by a member of his lot.

Section 4.07. Voting by Corporation and Members. The Corporation shall not be a voting member of the Corporation by virtue of its ownership of any lot. Each member may vote the number of votes and in a manner set forth in the Declaration and Articles of Incorporation.

Section 4.08. Order of Business. The order of business at all meetings of the members' meetings shall be as follows:

- (a) roll call and certifying proxies;
- (b) proof of notice of meeting or waiver of notice;
- (c) reading and disposal of unapproved minutes of prior meetings;
- (d) reports of officers;
- (e) reports of committees;
- (f) election of directors;
- (g) unfinished business;
- (h) new business; and
- (i) adjournment.

Section 4.09. Membership List. The officer or agent having charge of the membership books shall make, at least five (5) days before each meeting of members, a complete list of the members entitled to vote at such meeting or any adjournment thereof, arranged in alphabetical order, with the address of and number of votes held by each. Such list shall also be produced and kept open at the time and place of the members' meeting, and shall be subject to the inspection of any member during the whole time of the meeting. The original member books shall be prima facie evidence as to who are the members entitled to examine such list or to vote at any such meeting of members.

Section 4.10. Action Taken Without a Meeting. Any action required by statute to be taken at an annual or special meeting of the members, or any action which is otherwise permitted by law or by these Bylaws, may be taken without a meeting, without prior notice and without a vote, if a consent in writing, setting forth the action so taken, shall be signed by all of the members entitled to vote with respect to the subject matter thereof, and such consent shall have the same force and effect as a unanimous vote of members. Subject to the provisions required or permitted by statute for notice of meetings, unless otherwise restricted by the Articles of Incorporation or these Bylaws, the members may participate in and hold a meeting by means of telephone conference or similar communications equipment by which all persons participating in the meeting can hear each other.

ARTICLE V

BOARD OF DIRECTORS

Section 5.01. Number and Qualification. Until the Turnover Date, the affairs of the Corporation shall be governed by a Board of Directors consisting of the one (1) person appointed by the Developer. Until the Turnover Date as set forth in the Declaration, the Corporation shall have only one director appointed by the Developer. At such first members' meeting after the Turnover Date, there shall be elected five (5) directors to the Board of Directors who shall thereafter govern the affairs of the Corporation until their successors have been duly elected and qualified.

Section 5.02. Powers and Duties. The Board of Directors shall have the power and duties necessary for the administration of the affairs of the Corporation and for the operation and maintenance of the Land in keeping with the character and quality of the area in which it is located. The business and affairs of the Corporation shall be managed by or under the direction of the Board of Directors which may exercise all such lawful acts and things as authorized by statute, the Articles of Incorporation, these Bylaws or the Declaration.

Section 5.03. No Waiver of Rights. The omission or failure of the Corporation or any member to enforce the covenants, conditions, restrictions, easements, uses, liens, limitations, obligations or other provisions of the Declaration, these Bylaws or the rules and regulations adopted pursuant thereto or hereto, shall not constitute or be deemed a waiver, modification or release thereof, and the Board of Directors shall have the right to enforce the same at any time thereafter.

Section 5.04. Election and Term of Office. At the first members' meeting after the Turnover Date, the term of office of three (3) Directors shall be fixed at two (2) years and the term of office for two (2) Directors shall be fixed at one (1) year. At the expiration of the initial term of office of each respective Director, his successor shall be elected to serve a term of two (2) years. The Directors shall hold office until their successors have been elected and hold their first meeting, except as is otherwise provided herein.

Section 5.05. Vacancies. Vacancies in the Board of Directors caused by death, resignation or disqualification (i.e., by any reason other than the removal of a Director by a vote of the Corporation as set forth in Section 5.06 hereof) shall be filled by vote of the majority of the remaining Directors, even though they may constitute less than quorum, and each person so elected shall be a director until his successor is elected at the next annual meeting of the Corporation to serve out the unexpired term (if any) of his predecessor in office. Vacancies in the Board of Directors caused by a removal of a Director by a vote of the Association shall be filled in the manner set forth in Section 5.06 hereof.

Section 5.06. Removal of Directors. At any annual members' meeting of the Association duly called after the Turnover Date, any one or more of the Directors may be removed with or without cause by the affirmative vote of a majority of members of each class entitled to vote who are present at a members' meeting at which a quorum is present, and a successor may then and there be elected to fill the vacancy thus created. Any Director whose

removal has been proposed by the members shall be given an opportunity to be heard at the meeting; provided however, nothing herein shall limit the Developer's right to appoint the sole Director prior to the Turnover Date, and this section shall not grant members any power or authority to remove any Director prior to the Turnover Date.

Section 5.07. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the Directors, but at least one (1) such meeting shall be held during each calendar year. Notice of regular meetings of the Board of Directors shall be given to each Director, personally or by mail, telephone or telegraph, at least five (5) days prior to the day named for such meeting. Prior to the Turnover Date, the meetings of the Directors and officers, shall not be open to the public and no member shall have any right to attend.

Section 5.08. Special Meetings. Special meetings of the Board of Directors may be called by the President upon five (5) days' notice to each Director, given personally or by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President, Secretary or Assistant Secretary of the Corporation in like manner and on like notice on the written request of one (1) or more Directors.

Section 5.09. Meeting by Telephonic Means. Members of the Board of Directors may participate in a meeting by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and participation in a meeting pursuant to this Section 5.10 shall constitute presence in person at the meeting.

Section 5.10. Waiver of Notice. Before or after any meeting of the Board of Directors, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board of Directors shall be a waiver of notice by him of the time and place thereof. If all of the Directors are present at any meeting of the Board of Directors, no notice shall be required and any business may be transacted at such meeting.

Section 5.11. Board of Directors' Quorum. At all meetings of the Board of Directors, a majority of the Directors in office shall constitute a quorum for the transaction of business, and the acts of the majority of the Directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors. Directors present by proxy may not be counted toward a quorum. If, at any meeting of the Board of Directors, there is less than a quorum present, the majority of those present may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

Section 5.12. Compensation. No member of the Board of Directors shall receive any compensation for acting as such.

Section 5.13. Action Taken Without a Meeting. The Directors shall have the right to take any action in the absence of a meeting which they could take at any meeting by obtaining the written approval of all the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

Section 5.14. Nomination and Election of Directors. Nomination for election to the Board of Directors after the Turnover Date shall be made by the floor at the annual meeting. The appropriate number of members of the Board of Directors shall be elected at the annual meeting of members of the Corporation after the Turnover Date, which members of the Corporation shall vote the number of votes and in the manner set forth in the Declaration and the Articles of Incorporation.

ARTICLE VI

OFFICERS

Section 6.01. Designation. The officers of the Corporation shall be a President, a Secretary and a Treasurer, all of whom shall be elected by the Board of Directors, and such assistant officers as the Board of Directors shall, from time to time, appoint. Such officers need not be members of the Board of Directors. All offices may be held by the same person.

Section 6.02. Election of Officers. The officers of the Corporation shall be elected annually by the Board of Directors at the annual meeting of the Board of Directors, and such new officers shall hold office subject to the continuing approval of the Board of Directors.

Section 6.03. Resignation and Removal of Officers. Upon an affirmative vote of a majority of the members of the Board of Directors, any officer may be removed, either with or without cause, and his successor appointed at any regular or special meeting of the Board of Directors called for such purpose. An officer may resign at any time by giving written notice to the Board of Directors, the President or the Secretary. Such resignation shall take effect on the date such notice is received, or at any later time specified therein. Unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6.04. Vacancies. A vacancy in any office due to the death, resignation, removal or other disqualification of the officer previously filling such office may be filled by appointment by the Board of Directors. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 6.05. President. The President shall be the chief executive officer of the Corporation. He shall preside at all meetings of the Corporation and of the Board of Directors. He shall have all of the general powers and duties which are usually vested in the office of president of a corporation, including but not limited to the power to appoint committees from the members from time to time as he may in his discretion decide is appropriate to assist in the conduct of the affairs of the Corporation, or as may be established by the Board of Directors or by the members of the Corporation at any annual or special meetings.

Section 6.06. Secretary. (a) The Secretary shall keep all of the minutes of the meetings of the Board of Directors and the Corporation. The Secretary shall have charge of such books and papers as the Board of Directors may direct, and shall, in general, perform all the duties incident to the office of Secretary as provided in the Declaration, Bylaws and Articles of Incorporation.

(b) The Secretary shall compile and keep up to date at the principal office of the Corporation a complete list of the members and their last known addresses as shown on the records of the Corporation.

Section 6.07. Treasurer. (a) The Treasurer shall have custody of and be responsible for Corporation funds and for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Corporation. The Treasurer shall deposit all monies and other valuable effects in the name and to the credit of the Corporation in such depositaries as may from time to time be designated by the Board of Directors.

(b) The Treasurer shall disburse the funds of the Corporation as may be ordered by the Board of Directors, taking proper vouchers for such disbursements, and shall render to the President and to the Board of Directors at its regular meetings, or when the Board of Directors so requires, an account of all his transactions as Treasurer, and of the financial condition of the Corporation.

ARTICLE VII

INDEMNIFICATION OF OFFICERS AND DIRECTORS

Section 7.01 Indemnification. No Director of the Corporation shall be personally liable to the Corporation for monetary damages for any act or omission in the Director's capacity as a Director, except that this Article does not eliminate or limit the liability of a Director for (1) a breach of a Director's duty of loyalty to the Corporation, (2) an act or omission not in good faith or that involves intentional misconduct or a knowing violation of the law, (3) an act or omission for which the liability of a amendment nor repeal of this Article shall eliminate or reduce the effect of this Article in respect of any matter occurring, or any cause of action, suit or claim that, but for this Article, would accrue or arise prior to such amendment or repeal. Without limiting the foregoing, the following shall apply:

(a) The Corporation shall indemnify, to the extent provided in the following paragraph, any person who is or was a director, officer, agent or employee of the Corporation.

(b) In case of a threatened or pending suit, action or proceeding (whether civil, criminal, administrative or investigative) against a person named in paragraph (a) above by reason of such person's holding a position named in such paragraph (a), the Corporation shall indemnify such person if such person satisfies the standard contained in paragraph (c) below, for amounts actually and reasonably incurred by such person in connection with the defense or settlement of the suit expenses (including court costs and attorneys' fees), amounts paid in settlement, judgments, penalties (including excise and similar taxes), and fines.

(c) A person named in paragraph (a) above will be indemnified if it is determined in accordance with paragraph (d) below that such person:

(i) acted in good faith in the transaction which is the subject of the suit; and

(ii) reasonably believed if acting in his or her official capacity as director, officer, agent or employee of the Corporation, that his or her conduct was lawful; and

(iii) in the case of any criminal proceeding, had no reasonable cause to believe that his or her conduct was unlawful.

The termination of a proceeding by judgment, order, settlement or conviction, or upon a plea of nolo contendere or its equivalent, will not, of itself, create a presumption that such person failed to satisfy the standard contained in this paragraph (c).

(d) The Corporation will reimburse or pay in advance any reasonable expenses (including court costs and attorneys' fees) which may become subject to indemnification under paragraphs (a) through (c) above.

(e) The Corporation shall purchase and maintain insurance on behalf of any person who holds or has held any position named in paragraph (a) above against any liability incurred by such person in any such position, or arising out of such person's status as such, whether or not the Corporation would have power to indemnify such person against such liability under paragraphs (a) through paragraph (c) above.

(f) All liability, loss, damage, cost and expense incurred or suffered by the Corporation by reason of or arising out of, or in connection with, the foregoing indemnification provisions shall be treated and handled by the Corporation as an expense subject to special assessment.

Section 7.02. Interested Directors and Officers. (a) If paragraph (b) below is satisfied, no contract or transaction between the Corporation and any of its Directors or officers (or any other corporation, partnership, association or other organization in which any of them directly or indirectly have a financial interest) shall be void or voidable solely because of this relationship or because of the presence or participation of such Director or officer at the meeting of the Board of Directors or committee thereof which authorizes such contract or transaction, or solely because such person's votes are counted for such purpose.

(b) The contract or transaction referred to in paragraph (a) above will not be void or voidable if:

(i) the contract or transaction is lawful to enter into as of the time it is authorized, approved or ratified by the Board of Directors, a committee of the Board of Directors, or the members; or

(ii) the material facts as to the relationship or interest of each such Director or officer as to the contract or transaction are known or disclosed (A) to the members entitled to vote thereon and nevertheless in good faith authorize or ratify the contract or transaction by a majority of the members present, each such interested person to be counted for quorum and voting purposes, or (B) to the Board of Directors or a committee of the Board of Directors and the Board of Directors or committee nevertheless in good faith authorizes or ratifies the contract or transaction by a majority of the Directors present, each such Director to be counted in determining whether a quorum is present.

(c) The provisions contained in paragraphs (a) and (b) above may not be construed to invalidate a contract or transaction which would be valid in the absence of such provisions.

ARTICLE VIII

AMENDMENTS TO BYLAWS

Section 8.01. Amendment to Bylaws. These Bylaws may be amended at a regular or special meeting of the board of directors by a vote of a majority of a quorum of the members of the board of directors in good standing and present in person. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control, and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

ARTICLE IX

EVIDENCE OF OWNERSHIP, REGISTRATION OF MAILING ADDRESS

Section 9.01. Proof of Ownership. Except for those owners who purchase a lot from Developer, any person, on becoming an owner of a lot, shall furnish to the Board of Directors a true and correct copy of the original or a certified copy of the recorder instrument vesting that person with an interest or ownership in the lot, which copy shall remain in the files of the Corporation. A member shall not be deemed to be in good standing nor shall he be entitled to vote at any annual or special meeting of members unless this requirement is first met.

Section 9.02. Registration of Mailing Address. The owner or several owners of a lot shall have the same registered mailing address to be used by the Corporation for mailing of monthly statements, notices, demands and all other communication, and such registered address shall be the only mailing address of a person or persons to be used by the Corporation. Such registered address of an owner or owners shall be deemed to be the mailing address of the lot owned by said owner or owner(s) unless a different registered address is furnished by such owner(s) to the Board of Directors within fifteen (15) days after transfer of title, or after a change of address. Such registration shall be in written form and signed by all of the owners of the lot or by such person(s) as are authorized by law to represent the interest of all of the owner(s) thereof.

ARTICLE X

GENERAL

Section 10.01. Assessments and Liens. As more fully provided in the Declaration, each Member shall pay to the Corporation annual and special assessments which are secured by a continuing lien upon the lot against which the assessment is made.

Section 10.02. Abatement and Enjoinment. The violation of any rule or regulation, or the breach of any Bylaw or any provision of the Declaration, shall give the Board of Directors the right, in addition to any other rights set forth in the Declaration or herein, to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of such violation or breach.

Section 10.03. Committees. The Corporation may appoint an Architectural Control Committee, subject to the terms of and as provided in the Declaration, and a Nominating Committee, as provided in these bylaws. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose.

Section 10.04. Non-Profit Association. This Corporation is not organized for profit. Provided, however, that (1) reasonable compensation may be paid to any member, Director or officer while acting as an agent or employee of a third party for services rendered to the Corporation in effecting one or more of the purposes of the Corporation, and (2) any member, Director or officer may, from time to time, be reimbursed for his actual and reasonable expenses incurred in connection with the administration of the affairs of the Corporation.

Section 10.05. Execution of Documents. The persons who shall be authorized to execute any and all contracts, documents, instruments of conveyance or encumbrances, including promissory notes, shall be the President or any Vice-President, and the Secretary or Assistant Secretary, of the Corporation.

Section 10.06. Proxy for Beneficiary or Mortgagee Under Deed of Trust. Owners shall have the right to irrevocably constitute and appoint their Mortgagees their true and lawful attorney to vote their lot membership in this Corporation at any and all meetings of the Corporation and to vest in such beneficiary or his nominees any and all rights, privileges and powers that they have as owners under the Bylaws of this Corporation or by virtue of the Declaration. Such proxy shall become effective upon the filing of a notice by the Secretary of the Corporation at such time or times as the beneficiary shall deem its security in jeopardy by reason of the failure, neglect or refusal of the Corporation or the owners to carry out their duties as set forth in the Declaration. Such proxy shall be valid until such time as a release of the beneficiary's deed of trust is executed and a copy thereof delivered to the Secretary or Assistant Secretary of the Corporation, which shall operate to revoke such proxy. Such proxy may be terminated prior to such revocation by the beneficiary's delivering written notice of such termination to the Secretary of the Corporation. Nothing herein contained shall be construed to relieve owners of, or to impose upon the beneficiary of the Deed of Trust, the duties and obligations of an owner.

Section 10.07. Conflicting or Invalid Provisions. Notwithstanding anything contained herein to the contrary, should all or part of any Article or Section of these Bylaws be in conflict with the provisions of the Act or any other Kansas law, such Act or law shall control, and should any part of these Bylaws be invalid or inoperative for any reason, the remaining parts, so far as is possible and reasonable, shall be valid and operative.

Section 10.08. Notices. All notices to members of the Corporation shall be given by delivering the same to each owner in person or by depositing the notices in the U.S. Mail, postage prepaid, addressed to each owner at the address last given by each owner to the Secretary of the Corporation. If an owner shall fail to give an address to the Secretary for mailing of such notices, all such notices shall be sent to the street address of the lot of such owner. All owners shall be deemed to have been given notice of the meetings upon the proper mailing of the notices to such addresses irrespective of the actual receipt of the notices by the owners.

Section 10.09 Fiscal Year. The fiscal year of the Corporation shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation of the Corporation.

IN WITNESS WHEREOF, we being all of the initial Directors of the Arlington Park Homes Association, hereby adopt the foregoing Bylaws for the Corporation to be effective as of the _____ day of _____, 1999.

Dorothy Haegele