

**STONEBRIDGE  
HOMEOWNERS ASSOCIATION**

**AMENDED DECLARATION OF  
COVENANTS, CONDITIONS AND RESTRICTIONS**

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**STONEBRIDGE HOMEOWNERS ASSOCIATION**

**AMENDED DECLARATION OF  
COVENANTS, CONDITIONS AND RESTRICTIONS**

THIS AMENDED DECLARATION is made as of November 13, 2018, by the Stonebridge Homeowners' Association, successor in interest to Smithville Investment & Development Co., a Missouri Corporation (hereinafter called "*Declarant*"),

**WITNESSETH:**

**WHEREAS**, Declarant is the owner of the real property described in Article II of this Declaration and desires to develop thereon townhome residential units with permanent common areas and facilities for the benefit of said development; and

**WHEREAS**, Declarant desires to provide for the preservation and enhancement of the property values, amenities and opportunities in a planned community to be developed on the real property described in Article II and for the maintenance of the properties and improvements thereon, and to this end, desires to subject the real property, together with such additions as may hereafter be made thereto, to the covenants, conditions, easements, charges and liens hereinafter set forth, each and all of which is and are for the benefit of said property and each owner thereof; and

**WHEREAS**, Declarant has deemed it desirable, for the efficient preservation of the values in said development to create an association to which should be delegated and assigned the powers and duties of maintaining and administering the common areas and facilities, maintaining certain parts of the residential properties located in the development, administering and enforcing the within Covenants, Conditions and Restrictions and collecting the disbursing the assessments and charges hereinafter created; and

**WHEREAS**, Declarant has caused or will hereafter promptly cause to be incorporated under the laws of the State of Missouri, as a Not-For-Profit Corporation without capital stock, Stonebridge Homeowners' Association for the purposes of carrying out the powers and duties aforesaid, as hereinafter more fully set forth;

**NOW, THEREFORE**, Declarant hereby declares that the real property described in Article II, and such additions thereto as may hereinafter be made pursuant to Article II hereof, is and shall be held, conveyed, hypothecated or encumbered, sold, leased, rented, used, occupied and improved subject to the covenants, conditions, restrictions, uses, limitations, obligations, easements, equitable servitudes, charges and liens (sometimes called "*Covenants and Restrictions*") hereinafter set forth, all of which are declared and agreed to be in aid of a plan for improvement of said real property, and shall run with and bind the real property, and shall inure to the benefit of and be enforceable by Declarant, its successors and assigns, and any person acquiring or owning an interest in said real property and improvements, including without limitation, any person, group of persons, corporation, trust or other legal entity or any combination thereof, who holds such interest solely as security for the performance of an obligation:

## **ARTICLE I DEFINITIONS**

The following words when used in this Declaration (unless the context shall prohibit) shall have the following meanings:

(a) “*Association*” shall mean and refer to the Stonebridge Homeowners’ Association, a Missouri Not-For-Profit Corporation and its successors and assigns.

(b) “*Board of Directors*” or “*Board*” shall mean and refer to the Board of Directors of the Stonebridge Homeowner’s Association.

(c) “*Properties*” shall mean and refer to all such existing properties, and additions thereto, as are subject to this Declaration or any Supplementary Declaration prepared and filed of record pursuant to the provisions of Article II hereof.

(d) “*Common Properties*” shall mean and refer to those areas of land designated as Common Areas or Facilities on the recorded plat of the Properties and intended to be devoted to the common use and enjoyment of the members of the Association, owners and the tenants and invitees of each, or subject to the control thereof, together with any and all such improvements that are now or may hereafter be constructed thereon. In this Declaration Common Properties shall include, without limitations the following:

(i) All real estate owned in fee simple by the Association evidenced by the warranty deed or deeds from the Declarant to the Association, recorded in the Office of the Recorder of Deeds of Clay County, Missouri.

(ii) All structures, trees, landscaping, lighting equipment, decorative equipment and other improvements located upon real estate owned by the Association.

(iii) All paved private drives, streets, and open parking areas, together with sidewalks, paths and the like, located upon real estate owned by the Association.

(iv) All installments of central services for the benefit of more than one owner such as television antennae, trash receptacles, pipes, wires, conduits, sewers, waterlines and other public utility lines and facilities situated thereon.

(v) All easements, rights and appurtenances belonging thereto, necessary to the existence, maintenance and safety of the property and improvements constructed thereon.

(vi) All personal property owned by the Association intended for use in connection with the operation of structures and other facilities of the Association.

(vii) All patios and decks adjoining a unit.

(viii) All of the Properties not within a “unit” or “unit tract”.

(e) “*Lot*” shall mean and refer to a plot of land shown upon the recorded plat of the Properties and any Certificate of Survey filed of record thereafter, upon which townhomes, patios and other improvements are constructed.

(f) “*Building*” shall mean a structure containing six (6) units located upon a lot.

(g) “*Unit*” shall mean a single townhome located upon a lot within the Properties. Each Unit shall have a separate legal description for purposes of identification and transfer of ownership to an Owner or Owners. “*Unit tract*” shall mean the real estate upon which a Unit is or will be constructed. The area of a unit or unit tract shall be computed from the outside wall, if any, or from the center of any common wall to the center of the opposite wall appurtenant thereto. The same legal description shall be used to describe a “unit” and the “unit tract” upon which the unit is or will be located. There shall be two (2) buildings per lot and six (6) units/unit tracts per building. Each building shall be described by using a different letter or letters and the units/unit tracts in each building shall be numbered 1, 2, 3, 4, 5 and 6. The building and the units/unit tracts shall be shown upon a recorded Certificate of Survey which describes the lot upon which the building and units/unit tracts are or will be located and which shows the location of each building and each unit/unit tract on said lot. For purposes of identification, transfer and conveyance, a unit/unit tract shall be described by referring to the unit number, building letter and lot number shown upon a recorded Certificate of Survey.

(h) “*Owner*” shall mean and refer to the record Owner, whether one or more persons are entities, of the fee simple title to any Unit or Unit tract which is a part of the Properties but notwithstanding an applicable theory of mortgages, deeds of trust or other security devices, shall not mean or refer to any Mortgagee unless and until such Mortgagee has acquired title pursuant to power of sale, foreclosure or any proceeding in lieu thereof.

(i) “*Member*” shall mean and refer to each Owner as provided herein in Article III.

(j) “*Declarant*” shall mean Stonebridge Homeowners Association its successors and assigns.

(k) “*Existing Property*” shall mean and refer to the real property which is, and shall be held, transferred, sold, conveyed and occupied subject to this Declaration pursuant to Section 2.1 of Article II.

(l) “*Mortgagee*” shall mean and refer to the holder of a first or second deed of trust, mortgage or other equivalent lien on a Unit.

(m) “*Quorum*” shall mean whether in-person or by-proxy, voters in good standing constituting not less than thirty percent (30%) of all eligible Unit votes that may be cast at any meeting shall constitute a quorum at such meeting.

**ARTICLE II**  
**PROPERTY SUBJECT TO THIS DECLARATION, ADDITIONS THERETO**

Section 2.1 Existing Property. The real property which is, and shall be held, conveyed, hypothecated or encumbered, sold, leased, rented, used, occupied and improved subject to this Declaration (hereinafter defined as “*Existing Property*”) is located in Smithville, Clay County, Missouri, and is more particularly described in Exhibit “A” which is attached hereto and made a part hereof as though more fully set forth herein.

Section 2.2 Annexation. Additional residential property and common area may be annexed to the properties with the consent of two-thirds (2/3rds) of each class of members.

Section 2.3 Units and Unit Tracts. There are 96 Units constructed on the Existing Property, with each Unit tract having one (1) Unit located thereon.

**ARTICLE III**  
**MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION**

Section 3.1 Qualification. Every person or entity who is a record Owner of a fee or undivided fee interest in one or more Units or Unit tracts on the Properties subject to the Covenants, Conditions and Restrictions established by this Declaration shall be a Member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separate from ownership of any Unit/Unit tract which is subject to the Covenants, Conditions and Restrictions established by this Declaration. Record ownership of such Unit or Unit tract shall be the sole qualification for membership. Members shall be entitled to one vote for each Unit or Unit tract in which they hold the interest required for membership by this Article whether or not the dwelling unit has been constructed. Voting rights shall be determined on the basis of one (1) vote per Unit or Unit tract. When more than one (1) person holds such interest in any Unit or Unit tract, all such persons shall be Members and the vote for such Unit or Unit tract shall be exercised as they, among themselves, determine; but in no event shall more than one (1) vote be cast with respect to any one Unit or Unit tract. In the event that joint Owners are unable to agree among themselves as to how their vote or votes shall be cast, they shall lose their rights to vote on the matter in question. If any Owner or Owners cast a vote representing a certain Unit or Unit tract, it will thereafter be conclusively presumed for all purposes that he/she or they were acting with the authority and consent of all other Owners of the same Unit or Unit tract. In the event more than one vote is cast for a particular Unit or Unit tract, none of said votes shall be counted and said votes shall be deemed void.

Section 3.2 Voting Classes. The Association shall have only one class of Membership and Members.

**ARTICLE IV**  
**PROPERTY RIGHTS IN THE COMMON PROPERTIES**

Section 4.1 Members’ Easements of Enjoyment. Subject to the provisions of Section 4.3 of this Article IV, every Member shall have a non-exclusive and non-severable right and easement of enjoyment in and to the Common Properties in common with all Members, and

such easement shall be appurtenant to and shall pass with the title to every Unit or Unit tract, and may not be severed therefrom. Such rights and easement shall be for the use of the Common Properties in accordance with the purpose for which they were intended without hindering or encroaching upon the lawful rights and easements of other Owners.

Section 4.2 Title to the Common Properties. The Declarant may retain the fee simple title to the Common Properties until such time as it has completed such improvements thereon as it may elect to make and until such time as, in the opinion of the Declarant, the Association is able to maintain the same but, notwithstanding any provision herein, the Declarant hereby covenants, for itself, its successors and assigns, that it shall convey fee simple title to the Common Properties to the Association not later than December 31, 1995.

Section 4.3 Extent of Members' Easements. The rights and easements of Enjoyment created hereby shall be subject to the following:

(a) The rights of the Association to prescribe regulations governing the use, operation and maintenance of the Common Properties;

(b) The right of the Association in accordance with its Articles of Incorporation and Bylaws, to borrow money for the purpose of improving the Common Properties and facilities in a manner designed to promote the enjoyment and welfare of the Members, and in aid thereof to mortgage the Common Properties;

(c) The right of the Association to take such steps as are reasonably necessary to protect the Common Properties against mortgage default and/or foreclosures; provided always, however, that the same are in conformity with the other provisions of the Declaration;

(d) The right of the Association to suspend the voting rights and right to use any recreational facilities by an owner for any period during which any assessment against his/her unit remains unpaid; and for a period not to exceed sixty (60) days for any infraction of its published Rules and Regulations;

(e) Use of adjoining patio/deck. Each Member shall have the exclusive right for use of the patio/deck adjoining the Member's Unit, subject to the Association's right to enter upon the patio/deck to maintain, repair and perform such other work upon the patio/deck as may be required from time to time as part of the Association's responsibility for the common properties under this Declaration of Covenants, Conditions and Restrictions.

(f) The right of the Association, acting by and through its Board of Directors, to grant licenses, rights-of-ways and/or easements for access or for the construction, reconstruction, maintenance and/or repair of any utility lines or appurtenances, whether public or private, to any municipal agency, public utility, the Declarant or any other person; provided, however, that no such licenses, rights-of-ways and/or easements shall be unreasonably inconsistent with the rights of the Members to the use and enjoyment of the Common Properties, no such dedication or transfer shall be effective unless an instrument agreeing to such dedication or transfer signed by two-thirds (2/3rds) of each class of members has been recorded;



Section 4.4 Rights Not Subject to Suspension. Notwithstanding anything in this Declaration to the contrary the Association shall have no right to suspend, limit or encumber, either temporarily or permanently, any of the rights created and described in Section 4.1 above for any reason whatsoever, or the right of any Owner to use and enjoy the drives, streets, parking, areas, walks, entrances and exits on the Common Properties.

Section 4.5 Delegation of Right of Use. Any Member of the Association may delegate his/her rights to the use and enjoyment of the Common Properties to the members of his/her family who reside with him/her and/or to his/her guests, all subject to such reasonable Rules and Regulations which the Association may adopt and uniformly apply and enforce.

## **ARTICLE V COVENANT FOR MAINTENANCE ASSESSMENTS**

Section 5.1 Creation of the Lien and Personal Obligation of Assessments. Each Owner of a Unit (by acceptance of a deed therefore, whether or not it shall be so expressed in any such deed or other conveyance) hereby covenants and agrees and shall be deemed to covenant and agree to pay the Association or its nominee: (1) Annual assessments or charges, and (2) Special assessments; such assessments to be fixed, established and collected from time to time as hereinafter provided. The annual and special assessments, together with such interest thereon and costs of collection thereof as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the Unit and undivided interest in the real property of each Owner against which each such assessment is made. Each such assessment together with such interest thereon and cost of collection thereof, including reasonable attorneys' fees as hereinafter provided, shall also be the continuing personal obligation of the person who as the Owner of such Unit at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass from a selling owner to successors in title but shall become a joint and several debt of the buyer and seller, each with a right of contribution from the other based upon the prorated share of the respective ownerships during:

- (a) The assessment year applicable for any regular assessment; and/or
- (b) The period over which a special assessment shall be paid.

Section 5.2 Purpose of the Annual Assessments. The Annual Assessments when levied by the Association may be used for the following expenses, reserves and purposes:

(a) Promotion of the health, safety and welfare of those persons residing within the Properties:

(b) Routine repair, maintenance, care and operation of the Common Properties and all other common facilities situated upon the Common Properties, including, but not limited to, the repair and replacement of any paved areas on the Common Properties; maintenance as to water tightness (exclusive of repair of casualty damage) of the roof of each Unit, routine and periodic repairs, maintenance and care of the exterior of the Units;

(c) Management (and any required legal and accounting expenses of the Association) of the affairs of the Association and for the operation and/or care and maintenance

of the Common Properties, and all other property and improvements as herein set forth to be the responsibility of the Association;

(d) Ad valorem and other taxes, and insurance premiums, on the Common Properties owned by the Association;

(e) Exterior and yard maintenance as set forth in Articles VIII and IX.

(f) The payment of such other charges and expenses as may be elsewhere required or authorized by this Declaration of Covenants, Conditions and Restrictions, or that the Board of Directors of the Association may, from time to time, determine necessary or desirable to meet the purposes of the Association.

Section 5.3 Basis of Annual Assessments. Annual Assessments of charges shall remain constant from January 1 through December 31 of each year and shall be subject to the following limitations thereon. There shall be no Annual Assessments until fifty-one (51%) percent of a quorum of all the Members who are present and voting in person or by proxy, at a meeting called for this purpose by not less than ten (10) nor more than forty (40) days' notice in writing to each Member stating the time, purpose and place of said meeting, vote to establish Annual Assessments and set the amount thereof.

(a) From and after January 1st of the calendar year immediately following the establishment of the first Annual Assessment, the maximum Annual Assessment may be increased each year not more than ten (10%) percent above the maximum assessment for the previous year, plus the amount by which ad valorem real estate taxes, utility charges and casualty and other insurance premiums payable by the Association have increased over amounts payable for the same or similar items for the previous year, without a vote of the membership.

(b) From and after January 1st of the calendar year immediately following the establishment of the first Annual Assessment, the maximum Annual Assessment may be increased above the amount provided in paragraph (a) of this Section 5.3 by a vote of fifty-one (51 %) percent of a quorum of all the Members who are present and voting in person or by proxy, at a meeting called for this purpose by not less than ten (10) nor more than forty (40) days' notice in writing to each Member stating the time, purpose and place of said meeting.

(c) After consideration and determination of current routine repairs, maintenance, care and operational costs and other needs of the Association, the Board of Directors shall levy the Annual Assessments for each Unit at an amount not in excess of the maximum allowable by this Section 5.3.

Section 5.4 Special Assessment. In addition to the Annual Assessments or charges for the purposes described in Section 5.2 of this Article V subject to approval by the affirmative vote of sixty-six percent (66%) of a quorum of all the Members who are present and voting in person or by proxy, the Association may levy in any assessment year a Special Assessment, applicable to the terms negotiated with a financial institution for a maximum of ten (10) years, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, and estimated repairs or replacement of any capital improvements, or for such other purposes as the Board of Directors of the Association may consider appropriate. No such Special Assessment,

however, shall be authorized without a meeting of the Members called for this purpose, by no less than ten (10) nor more than forty (40) days' advance notice in writing to each Member stating the time, purpose and place of said meeting. Any such Special Assessment shall be due and payable to the time and in the manner as approved by two-thirds (2/3rds) percent of all the Members who are present and voting in person or by proxy at said meeting.

Section 5.5 Excess. Any year in which there is an excess of assessments received over moneys actually used for the purposes described herein, such excess may, at the discretion of the Board of Directors: be applied against and reduce the subsequent year's annual assessment; be retained in reserve by the Association; or be refunded to the Members.

Section 5.6 Uniform Rate of Assessment. Both Annual and Special Assessments must be fixed at a uniform rate for all Units; and all such assessments shall be collected on a quarterly basis, i.e., one-fourth (1/4th) of the total assessment on each Unit each quarter; provided, that the Board of Directors may levy and collect assessments on a monthly, semi-annual or annual basis after approval of the same by resolution. Both Annual and Special Assessments shall be due and payable to the Association or its nominee on the 1st day of each quarter in equal quarterly installments unless otherwise provided as aforesaid.

Section 5.7 Date of Commencement of Annual Assessments; Due Dates. The Annual Assessment for each Member shall commence on the date set by the Members at the meeting establishing the Annual Assessment and shall constitute a lien on the date the Annual Assessment commences. Except as herein above provided, the quarterly installments of each such Annual Assessment for any Unit for any quarter after the first quarter shall become due and payable to the Association or its nominee and a lien on the first day of each successive quarter. Any Member may prepay one or more installments on any Annual Assessment or Special Assessment levied by the Association, without premium or penalty. Annual Assessments may also be paid by, for or on behalf of Unit Owners by their respective mortgagees or holders of deeds of trust of record thereon under such terms and agreements as the Association may from time to time deem appropriate by action of its Board of Directors.

Section 5.8 Duties of the Association's Board of Directors with Respect to Assessments.

(a) The Board of Directors of the Association shall fix the date of commencement and the amount of and the time when due of each installment of the assessment against each Unit for each assessment period and prepare a roster of the Units and assessment applicable thereto.

(b) The Association shall notify the Owners in writing of the assessments.

(c) The Association shall enforce the payment of assessments in accordance with the provisions of Section 5.10 of this Article V.

(d) No Member of the Board or any Committee of the Association or any officer of the Association, or Declarant, or the Manager, if any, shall be personally liable to any Owner, or to any other party, including the Association, for any damage, loss or prejudice, suffered or claimed on account of any act, omission, error or negligence of the Association, the

Board, the Manager, if any, or any other representative or employee of the Association, the Declarant, or the Architectural or Environmental Control Committee or any other Committee or any officer of the Association, or the Declarant, provided that such person has, upon the basis of such information as then may be possessed by him/her, acted in good faith without willful or intentional misconduct.

Section 5.9 Equitable Adjustments - Supplementary Declaration of Covenants, Conditions and Restrictions. In the event that any Supplementary Declaration of Covenants, Conditions and Restrictions made pursuant to the provisions and requirements of Section 2.2 of Article II hereof provides that a greater or lesser level of services shall be provided by the Association with respect to the real property and the improvements thereon described in such Supplementary Declaration of Covenants, Conditions and Restrictions, then such Supplementary Declaration of Covenants, Conditions and Restrictions may provide for a different basis for the establishment of Annual and Special Assessments with respect to such real property and the improvements thereon and the Association, acting by and through its Committee, is hereby authorized and directed to make equitable adjustments in the procedures herein set forth for the establishment of Annual and Special Assessments to reflect the different level of services.

Section 5.10 Effect of Non-Payment of Assessments; the Personal Obligation of the Owner, the Lien; Remedies of Association, Maintenance and Enforcement of the Lien by the Declarant Board; Notice to Mortgagee.

(a) If any assessment or any part thereof is not paid on the date when due, as herein provided, then the unpaid amount of such assessment shall become delinquent and together with such interest, late fees, all costs of collection before and after suit including reasonable attorneys' fees, shall become a continuing lien on the Unit or Units of the delinquent Owner which shall bind such Unit or Units in the hands of the then Owner, his/her heirs, executors, devisees, personal representatives, successors and assigns. No Member may waive have waived, or otherwise, escape liability for the assessments provided herein by non-use of the Common Properties or abandonment of his/her Unit.

(b) If any assessment or part thereof is not paid within ten (10) days after the due date, the unpaid amount of such assessment shall bear interest from the due date at the rate of ten (10%) percent per annum, and shall further subject the delinquent Member to pay a penalty or "late charge" of not less than \$50/month, but at the Board's discretion such late charges may be increased by not more than 5% per year. A special assessment, may include a higher or lower interest rate, late charges or both so long as the same are included in the resolution presented to the Membership for vote.

(c) The Association may bring an action at law or equity against any Member or former Member delinquent in paying assessments, and in such an action the Association may seek judgment for the entire assessment and shall not be limited to only that portion then due and owing. The action may seek to enforce payment by any lawful means including foreclosure of any lien held by the Association against the Unit or Units then belonging to a delinquent Member in the same manner now or hereafter provided for the foreclosure of mortgages, deeds of trust or other liens on real property in the State of Missouri, containing a power of sale, and subject to the same requirements, both substantive and procedural, or as may be otherwise from time to

time be provided by law, and in either of which events there shall be added to the amount of such assessment the costs of preparing and filing the complaints in such action and, in the event a judgment is obtained, such judgment shall include interest on the assessment as above provided and a reasonable attorney's fee to be fixed by the Court, together with the costs of the action. Suit for a money judgment for unpaid assessments shall be maintainable by the Association without foreclosure or waiving the lien securing same.

(d) The Association shall, by its own action or upon request of the holders of the first or second mortgagees or deeds of trust on any Unit or Units, notify the mortgagees of any Unit or Units for which any assessment levied pursuant to this Declaration become delinquent for a period of thirty (30) days or more, and in any other case where the Owner of such Unit or Units is in default with respect to the performance of any other obligation hereunder for a period of thirty (30) days or more, but any failure to give, or to request, such notice shall not affect the validity of the lien for any assessment levied pursuant to this Declaration, nor shall any such failure affect any of the priorities established in this Article. The Association shall take no action or foreclose the lien herein provided as security for the payment of assessments, except after notice in writing to the mortgagee of record of the Units involved if such holder or holders have given the Association its or their address to which such notices are to be mailed.

(e) Upon default in the payment of any one or more installments of any assessment levied pursuant to this Declaration, or any other installment thereof, the entire balance of said assessment may be accelerated at the option of the Board of Directors Association and be declared due and payable in full.

Section 5.11 Priority of Lien. The liens established by this Declaration shall have preference over any other assessments, liens, judgments or charges of whatever nature, except the following:

(a) General and Special Assessments for real estate taxes, on the Unit;

(b) The lien of the assessments or charges, regular and special provided for herein, shall be subordinate and inferior to the lien of any first or second mortgage or deed of trust now or hereafter placed upon any Unit subject to assessments or charges; provided, however, that such subordination shall apply only to the assessment or charge which becomes due and payable prior to the sale, decree of foreclosure of any such mortgage or pursuant to the terms and conditions of any such deed of trust or deed in lieu of foreclosure. Said sale or deed in lieu of foreclosure shall not relieve such Unit from liability for the amount of any assessments or charges thereafter becoming due, nor from the lien of any said subsequent assessment or charge. Any mortgagee who comes into possession of any Unit pursuant to the remedies provided in the first and/or second mortgage or deed of trust or who acquires title of any Unit pursuant to foreclosure or deed (or assignments) in lieu of foreclosure, shall pay all accrued assessments, back dues, unpaid insurance premiums and all applied penalties before closing on said property, thus rendering Stonebridge whole.

(c) No amendment to this Declaration shall affect the rights of the holder of any mortgage (or the indebtedness secured thereby) recorded prior to the recordation of such

amendment unless the holder thereof (or the indebtedness secured thereby) shall join in the execution of such amendment.

(d) The Board of Directors may, in its sole and absolute discretion, extend the provisions of this Section to the holders of mortgages (or the indebtedness secured thereby) not otherwise entitled thereto as herein provided.

Section 5.12 Definition. As used in this Declaration, the term “mortgage” shall include a first or second mortgage and a first or second deed of trust and the terms “holder” and “mortgagee” shall include the party secured by any first or second mortgage, first or second deed of trust or any beneficiary thereof.

Section 5.13 Maintenance Agreement. The proper officers of the Association may enter into a maintenance agreement to provide for the maintenance which the Association is obligated to provide under this Declaration.

## **ARTICLE VI INSURANCE**

Section 6.1 Insurance to be Obtained and Maintained by the Association. The Association shall have the right and obligation to obtain and continually maintain property damage insurance, comprehensive public liability insurance and such other insurance as the Association shall determine from time to time to be necessary for the Association. Pursuant to Section 5.2 above, the Association may charge Members for Members’ prorated share of such coverage. Such insurance charges may be included in the annual assessment or a separate item and charge collectable in addition to and in the same manner as an annual assessment.

Section 6.2 Insurance to be Obtained and Maintained by All Members. Members are responsible for maintaining insurance coverage for their Units, Unit Tracts, improvements and betterments thereon, personal property, and premises liability. The Association has no duty, obligation or right to obtain such coverage.

## **ARTICLE VII ARCHITECTURAL CONTROL**

Section 7.1 Architectural and Environmental Control. The Association shall maintain strict control of all architecture, environment and any aesthetic aspects of the Stonebridge development and those parts of the properties subject to this Declaration visible from any public property, common area or public highway, street, road thoroughfare or Common Area.

(a) Except for purposes of proper maintenance and repair, no building, fence, wall or other improvements or structures shall be commenced, directed, placed, moved, altered, or maintained upon the Properties, nor shall any exterior addition or other change (including change of color) or other alteration thereupon be made until the complete plans and specifications showing the location, nature, shape, height, material, color, type of construction, and/or proposed form of change (including, without limitations, any other information specified by the Board of Directors) shall have been submitted to and approved in writing by the Board of Directors as to safety, harmony of external, design, color and location in relation to surrounding

structures and topography with the Stonebridge design concept. The Board may from time to time, adopt and promulgate such Rules and Regulations regarding the form and content of such plans and specifications.

(b) Until the complete Plans and Specifications, showing the location, nature, shape, heights, material, color, type or construction and/or other proposed form of change (including, without limitation, any other information specified by the Board of Directors) shall have been submitted to and approved in writing by the Board of Directors as to safety, harmony of external design, color and location in relation to surrounding structures and topography and conformity with the Stonebridge design concept, it shall be prohibited to:

(i) install, erect, attach, apply, paste, hinge, screw, nail, build, alter, plant, remove or construct any lighting, shades, screens, awnings, patio covers, decorations, fences, hedges, landscaping, features, wall, aerials, antennas, satellite dishes, radio or television broadcasting or receiving devices, slabs, sidewalks, curbs, gutters, patios, balconies, porches, driveways, walls or to make any change or otherwise alter (including any alteration in color) in any manner whatsoever to the exterior of any improvements constructed upon any Unit or upon any of the Common Properties, or

(ii) to remove or alter any windows or exterior doors of any Unit, or

(iii) to make any change or alterations within any Unit which will alter the structural integrity of the building or otherwise affect the property, interest or welfare of any other Unit Owner, materially increase the cost of operating or insuring any of the Common Properties or impair any easement.

Section 7.2 Architectural and Environmental Control Committee. The Board of Directors shall fulfill its duties under this Article VII in the same manner as any other obligation set forth herein, except that at the Board's discretion, the Board of Directors may appoint a committee of Members to fulfill the Board's duties as outlined in this Article VII. In the event the Board shall appoint such an Architectural and Environmental Control Committee to act on the Board's behalf, that committee shall be composed of no less than three (3) Members in good standing. The affirmative vote of a majority of the Members of the Architectural and Environmental Control Committee shall be required in order to adopt or promulgate any rule or regulation, or to make any finding, determination, ruling or order, or to issue any permit, consent, authorization, approval or the like pursuant to the authority contained in this Article. Any such action of the Committee may be overruled or modified by the Board of Directors so long as the Board gives Notice within thirty (30) days that it shall so act, and that the Board makes its final decision within another sixty (60) days following such Notice.

Section 7.3 Decisions of the Board relating to Architecture or Environment. After approval or denial by the Board of any plans and specifications submitted pursuant to the provisions of this Article VII, a copy of such plans and specifications, as approved, shall be deposited among the permanent records of the Association and a copy of such plans and specifications bearing such approval, in writing, shall be returned to the applicant submitting the same. In the event the Board fails to approve or disapprove any plans and specifications which may be submitted to it pursuant to the provisions of this Article within thirty (30) days after such

plans and specifications (and all other materials and information required by the Board) have been submitted to it in writing, then formal written approval will not be required and this Article will be deemed to have been fully complied with and the proposed plan approved. In the event construction is not commenced within six (6) months following the formal approval or deemed approval of said plans and specifications, then such approval shall be conclusively deemed to have lapsed, and compliance with the provisions of this Article shall again be required.

Section 7.4 Certificate of Conformance. If requested by the Owner, the Board shall issue a certificate of compliance upon the completion of any construction or alterations or other improvements in accordance with the plans and specifications so approved.

## **ARTICLE VIII EXTERIOR MAINTENANCE**

In addition to the routine maintenance, repair and care of the Common Properties and other common facilities, the Association shall provide routine repair, maintenance and care (exclusive of repair of casualty damage and glass surfaces) of the exterior surfaces of each Unit. The Association shall also paint the exterior of the Units (base to top) and/or undertake the repair and replacement of any paved areas on the Common Properties. The frequency and times, and the materials to be used in the performance of all maintenance to be performed by it shall be in the sole discretion of the Board of Directors of the Association and not subject to the control of any Owner. In the event that the need for maintenance or repair to any Unit is caused through the willful or negligent act of an Owner, his/her family, guests or invitees, the costs of such maintenance and repairs shall be added to and become an additional assessment, over and above any Annual Assessment for which such Owner's Unit is subject and unless paid by or on behalf of said Owner within thirty (30) days after written demand therefore, shall be enforceable and secured by a lien as in the case of any other Assessment.

Front door, garage doors, windows, screens, storm doors, and sliding glass door changes/alterations need approval of Association.

## **ARTICLE IX YARD MAINTENANCE**

The Association shall provide routine maintenance in the care of all yards, lawns and other areas of the Properties, including the mowing and watering thereof. The frequency and times, and the quantity of water and labor to be used, shall be in the sole discretion of the Board of Directors of the Association and not subject to the control of any Owner. Each Owner shall, however, be responsible for the maintenance of plantings and the like belonging to him/her, and not part of the original landscaping of the Units. In the event that the need for additional or extra maintenance, mowing, water or the like is caused by or through the willful or negligent act of an Owner, his/her family, guests or invitees, the costs of such additional maintenance, utilities or materials shall be added to and become an additional assessment, in addition to any Annual Assessment to which such Owner's Unit is subject and unless paid by or on behalf of said Owner within thirty (30) days after written demand therefore, shall be enforceable and secured by a lien as in the case of said Annual Assessment.



**ARTICLE X  
USE RESTRICTIONS**

Section 10.1 Prohibited Uses Nuisances. Except with the prior written approval of the Board of Directors, or as may be necessary in connection with reasonable and necessary repairs or maintenance to any Units or the Common Properties and all other common facilities:

(a) All buildings or structures on the Properties shall be of new construction. Each Unit conveyed shall be designated by a separate legal description and shall constitute a fee simple estate subject to the terms, conditions and provisions hereof.

(b) No noxious or offensive trade or activity shall be carried on upon or within any Unit nor shall anything be done therein or thereon which may be or become an annoyance or nuisance and in the event such annoyance or nuisance shall occur, the same shall be removed forthwith. Without limiting the generality of the foregoing, no speaker, horn, whistle, siren, bell or other device, except such devices as may be used exclusively for security and fire purposes, shall be located, installed, or maintained upon the exterior of any improvement located upon the Properties or the Common Properties

(c) The maintenance, keeping, boarding and/or raising of animals, livestock, or poultry of any kind, regardless of number shall be and is hereby prohibited on any Unit or within any such Unit, except that this shall not prohibit the keeping of dogs, cats and/or caged birds as domestic pets provided that they are not kept, bred or maintained for commercial purposes and, provided, further, that such domestic pets are not a source of annoyance or a nuisance to the neighborhood or other Owners. The Board of Directors or, upon resolution of the Board of Directors shall have the authority to determine whether a particular pet is a nuisance or a source of annoyance to other Members or Members' guests and such determination shall be conclusive. Pets shall not be permitted upon the Common Properties unless accompanied by an Owner and unless they are carried or leashed. Pets shall be attended at all times and shall be registered, licensed and inoculated as may from time to time be required by law or city ordinance. No dog run, dog house, kennel or other animal, domestic animal, or household pet pen, enclosure, housing or sheltering facility shall be constructed or maintained upon the Properties or Common Properties. The Board of Directors shall have the right to adopt such additional Rules and Regulations regarding pets as it may from time to time consider necessary or appropriate.

(d) No burning of any trash and no accumulation or storage of litter, lumber, scrap materials, bulk materials, wastes or trash of any other kind shall be permitted on or in any Unit or the Common Properties.

(e) Except as approved by the Association, no junk vehicle, commercial vehicle, trailer, truck, camper, camp truck, house trailer, boat or other machinery or equipment of any kind or character (except for such equipment and/or machinery as may be reasonable, customary and usual in connection with the use and maintenance of any Unit and except for such equipment and/or machinery as the Association may require in connection with the maintenance and operation of the Common Properties and other common facilities) shall be kept upon the Properties nor (except for bona fide emergencies) shall the repair or extraordinary maintenance

of automobiles or other vehicles be carried out thereon. The Association may provide and maintain a suitable area designated for the parking of such vehicles or the like. No inoperable vehicle of any kind nor any vehicle without current safety inspection or license tags may be kept on any Unit, yard, driveway or streets in front of any Unit at any time.

(f) Trash and garbage containers shall not be permitted to remain in public view except on days of trash collection. No incinerator shall be kept and maintained upon any Unit. Garbage, trash and other refuse shall be placed in covered containers.

(g) No Unit shall be divided or subdivided without the prior written approval of the Association. The provisions hereof shall not be construed to prohibit the granting of any easement and/or right-of-way to any public utility or other public body or authority.

(h) Except for hoses and the like which are reasonably necessary in connection with normal lawn or plant maintenance, no water pipe, sewer pipe, gas pipe, drainage pipe, telephone line, electrical line or cable, television cable or similar transmission line, or the like shall be installed or maintained on any Unit above the surface of the ground or beyond the exterior of such Unit.

(i) No natural landscaping, or landscaping provided as part of the original development or thereafter by the Association, shall be removed from any unit or the Common Properties without written approval of the Association acting through the Board of Directors.

(j) No structure of a temporary character, and no trailer, tent, shack, barn, pen, kennel, run, staple, outdoor clothes dryer, playhouse, shed, or other buildings or structure shall be erected, used or maintained on, around or about any Unit at any time.

(k) Except for entrance signs, directional signs for traffic control or safety and such promotional sign or signs as may be maintained by the Association, no signs, billboards, objects, or advertising devices of any character shall be erected, posted, displayed, or permitted to remain upon, in or about any Unit, including without limitation window signs. No awnings, canopy or shutter shall be affixed to or placed upon any exterior wall or roof of a Unit.

(l) No structure, planting or other materials shall be placed or permitted to remain on or about any unit which may damage or interfere with any easement for the installment of maintenance of utilities, or which may unreasonably change, obstruct or retard direction or flow of any drainage channels.

(m) No Owner shall engage or direct any employee of the Association on any private business of the Owner during the hours such employee is employed by the Association, nor shall any Owner direct, supervise or in any manner attempt to assert control over any employee of the Association.

(n) All fixtures and equipment installed within a Unit shall be maintained and kept in repair by the Owner thereof. Any Owner shall not do any act nor any work that will impair the structural soundness or integrity of any Unit or impair any easement or hereditament, nor do any act nor allow any condition to exist which will adversely affect one or more of the other Units or any Member.

(o) No vehicle shall be parked on the driveways so as to obstruct the normal ingress and egress to any Unit, except for the reasonable needs of emergency, construction, or service vehicle for as brief a period of time as reasonably possible.

(p) Units may be leased or rented but any such leasing or tenancy agreement shall be in writing and shall be subject in all respects to the provisions of the Declaration, the Articles of Incorporation, Bylaws of the Association and all rules promulgated by the Association, all of which shall be incorporated by reference and made a part of said leases. Leases shall provide that any failure by tenants and their guests to observe and comply with lease terms shall constitute breach and default. In the event that default shall be for failure to comply with the Association's Covenants, Bylaws or any duly promulgated rules, then at the Board's discretion, a breaching or defaulting tenant may be declared to be detaining the premises unlawfully, and shall therefore be subject to suit by the Association in the name of Owner for unlawful detainer, eviction, possession or other such actions as may be available from time to time.

(q) No antennas, aerials, satellite dishes, or other apparatus for the transmitting and receiving of radio or television signals shall be erected or maintained upon the exterior of any Unit or building.

(r) The Board of Directors may issue such other bylaws, rules and regulations regarding prohibitions and use of Common Areas and property, both real and personal, owned or managed by the Association.

Section 10.2 Residential Use. All Units shall be used for private residential purposes exclusively.

Section 10.3 Enforcement - Right to Remove or Correct Violations. In the event any violation or attempted violation of any of the covenants or restrictions contained herein shall occur or be maintained upon any Unit or Unit tract without the Association's approval as required herein, such violation shall be promptly removed or abated. In the event same is not removed, or the violation is not otherwise terminated or abated, within fifteen (15) days or such shorter period as may be required in the notice to remove or abate issued by the Board, delivered to the Owner or tenant of the Unit upon which such violation exists, or to the Member responsible for such violation if the same shall be committed or attempted on premises other than the Unit owned by such member, then at the Board's discretion, the Association shall have the right, through its agents and employees to remove or otherwise abate such violation and the costs therefore shall be charged as an assessment against the Member or Members responsible for the violation. Collection and enforcement of such an assessment shall be per the same rules and procedures as any other assessment described herein.

Section 10.4 Association's Right of Entry and Inspection. The Association shall have the further right, through its Board, agents, employees or committees, to enter upon and inspect any Unit at any reasonable time for the purpose of ascertaining whether violations of the provisions of this Declaration, exist on or in such Unit; and neither the Association, its Directors, Officers, Members, Agents nor employees shall have committed trespass or other wrongful act by reason of such entry or inspection. Each and every provision hereof shall be deemed an

equitable servitude running with the land and may be specifically enforced. Nothing herein shall be deemed to limit any remedies available to the Association, and the Association may avail itself of any other remedy at law or in the equity as may be available from time to time.

## **ARTICLE XI GENERAL PROVISIONS**

Section 11.1 Duration. Unless amended in accordance with the provisions of this Article and the other requirements of this Declaration, and except where permanent easements or other permanent rights or interests are herein created, the Covenants, Conditions and Restrictions of this Declaration shall run with and bind the land subject to this Declaration, and shall inure to the benefit of and be enforceable by the Stonebridge Homeowners' Association, or the Owners of any Unit subject to this Declaration, their respective legal representatives, heirs, successors and assigns, for a term of twenty (20) years from the date that this Declaration is recorded, after which time the said Covenants, Conditions and Restrictions shall be automatically extended for successive periods of ten (10) years unless an instrument signed by a majority of the then Owners of the Units has been recorded, agreeing to abolish said Covenants, Conditions and Restrictions, or to change said Covenants, Conditions and Restrictions in whole or in part; provided, however, that no such agreements to change shall be effective unless made and recorded one (1) year in advance of the effective date of such change; provided, further, that no such agreements to change shall be applicable so as to require the change of any Member's structures as then existing, but any and all voluntary modifications or reconstruction, voluntary or otherwise, of now existing structures shall be in conformance with this Declaration or such amendments as may exist at the time plans are proposed for the change or reconstruction.

Section 11.2 Amendment. Amendments to the Covenants may be proposed by the Board of Directors or any group of Members owning not less than ten percent (10%) of the Units. Such membership groups shall submit their proposed amendment, in writing, signed by each Member who comprises any part of the aggregate ten percent (10%). Any proposed amendments shall be included in the next Notice for the next following membership meeting, whether the regular annual meeting or a special meeting. At the next such meeting, each proposed change shall be agreed to by not less than sixty percent (60%) of the eligible Member votes and NOT a mere sixty percent (60%) of a quorum; however, if at least sixty percent (60%) of an attending Member quorum shall vote in the affirmative, the proposed amendment may remain open for an additional thirty (30) days during which time Members may register a written vote in favor of the proposed change. In addition, Members who had attended the meeting may in writing change their vote one time during the additional thirty (30) days. At the end of thirty (30) days, the Association Secretary shall tabulate the votes, and if not less than sixty percent (60%) of the eligible Member votes are in favor, the amendment shall be passed. The Secretary shall then cause to be recorded an instrument signed by not less than two (2) Board Directors declaring the actual vote which represented not less than sixty percent (60%) of the eligible Member votes.

Section 11.3 Construction. The provisions hereof shall be liberally construed to effectuate the purpose of creating a uniform plan for the development and operation of Stonebridge.

Section 11.4 Enforcement. Enforcement of these Covenants, Conditions and Restrictions shall be by any proceeding at law or in equity against anyone violating or attempting to violate any Covenants, Conditions or Restrictions, either to restrain or enjoin violations or to recover damages, or both, and against any Unit to enforce the lien created hereby; and the failure or forbearance by the Association or any Member to enforce any Covenant, Condition or Restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter nor in any way comprise an estoppel to any later enforcement. The provisions hereof may be enforced, without limitation, by the Association or by any Member in good standing. There shall be and there is hereby created and declared to be conclusive presumption that any violation or breach or attempted violation or breach of any of the within Covenants, Conditions or Restrictions cannot be adequately remedied by action at law or exclusively by recovery of damages.

Section 11.5 Limitations of Liability. The Association shall not be liable for any failure of any services to be obtained by the Association or paid for out of the Annual Assessment funds or for the injury to person(s) or damage to property caused by the elements or resulting from water which may leak or flow from any portion of the Common Properties and other common facilities, or from any wire, pipe, drain, conduit or the like. The Association shall not be liable to any Member for loss or damage, by theft or otherwise, of any personal property which may be stored upon the Common Properties or other common facilities. No diminution or abatement of assessments, as herein elsewhere provided for, shall be claimed or allowed for inconvenience, discomfort or any other reason arising from the making of repairs or improvements to the Common Properties and other common facilities or from any action taken by the Association to comply with any of the provisions of this Declaration or with any law or ordinance or with the order of directive of any governmental authority having jurisdiction over any portion of Stonebridge.

Section 11.6 Rights of Mortgagees. The holders of the first and second mortgages or deeds of trust of record on any Unit or Unit tract may, jointly or singly, pay taxes, assessments, fees or any other charges which are in default and which may have become a charge against any of the Common Properties and may pay overdue premiums on hazard insurance policies, or secure new hazard insurance coverage on the lapse of a policy for such property, and the holders of the first and second mortgages or deeds of trust of record on any Unit or Unit tract making such payments shall be owed immediate reimbursement therefore from the Association. Anything herein to the contrary notwithstanding, no provision of this Declaration or of any similar instrument pertaining to any Unit or Unit tract within Stonebridge shall give any Member or any other party priority rights over any Unit/Unit tract first or second mortgage holder or trustee by a deed of trust of record on any Unit on any distribution to a Member(s) for casualty loss insurance proceeds or condemnation awards for losses to or a taking of Common Properties or Townhome Unit or Unit tracts. Upon reasonable notice, the holders of all such first and second mortgages or deeds of trust of record jointly and severally shall have the right to inspect the books and records of the Association at any time during normal business hours.

Section 11.7 Voting. Unless otherwise expressly described herein, whenever in this Declaration an action is required to be taken by a specified percentage of the then Members of the Association, then such action shall be required to be taken by the specified percentage of the

then outstanding cumulative Association membership in good standing present and voting, in person or by proxy.

Section 11.8 Successors of Declarant. Any and all rights, reservations, interest, privileges and/or powers of the Declarant hereunder are hereby assumed by the Association.

Section 11.9 Incorporation by Reference on Resale. In the event any Owner sells or otherwise transfers any Unit or Unit tract, any deed purporting to effect such transfer shall contain a provision incorporating by reference the Covenants, Conditions and Restrictions set forth in this Declaration; but notwithstanding the failure to include such a provision in any such deed shall not affect the validity, priority or enforceability of the Covenants, Conditions and Restrictions set forth in this Declaration or against such sold or otherwise transferred Unit or Unit tract.

Section 11.10 Notification of Sale. Concurrently with the consummation of the sale of any Unit, Unit tract or undivided interest in the Common Properties or Properties under circumstances whereby the transferee becomes an Owner thereof or within ten (10) business days thereafter, the transferee shall notify the Association in writing of such sale. Such notification shall set forth, (i) the name of the transferee and his transferor, (ii) the street address of the Unit or Unit tract purchased by the transferee, (iii) the transferee's mailing address, and (iv) the date of sale. Prior to receipt of such notification, any and all communications required or permitted, to be given by the Association, or its Board of Directors shall be deemed to be duly made and given to the transferee if duly and timely made and given to said transferee's transferor.

Section 11.11 Notification as to Mortgagees. Each Owner shall notify the Association of the name and address of the mortgagee of such Owner's Unit, Unit tract and undivided interest in the Common Properties and Properties. Each Owner shall likewise notify the Association as to the release or discharge of such mortgages. In addition the mortgagee of a Unit or Unit tract may notify the Association of such mortgagee's identity and address and a description of the Unit or Unit tract which such mortgagee's mortgage encumbers. The Association shall provide such mortgagees as to which it receives notice pursuant to the provisions hereof with written notification as follows:

- (a) Written notification of at least ninety (90) days prior to the abandonment or termination of the Declaration or the Association;
- (b) Written notification of at least thirty (30) days prior to the effective date of any material amendment to any of the substantive provisions of the Declaration; and
- (c) Timely written notice of any condemnation or eminent domain proceeding affecting any Unit, Unit tract and undivided interest in the Common Properties and Properties or any part thereof.

Section 11.12 Definition. As used in this Article, the term "*Mortgagee*" shall mean any first and/or second mortgage holder or holder of a first deed of trust lien on a Unit subject to this Declaration and shall not be limited to the institutional mortgage holders, and the term "*Mortgage*" shall include a deed of trust. As used generally in this Declaration, the term

“*Institutional Holder*” or “*Institutional Mortgagee*” shall include banks, trust companies, insurance companies, credit unions, mortgage insurance companies, savings and loan associations, pension funds, real estate investment trusts, mortgage companies, the Declarant, and any corporation, including a corporation of, or affiliated with the United States Government, or any agency thereof.

Section 11.13 Articles of Incorporation and Bylaws. The Association may enact Articles of Incorporation and Bylaws relating to provisions applicable to notice and voting requirements for all actions to be taken by the Association except amendments to this Declaration. In any event, if any provisions set forth in this Declaration applicable to notice and voting requirements are in conflict with any provisions of Missouri Law applicable to notices and voting requirements on the date of this Declaration, or at any time after said date, the applicable provisions of Missouri Law shall control.

Section 11.14 Limitation of Liability and Indemnification.

(a) Corporate Debts. The Directors of the Association and the members of the Association shall not individually or personally be liable for the debts, liabilities or obligations of the Association.

(b) Damage or Loss. No member of the Board of Directors or any officer of the Association or any member of any committee of the Association shall be personally liable to any member of the Association or to any other party, including the Association, for any damage, loss or prejudice suffered or claimed on account of any act, omission, error or negligence of the Association, the Board or any other representative or employee of the Association, or any committee or any officer of the Association, provided that such person has, upon the basis of such information as then may be possessed by him, acted in good faith without willful or intentional misconduct.

(c) Indemnification. The Association may indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, other than an action by or in the interest of the Association, by reason of the fact that he/she is or was a director, officer, employee or agent of the Association, or is or was serving at the request of the Association, partnership, joint venture, trust or other enterprise, against expenses, including attorneys’ fees, judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Association, and with respect to any criminal action or proceeding, had no reasonable cause to believe his/her conduct was unlawful. Determination of any action, suit or proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he/she reasonably believed to be in or not opposed to the best interest of the Association and with respect to any criminal action or proceeding, had reasonable cause to believe that his/her conduct was unlawful.

(d) The Association may indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the

interest of the Association to procure a judgment in its favor by reason of the fact that he/she is or was a Director, officer, employee or agent of the Association, or is or was serving at the request of the Association as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against expenses, including attorneys' fees, actually and reasonably incurred by him in connection with the defense or settlement of the action or suit if he acted in good faith and in the manner he reasonably believed to be in or not opposed to the best interests of the Association; except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his/her duty to the Association unless and only to the extent that the Court in which the action or suit was brought determines upon application that, despite the adjudication of liability and in view of all the circumstances of the case, the person is fairly and reasonably entitled to indemnity for such expenses which the Court shall deem proper.

(e) To the extent that a director, officer, employee or agent of the Association has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in subsection (i) and (ii) of this section, or in defense of any claim, issue or matter therein, he/she shall be indemnified against expenses, including attorneys' fees, actually and reasonably incurred by him/her in connection with the action, suit or proceeding.

(f) Any indemnification under subsection (i) and (ii) of this section, unless ordered by a Court, shall be made by the Association only as authorized in the specific case upon a determination that indemnification of the director, officer, employee or agent is proper in the circumstances because he/she has met the applicable standard of conduct set forth in this section. The determination shall be made by the Board of Directors by a majority vote of a quorum consisting of Directors who were not parties to the action, suit or proceeding, or if such quorum is not obtainable, or even if obtainable, a quorum of disinterested directors so directs, by independent legal counsel in a written opinion or by the members.

(g) Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Association in advance of the final disposition of the action, suit or proceeding as authorized by the Board of Directors in the specific case upon receipt of an undertaking by or on behalf of the director, officer, employee or agent to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the Association as authorized in this section.

(h) The indemnification provided by this section shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any Bylaws, agreement, vote of members of disinterested Directors, or otherwise, both as to action in his/her official capacity and as to action in another capacity while Holding such office, and shall continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the heirs, executors, and administrators of such a person.

(i) This Association may purchase and maintain insurance on behalf of any person who is or was a director, employee or agent of the Association, or is or was serving at the request of the Association as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him/her



and incurred by him/her in any such capacity, arising out of his/her status as such, whether or not the Association would have the power to indemnify him/her against such liability under the provisions of this section.

Section 11.15 No Dedication to Public Use. Nothing herein contained shall be construed as a dedication to public use or as an acceptance for maintenance of any of the Common Properties and other common facilities by a public or municipal agency, authority or utility and no public or municipal agency, authority or utility shall have any responsibility or liability for the maintenance or operation, of any said Common Properties and other common facilities.

Section 11.16 Grammar. The singular wherever used herein shall be construed to mean the plural when applicable, and the necessary grammatical changes required to make the provisions hereof apply either to individuals, men or women, shall in all cases be assumed as though in each case fully expressed.

Section 11.17 Notices. All notices required to be given hereunder shall be deemed to have been constructively delivered when deposited with the United States Postal Service, first class mail, postage prepaid, addressed to the Owner at the street address assigned to the Owner's Unit or Unit tract, provided, however, actual notice may be delivered by any other means. Notice may be delivered to the Association by service upon the registered agent or any Board Director.

Section 11.18 Severability. In the event that any provision of this Declaration is declared unlawful or unenforceable, such provision shall be considered severable and it shall not invalidate the remainder of this Declaration which shall remain in full force and effect.

Section 11.19 Captions. The captions contained in this Declaration are for convenience only and are not a part of this Declaration and are not intended in any way to limit or enlarge the terms and provisions of this Declaration.

Section 11.20 Reservation of Rights. The Association reserves the right and power to record by way of a Resolution of the Board of Directors and without a vote of the membership, a special amendment ("*Special Amendment*") to this Declaration at any time and from time to time (i) to comply with the requirements with the Federal National Mortgage Association, The Government National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Department of Housing and Urban Development, the Federal Housing Association, the Veterans Administration, or any other governmental agency or any other public, quasi-public, or private entity which performs (or may in the future perform) functions similar to those currently performed by such entities and/or (ii) to induce any of such agencies or entities to make, purchase, sell, insure or guarantee first or second mortgages covering Units or Unit tracts. In furtherance of the foregoing, a power coupled with an interest is hereby reserved and granted to the Association acting by and through its Board of Directors to make or consent to a Special Amendment on behalf of each Owner. Each deed, mortgage or deed of trust, other evidence of obligation, or other instrument affecting a Unit and the acceptance thereof shall be deemed to be a grant and acknowledgment of, and a consent to the Association's reservation of the power to make, execute and record Special Amendments. No Special Amendment made by the Association shall affect or impair the lien of any first or second mortgage upon a Unit or any

warranties made by an Owner in order to induce any of the above agencies or entitled to make, purchase, insure or guarantee the first or second mortgage on such Owner's Unit or Unit tract.

**IN WITNESS WHEREOF**, the Board of Directors of the Stonebridge Homeowners' Association, successor in interest of the Smithville Investment & Development Co., a Missouri Corporation, have executed this amended Declaration of the Covenants, Conditions and Restrictions in accord with the approval of the membership by way of affirmative votes out of 95 eligible voters in good standing, the vote having been completed on this \_ day of \_\_\_\_, 2018.

**STONEBRIDGE HOMEOWNERS ASSOCIATION**

By: \_\_\_\_\_  
Director

By: \_\_\_\_\_  
Director

By: \_\_\_\_\_  
Director

By: \_\_\_\_\_  
Director

STATE OF MISSOURI     )  
  ) SS.  
COUNTY OF CLAY     )

On this, \_\_\_ day of \_\_\_\_\_, 2018 before me a notary public, personally appeared:

- 1) \_\_\_\_\_, Director,
- 2) \_\_\_\_\_, Director,
- 3) \_\_\_\_\_, Director,
- 4) \_\_\_\_\_, Director,

all known to me (or satisfactorily proven) to be the person whose name is subscribed to the above and foregoing instrument, and acknowledged by each that execution was for the purposes set forth therein.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

\_\_\_\_\_  
NOTARY PUBLIC

My commission expires:

**EXHIBIT “A”**

All of Lots 3 through 11, inclusive, and Lot 13, STONEBRIDGE, a subdivision of land in Smithville, Clay County, Missouri, under Plat recorded on May 11, 1993, as Document No. L 71554 in Cabinet D, Sleeve 18, in the Recorder’s Office of Clay County, at Liberty, Missouri.