

ARTICLES OF INCORPORATION
OF
STONE HILL COMMUNITY
ASSOCIATION

In compliance with the requirements of Chapter 504A, Code of Iowa, 1975, the Iowa Nonprofit Corporation Act, the undersigned, all of whom are residents of Dubuque, Dubuque County, Iowa and all of whom are of full age, having this day voluntarily associated themselves together for the purpose of forming a corporation not for profit and do hereby certify:

ARTICLE I

The name of the corporation is Stone Hill Community Association, hereafter called the "Association".

ARTICLE II

The registered office of the Association is located at Windsor Street Extension, Dubuque, Dubuque County, Iowa, and the initial registered agent at such address is Gene P. Gordon.

ARTICLE III

PURPOSE AND POWERS OF THE ASSOCIATION

This Association does not contemplate pecuniary gain or profit to the members thereof, and the specific purposes for which it is formed are to provide for the development, maintenance, preservation and architectural control of the residence Lots and Common Area within that certain tract of property described as:

Blocks 1-7 of "Phase One of Stone Hill Community Subdivision No.
1", in the City of Dubuque, Iowa,

and to promote the health, safety, and welfare of the residents within the above-described property, and any additions thereto as may hereafter be brought within the jurisdiction of this Association and for this purpose to:

(a) exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as set forth in that certain Declaration of Restrictive Covenants, hereinafter called the "Declaration", applicable to the property and recorded or to be recorded in the Office of the Recorder of Dubuque County, Iowa and as the same may be amended from time to time as therein provided, said Declaration, wherein Stone Hill Development Corporation is referred to as Declarant, by this reference incorporated herein made a part thereof as though set forth in full;

(b) fix, levy, collect and enforce payment by any lawful means, all charges or assessments pursuant to the terms of the Declaration; to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Association including all licenses, taxes or governmental charges levied or imposed against the property of the Association;

(c) acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Association;

(d) borrow money, and with the assent of two-thirds (2/3) of each class of members mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for the money borrowed or debts incurred;

(e) dedicate, sell or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument has been signed by two-thirds (2/3) of each class of members, agreeing to such dedication, sale or transfer;

(f) participate in mergers and consolidations with other nonprofit corporations organized for the same purposes or annex addition residential property and Common Area;

(g) have and to exercise any or all powers, rights and privileges which a corporation organized under Iowa Nonprofit Corporation Act by law may now or hereafter have or exercise.

ARTICLE IV

MEMBERSHIP

Every person or entity who is a record owner of a fee or undivided fee interest in any Lot which is subject by covenants of record to assessment by the Association, including contract sellers, except as otherwise provided in the Declaration, shall be Class A members of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of obligation. A Class A membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the Association.

ARTICLE V

VOTING RIGHTS

The Association shall have two classes of voting membership:

Class A. Class A members shall be owners, with the exception of the Declarant, and all Class A members shall be entitled to one vote for each Lot owned; however, when more than one person holds an interest in any such Lot all such persons shall be members and the vote for such Lot shall be exercised as they determine. in no event shall there be more than one vote cast with respect to any Lot.

Class B. The Class B member(s) shall be the Declarant, and each Class B member(s) shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

- (a) when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership; or
- (b) on April 1, 1979.

ARTICLE VI

BOARD OF DIRECTORS

The affairs of the Association shall be managed by a Board of eight (8) Directors, who need not be members of the Association. The number of directors may be changed by amendment of the By-Laws of the Association. The names and addresses of the persons who are to act in the capacity of Directors until the selection of their successors are:

NAME

ADDRESS

George E. Deininger	1122 Rockdale Road, Dubuque
James E. Richard	2810 Wildwood Drive, Dubuque
Gene P. Gordon	1122 Rockdale Road, Dubuque
Norman E. Wirkler	1122 Rockdale Road, Dubuque
Sr. Margaret Clare Dreckman	3390 Windsor Avenue Ext.
Sr. Elvira Kelley	3390 Windsor Avenue Ext.
Sr. Jordan Dahm	3390 Windsor Avenue Ext.
Sr. Elizabeth Ryan	3390 Windsor Avenue Ext.

At the first annual meeting the members shall elect two directors for a term of one year, two directors for a term of two years, and two directors for a term of three years; and two directors for a term of four years; and at each annual meeting thereafter the members shall elect two directors for a term of four years. There shall be one Advisor to the Board of Directors at all times who shall be selected by The Sisters of St. Francis of Dubuque, Iowa; said Advisor shall receive the same notice of any meeting given to other directors and shall participate in the deliberations and meetings of the Board of Directors but shall have no vote.

ARTICLE VII

INCORPORATORS

The incorporators of Stone Hill Community Association are:

George E. Deininger	1122 Rockdale Road, Dubuque
James E. Richard	2810 Wildwood Drive, Dubuque
Gene P. Gordon	1122 Rockdale Road, Dubuque

ARTICLE VIII

DISSOLUTION

The Association may be dissolved with the assent given in writing and signed by not less than two-thirds (2/3) of each class of members. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which this Association was created. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any nonprofit corporation, association, trust or other organization to be devoted to such similar purposes.

ARTICLE IX

AMENDMENTS

Amendment of these articles shall require the assent of seventy-five percent (75%) of the entire votes authorized to be cast as determined herein.