

ISSUE #1

Section 1: [Article VIII, Section 1] Term and Automatic Perpetual Renewal of Covenants

These covenants and restrictions are to run with the land and shall be binding on all parties and all persons claiming under them for an initial period of twenty-five (25) years from the date these covenants are recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years without further filing or recording unless an instrument signed by a majority of the then owners of the lots has been recorded agreeing to change said covenants in whole or in part.

MARKUP #1 ->

MARKUP #1 · SUBJECTIVE OR OVERBROAD WORDING

BOARD & COUNSEL REVIEW

Sec. Article VIII, Section 1 (p. 1): Corporate Governance, Open Meeting, Director Removal, Election Integrity, or Recordation Defect: Clause violates IA statutory requirements governing open board meetings, email voting, member removal of directors, independent election inspectors, bylaw amendments, or rule recordation.

Statutory / Legal Reference: Iowa Code Ch. 504 (Revised Iowa Nonprofit Corporation Act); Iowa Code Ch. 504 & § 614.24 (Stale Uses & Reversions Act)

Statutory Comparison: Under Iowa Code Ch. 504 (Revised Iowa Nonprofit Corporation Act); Iowa Code Ch. 504 & § 614.24 (Stale Uses & Reversions Act) and Restatement (Third) of Property (Servitudes) §§ 6.10 - 6.14, associations must conduct board business in open noticed meetings (prohibiting non-emergency email voting or overbroad executive sessions), preserve member rights to remove elected directors with or without cause, appoint independent election inspectors, record rules/amendments where required by state law, and comply with marketable-title covenant renewal statutes.

CURRENT WORDING IN DOCUMENT:

[Article VIII, Section 1] Term and Automatic Perpetual Renewal of Covenants - These covenants and restrictions are to run with the land and shall be binding on all parties and all persons claiming under them for an initial period of twenty-five (25) years from the date these covenants are recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years without further filing or recording unless an instrument signed by a majority of the then owners of the lots has been recorded agreeing

SAMPLE DISCUSSION WORDING (FOR HOA ATTORNEY REVIEW):

Amend Section Article VIII, Section 1 to align board open-meeting and executive-session rules, director removal procedures, special meeting thresholds, proxy/ballot rules, and covenant/rule recordation with Iowa Code Ch. 504 (Revised Iowa Nonprofit Corporation Act); Iowa Code Ch. 504 & § 614.24 (Stale Uses & Reversions Act).