

BYLAWS OF LYNWOOD NORTH HOMEOWNERS ASSOCIATION, INC.

ARTICLE I

NAME & LOCATION

Section 1. The name of the corporation is LYNWOOD NORTH HOMEOWNERS ASSOCIATION, INC. (hereinafter referred to as the “Association”). The registered office of the Association shall be located at 7625 Metro Boulevard, Suite 140, Edina, Minnesota 55439, but meetings of members and directors may be held at such places within Hennepin County, Minnesota as may be designated by the Board of Directors.

ARTICLE II

DEFINITIONS

Section 1. The following words when used in these Bylaws (unless the context shall prohibit) shall have the following meanings:

- a. "**Declarant**" shall mean Arcon Construction Co., Inc., a Minnesota corporation, its successors and assigns.
- b. "**Association**" shall mean the Lynwood North Homeowners Association, Inc., a Minnesota nonprofit corporation, its successors and assigns.
- c. "**Board of Directors**" shall mean the board of directors of the Association.

- d. "**Property**" shall mean Lots 1 through 11, Block 1; Lots 1 through 20, Block 2; Lots 1 through 11, Block 3; Lot 1, Block 4; and Outlots A and B, Lynwood North, Dakota County, Minnesota, and such unplatted lots and additions thereto as may be hereinafter brought within the jurisdiction of the Association.
- e. "**Common Area**" shall mean the park area legally described as Outlot A, Lynwood North, Dakota County, Minnesota, including all improvements and structures constructed or to be constructed thereon, and such additions thereto as have or may be granted to the Association for the common use and enjoyment of the Owners.
- f. "**Lot**" shall mean any plot of land shown upon any recorded subdivision map of the Property, except the Common Area.
- g. "**Perpetual Easements**" shall mean that certain easement granted to the Association for installation and maintenance of landscaping and a Lynwood North Addition sign located on Lot 1, Block 2 and Lot 1, Block 1, Lynwood North and that certain easement granted to the Association for installation and maintenance of all mailboxes and posts.
- h. "**House**" shall mean any building located upon the Property designated and intended for use and occupancy as a residence by a single family.
- i. "**Driveway**" shall mean the paved surfaces of the Lots and Common Area which are intended for access from public streets to any House.
- j. "**Private Yard Area**" shall mean that portion of a Lot not covered by a House or Driveway.
- k. "**Owner**" shall mean the record owner, whether one or more persons or entities, of a fee simple title to any Lot, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

- l. "Member"** shall mean any person or entity holding membership in the Association as provided in Section 1, Article II of the Declaration.

- m. "City"** shall mean the City of Lakeville, municipal corporation, located in Dakota County, Minnesota.

ARTICLE III

MEMBERS

Section 1. Membership. Every Owner of a Lot, except as otherwise provided herein, shall be entitled and required to be a member of the Association. If any Lot is owned by more than one person or entity, each such person or entity shall be a member of the Association. An Owner of more than one Lot shall be entitled to one membership for each such Lot. Each such membership shall be appurtenant to and may not be separated from the ownership of the Lot upon which it is based. No person or entity other than an Owner or Declarant may be a member of the Association.

Section 2. Voting Rights. The Association shall have two (2) classes of voting membership.

- a. Class A.** Class A members shall all be Owners of Lots, with the exception of the Declarant prior to termination of Class B membership. Class A members shall be entitled to one (1) vote for each Lot in which they hold an interest required for membership by Section 1. The vote for such Lot shall be exercised as they, among themselves, determine, but in no event shall more than one vote be cast with respect to any one Lot. There can be no split vote. When there is more than one Owner of a Lot, the vote shall be cast by the person named in a certificate signed by all Owners of the Lots and filed with Secretary of the Association. Such certificate shall be valid until revoked by a subsequent certificate.

- b. Class B.** Class B members shall be the Declarant who shall be entitled to two (2) votes for each Lot owned. The Class B membership shall cease when the total votes

outstanding in the Class A membership exceed the total votes outstanding in the Class B membership.

Declarant shall be entitled to Class A membership for all Lots owned by it on or after the termination of Class B membership.

Section 3. Suspension of Voting Rights. In the event that any Owner shall be in default for a period of thirty (30) days in the payment of any assessment levied by the Association or the payment of any other amount or the performance of any other term of their Declaration, such Owner's right to vote as a member of the Association shall be suspended and shall remain suspended until all payments are brought current and all defaults remedied.

Section 4. Annual Meeting. The first annual meeting of the Members shall be held within one (1) year from the date of incorporation of the Association, the exact date and hour to be designated by the Board of Directors. At such first annual meeting of the Members, the Members may designate a regular date for subsequent annual meetings. If the Members fail to designate such a regular date, the Board of Directors may continue to designate the date of the next annual meeting until such a designation is made by the Members. If any designated date is a legal holiday, the annual meeting shall be held at the same hour on the next day, which is not a legal holiday.

Section 5. Special Meetings. A special meeting of the Members may be called at any time by the President or the Board of Directors or upon a petition signed by Members who are entitled to vote twenty-five percent (25%) of all of the Class A membership. Notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice, unless by consent of seventy-five percent (75%) of the votes present in person or by proxy at such meeting.

Section 6. Notice of Meetings. The Secretary shall give written notice of each annual or special meeting to each Member, at least ten (10) days prior to such meeting. Such notice

shall specify the place, day and hour of the meeting, and in the case of a special meeting, the purpose of the meeting. Such notice shall be deemed to have been given when mailed, postage prepaid, to the last known address of such Member appearing on the records of the Association at the time of such mailing.

Section 7. Quorum. The presence in person or by proxy of twenty-five percent (25%) of the votes of each class of membership shall constitute a quorum for any action except as otherwise provided in the Declaration, the Articles of Incorporation, or these Bylaws. If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote 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.

Section 8. Proxies. Each member may vote in person or by proxy at any meeting of the Members. Proxies must be filed with the Secretary before the appointed time of each meeting of the Members. Cumulative voting shall not be permitted. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of their Lot.

Section 9. Majority Required. A majority shall be sufficient for the transaction of all business of the Association, except for such matters where a greater vote is required by the Declaration, the Articles of Incorporation, these Bylaws or by statute.

ARTICLE IV

DIRECTORS

Section 1. Number & Qualification. The affairs of the Association shall be governed by a Board of Directors composed of three (3) persons. The Board of Directors may be increased or decreased as determined by the Members, within the limits fixed by law. Directors need not be Members.

Section 2. Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the Members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among Members or non-Members.

Section 3. Election. Election to the Board of Directors shall be by written ballot. At such election, the Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

Section 4. Term of Office. At each annual meeting, the Members shall elect three (3) Directors for a term of one (1) year. There shall be no limit to the number of times a Director may serve.

Section 5. Vacancies. Any vacancy on the Board of Directors shall be filled by a vote of the majority of the remaining Directors, even though they may constitute less than a quorum. Each person so elected shall be a Director for the unexpired term of their predecessor, or until their successor is elected.

Section 6. Compensation. No director shall receive compensation for any service they may render to the Association. However, any Director may be reimbursed for their actual expenses incurred in the performance of their duties.

Section 7. Regular Meetings. The Board of Directors shall hold a regular meeting following the annual meeting of the Members as soon as convenient thereafter, and shall hold other regular meetings at such times and places as shall from time to time be determined by the

Board of Directors. No notice shall be required for attendance at regular meetings of the Board of Directors.

Section 8. Special Meetings. Special meetings of the Board of Directors may be called by the President or two (2) Directors. Notice to each Director shall be given personally, by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting, at least three (3) days prior to the special meeting.

Section 9. Waiver of Notices. Before or at 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 the Director at any meeting of the Board of Directors shall be deemed a waiver of notice by them 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 10. Quorum. At all meetings of the Board of Directors, a majority of the Directors shall constitute a quorum for the transaction of business. 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, except as otherwise provided in the Declaration, Articles of Incorporation or these Bylaws.

Section 11. Action Taken Without a Meeting. The Directors shall have the right to take any action without having a meeting which they could take at a 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 12. Powers. The Board of Directors shall have the following powers:

- a. To adopt and publish rules and regulations governing the use of the Common Area and the facilities, if any, of the Association, and the personal conduct of the Members and their guests or invitees thereon, and to establish penalties for the infraction thereof, in accordance with the Declaration and Articles of Incorporation;

- b.** To suspend the voting rights of a Member, during any period in which such Member shall be in default for a period of thirty (30) days in the payment of any assessment levied by the Association or the payment of any other amount or the performance of any other term of the Declaration or these Bylaws. Such rights may also be suspended after notice and hearing, for a period not to exceed sixty (60) days for an infraction of published rules and regulations;
- c.** To exercise for the Association all powers, duties and authority vested in or delegated to the Association and not reserved to the membership by other provisions of these Bylaws, the Articles of Incorporation or the Declaration;
- d.** To declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors; and
- e.** To employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties and authorize the payment of their reasonable fees and costs in connection with such duties, subject to the limitations set forth in the Declaration.

Section 13. Duties. The Board of Directors shall have the following duties:

- a.** To cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members, or at any special meeting when such statement is requested in writing by twenty-five percent (25%) of the membership entitled to vote;
- b.** To supervise all officers, agents, and employees of the Association, and to see that their duties are properly performed;
- c.** To establish the annual assessment period and fix the amount of the annual assessment against each Member for each Lot owned at least thirty (30) days prior to each annual assessment period;

- d.** To fix the amount of any special assessment against each member for each Lot owned, in accordance with the terms of the Declaration and these Bylaws;
- e.** To send written notice to all Members of any meeting of the Members called for the purpose of voting upon increases in annual assessments above the maximum set forth in the Declaration or voting upon a proposed special assessment;
- f.** To send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each assessment period, and levy all such assessments as liens;
- g.** To foreclose by action in the same manner as a mortgage the lien against any property for which assessments are not paid within thirty (30) days after the due date or to bring an action at law against the Owner or other person personally obligated to pay the same;
- h.** To issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board of Directors for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;
- i.** To procure and maintain liability, fire and other hazard insurance on property owned by the Association, in accordance with the Declaration;
- j.** To cause all Directors, officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate, and at least as required by the Declaration;
and
- k.** To cause the Common Area to be maintained, in accordance with the Declaration.

ARTICLE IV

OFFICERS

Section 1. Enumeration of Officers. The officers of the Association shall be a president and a vice-president, who shall at all times be members of the Board of Directors, a secretary and a treasurer, and such other officers as the Board of Directors may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the regular meeting of the Board of Directors following each annual meeting of the Members.

Section 3. Term of Office. The officers of the Association shall be elected annually by the Board of Directors, and each shall hold office for one (1) year unless he shall sooner resign, be removed or otherwise disqualified to serve.

Section 4. Special Appointments. The Board of Directors may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority and perform such duties as the Board of Directors may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office, with or without cause, by the Board of Directors. Any officer may resign at any time by giving written notice to the Board of Directors, the President or Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment of the Board of Directors. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of their Article.

Section 8. Duties. The duties of the officers are as follows:

- a. President.** The President shall preside at all meetings of the Board of Directors; shall see that the orders and resolutions of the Board of Directors are carried out; shall sign all leases, mortgages, deeds, and other written instruments and shall co-sign all checks and promissory notes.
- b. Vice-President.** The Vice-President shall act in the place and stead of the President in the event of their absence, inability, or refusal to act, and shall exercise and discharge such other duties as may be required of them by the Board of Directors.
- c. Secretary.** The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board of Directors and of the Members; give notice of meetings of the Board of Directors and of the members; keep appropriate current records showing the Members of the Association, together with their addresses and shall perform such other duties as required by the Board of Directors.
- d. Treasurer.** The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds directed by resolution of the Board of Directors; shall co-sign all checks and promissory notes of the Association; keep proper books of account; and shall prepare an annual budget and statement of income and expenditures to be presented to the membership at its annual meeting and deliver a copy of each to the Members.

ARTICLE IV

MISCELLANEOUS

Section 1. Assessments. As more fully provided in the Declaration, each Member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the Lot against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the date due, the assessment shall bear interest from the date of delinquency at the rate of eight percent (8%) per annum, and the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property by action in the same manner as a mortgage, and interest, costs and reasonable attorneys' fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability from the assessments provided for herein by nonuse of the Common Area or abandonment of their Lot.

Section 2. Committees. The Association shall appoint an Architectural/Design Review Committee, as provided in the Declaration, and a Nominating Committee, as provided in these Bylaws. In addition, the Board of Directors may appoint such other committees as it deems appropriate in carrying out their purposes.

Section 3. Books of Account. The Association shall keep detailed books of account showing all expenditures and receipts of administration, which shall specify the expenses incurred by or on behalf of the Association and the Members. Such accounts, books, records, and other papers of the Association shall be open for inspection by the Members and other persons having an interest in any Lot including any Owner, any lender and any holder, insurer, or guarantor of a first Mortgage, during normal business hours, and shall be audited annually by qualified auditors. The cost of such audit shall be a common expense. Any holder, insurer, or guarantor of a first Mortgagee shall be entitled upon written request to receive an annual audited financial statement of the Association free of charge within a reasonable time of such request. Current copies of the Declaration, the Articles of Incorporation, the Bylaws and any other rules and regulations of the Association shall be available for inspection by any Member, any lender and any holder, insurer or guarantor of a

first Mortgage at the principal office of the Association during normal business hours, where copies of the same and the audits may be purchased at a reasonable cost.

Section 4. Fiscal Year. The fiscal year of the Association shall begin on the first day of January and end on the thirty-first day of December of every year, except that the first fiscal year shall begin on the date of incorporation of the Association.

Section 5. Amendments. These Bylaws may be amended, at a regular or special meeting of the Members, by the vote of seventy- five percent (75%) of each class of members, or until July 31, 1992, by Declarant.

Section 6. Construction. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles of Incorporation shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

CERTIFICATION

Dean Scott Johnson, the duly elected Secretary of Lynwood North Homeowners Association, Inc., does hereby certify that the foregoing Bylaws of said Corporation were duly adopted as its Bylaws at a meeting of the Board of Directors on_____.

Dean Scott Johnson
Secretary