

**BYLAWS OF
SUMMIT OAKS HOMEOWNERS ASSOCIATION, INC.**

ARTICLE I

NAME AND LOCATION

The name of the corporation is Summit Oaks Homeowners Association, Inc., hereinafter referred to as the "Association". The principal office of the corporation shall be located at 14900 Summit Oaks Drive, Burnsville, MN 55337 but meetings of members and directors may be held at such places within the State of Minnesota, County of Dakota, as may be designated by the Board of Directors.

ARTICLE II

DEFINITIONS

Terms used herein shall have the meanings ascribed to them in the Declaration of Covenants, Conditions and Restrictions of Summit Oaks Homeowners Association. The terms of the Declaration are incorporated herein by reference.

ARTICLE III

MEETING OF MEMBERS

Section 1. Annual Meetings. The annual meeting of the members shall be held on July 8 at 7:00 P.M. The meeting will be held at a place designated by the Board of Directors in a notice of annual meeting to be furnished to the Members in the manner required by law. If the day of the annual meeting is a legal holiday or weekend day, the meeting will be on the first following day which is not a legal holiday or weekend day.

Section 2. Special Meetings. Special meetings of the members may be called at any time by the president or by the Board of Directors, or upon written request of the members who are entitled to vote twenty-five percent (25%) of all of the votes of the Class A membership.

Section 3. Notice of Meetings. Written notice of each meeting of the members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least fifteen (15) and no more than sixty (60) days before such meeting to each member entitled to vote thereat, addressed to the member's address last appearing on the books of the Association, or supplied by such member to the Association for the purpose of notice. 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.

Section 4. Quorum. The presence at the meeting of members entitled to cast, or of proxies entitled to cast, twenty percent (20%) of the votes of class A membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration or these Bylaws. If, however, such quorum shall not be

present or represented at any meeting, the members entitled to vote thereat shall have 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 5. Proxies. At all meetings of the members, each member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his or her lot.

ARTICLE IV

BOARD OF DIRECTORS: SELECTION; TERM OF OFFICE

Section 1. Number. A Board of three (3) directors, who need not be members of the Association, shall manage the affairs of this Association.

Section 2. Term of Office. Normal term for each director will be for three years with one director's position expiring each year. At each annual meeting the members shall fill any vacancies on the Board of Directors.

Section 3. Removal. Any director may be removed from the Board, with or without cause, by a sixty (60%) majority vote of the members of the Association. In the event of death, resignation or removal of a director, his or her successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of said predecessor.

Section 4. Compensation. No director shall receive compensation for any service rendered to the Association. However, any director may be reimbursed for actual expenses incurred in the performance of duties.

Section 5. Action Taken without a Meeting. The directors shall have the right to take any action in the absence of a meeting, which they could take at 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.

ARTICLE V

NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. A Nominating Committee shall make nomination for election to the Board of Directors. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairperson, who shall be a member of the Board of Directors. The Board of Directors shall appoint the Nominating Committee 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 2. Election. Election to the Board of Directors shall be by secret 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.

ARTICLE VI

MEETING OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held at least quarterly without notice, at such place and hour as may be fixed from time to

time by resolution of the Board. Should a meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the president of the Association, or by any two (2) directors, after not less than three (3) days' notice to each director.

Section 3. Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

ARTICLE VII

THE BOARD OF DIRECTORS: POWERS, DUTIES AND RESTRICTIONS

Section 1. Powers. The Board of Directors shall have power:

- (a) To adopt and publish rules and regulations governing the use of the Lots and the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof; notice of any proposed rule or regulation or amendment thereto, shall be furnished to the members, and shall be deemed adopted ninety (90) days after such notice unless the Members, at a special meeting called for the purpose, vote to amend or repeal such proposed rule or regulation;
- (b). To suspend the voting rights of a member during any period in which such member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed sixty (60) days for infraction of published rules and regulations;
- (c). To exercise for the Association all powers, duties and authority vested in or delegated to this 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 it deems necessary, and to prescribe their duties.

Section 2. Duties. It shall be the duty of the Board of Directors:

- (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 one-fourth (1/4) of the Class A members who are entitled to vote;
- (b). To supervise all officers, agents and employees of this Association, and see that their duties are properly performed;
- (c). To as more fully provide in the Declaration:

- (1) Fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period;
 - (2) Send written notice of each assessment to every owner subject thereto at least thirty (30) days in advance of each annual assessment period; and
 - (3) Foreclose the lien of any assessment against any property subject thereto if such assessment is not paid within thirty (30) days after due date or to bring an action at law against the owner personally obligated to pay the same.
- (d). To issue, or cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. The Board may make a reasonable charge for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;
 - (e) To procure and maintain adequate liability and hazard insurance, consistent with provisions set forth in the Declaration;
 - (f) To cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate and in accordance with the Declaration; and
 - (g) To cause the Lots to be maintained in accordance with the Declaration.

ARTICLE VIII

OFFICERS AND THEIR DUTIES

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

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

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

Section 4. Special Appointments. The Board 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 may, from time to time, determine.

Section 5. Resignation and Removal. The Board may remove any officer from office with or without cause. Any officer may resign at any time by giving written notice to the Board, the president or the 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 by the Board. The officer appointed to such vacancy should serve for the remainder of the term of the officer he or she replaces.

Section 7. Multiple Offices. The same person may hold the offices of secretary and treasurer. No person shall simultaneously hold more than one (1) of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

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

PRESIDENT

The President shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds, contracts and other written instruments and shall co-sign all checks for non-routine expenditures and promissory notes.

VICE-PRESIDENT

The Vice-President shall act in the place and stead of the President in the event of his or her absence, inability or refusal to act and shall exercise and discharge such other duties as may be required by the Board.

SECRETARY

The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; serve notice of meetings of the Board and of the members; keep appropriate current records showing the members of the Association together with their addresses and shall perform such duties as required by the Board.

TREASURER

The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; sign all checks and promissory notes of the Association; keep proper books of account; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meetings, and deliver a copy of each to the members and to any First Mortgagees who shall request the same, pursuant to Article XI of the Declaration.

ARTICLE IX

COMMITTEES

Section 1. The Association shall appoint the following standing committees:

The Nominating Committee
The Architectural Control Committee

Unless otherwise provided herein, each committee shall consist of a Chairperson and one (1) or more members and shall include a member of the Board of Directors for board contact. The committees shall be appointed by the Board of Directors prior to each annual meeting 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 Board of Directors may appoint such other committees as it deems desirable.

Section 2. The Nominating Committee shall have the duties and functions described in Article V of these Bylaws and such other functions as the Board, in its discretion, determines.

Section 3. The Architectural Control Committee shall have the duties and functions described in the Declaration. It shall watch for any proposals, programs or activities that may adversely affect the residential value of Summit Oaks and shall advise the Board of Directors regarding Association action on such matters. The Board has final authority in matters of architectural control.

Section 5. With the exception of the Architectural Control Committee and the Nominating Committee, as to those functions that are governed by the Declaration, each committee shall have the power to appoint a subcommittee from among its membership and may delegate to any such subcommittee any of its powers, duties and functions.

Section 6. It shall be the duty of each committee to receive complaints from members on any matter involving Association functions, duties and activities within its field of responsibility. It shall dispose of such complaints as it deems appropriate or refer them to such other committee, director or officer of the Association as is further concerned with the matter presented.

ARTICLE X

BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any member or First Mortgagee. The Declaration, the Articles of Incorporation and the Bylaws of the Association shall be available for inspection by any member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE XI

ASSESSMENTS

As more fully provided in the Declaration, each member is obligated to pay to the Association annual and/or special assessments, which are secured by a continuing lien upon the property 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 due date, the assessments 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 same or foreclose the lien against the property, in the manner provided in the Declaration. No Owner may waive or otherwise avoid liability for the assessments provided for herein and by the Declaration by nonuse of the Common Properties or abandonment of such Owner's Lot.

ARTICLE XII

NO CORPORATE SEAL

There shall be no corporate seal.

ARTICLE XII

AMENDMENTS

Section 1. These Bylaws may be amended at a regular or special meeting of the members by a vote of a sixty percent (60%) majority of a quorum of members present in person or

by proxy. The procedure to amend the Bylaws shall be: (a) the Board of Directors may propose the amendment to the Bylaws by resolution setting forth the proposed

amendment and directing that it be submitted for adoption at a meeting of the members; or (b) any five (5) members may set forth the proposed amendment by petition by them subscribed, which petition shall be filed with the secretary of the Association. Notice of the meeting of the members, stating the purpose, including the proposed amendment, shall be given to each member entitled to vote on the proposed amendment, and to each officer and director regardless of his voting rights. If notice required by this clause has been given, the proposed amendment may be adopted at any meeting of members by a majority of a quorum of members present in person or by proxy.

Section 2. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control, and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

ARTICLE XIV

DISSOLUTION

The Association may be dissolved by a vote of the members entitled to cast two-thirds (2/3) of the votes of each class of membership. Written notice of a proposal to dissolve, setting forth the reasons therefore and the disposition to be made of the assets (which shall be consonant with Article VI of the Declaration) shall be mailed to every member at least ninety (90) days in advance of any action taken.

ARTICLE XV

DISPOSITION OF ASSETS UPON DISSOLUTION

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. No such disposition of Association properties shall be effective to divest or diminish any right or title of any member vested in him or her under the Declaration unless made in accordance with the provisions of such Declaration.

ARTICLE XVI

MISCELLANEOUS

The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year.

IN WITNESS WHEREOF, we, being all of the directors of The Summit Oaks Homeowners Association, Inc., have hereunto set our hands this ___th day of July, 1998.

J. Donald Thornton _____

Nina Bires _____

John R Dahl _____