

BYLAWS  
OF  
LONGACRES HOMEOWNERS ASSOCIATION, INC.

## TABLE OF CONTENTS

		<u>Page</u>
ARTICLE I	NAME AND LOCATION	1
ARTICLE II	DEFINITION	1
ARTICLE III	MEETINGS OF MEMBERS	2
Section	1. Annual Meetings	2
Section	2. Special Meetings	2
Section	3. Notice of Meetings	2
Section	4. Quorum	2
Section	5. Proxies	3
Section	6. Action by Members Without Meeting	3
ARTICLE IV	BOARD OF DIRECTORS: SELECTION; TERN OF OFFICE; REMOVAL; VACANCY; COMPENSATION	3
Section	1. Number	3
Section	2. Term of Office	3
Section	3. Removal	3
Section	4. Vacancy	3
Section	5. Compensation	3
ARTICLE V	NOMINATION AND ELECTION OF DIRECTORS	4
Section 1.	Nomination	4
Section 2.	Election	4
ARTICLE VI	MEETINGS OF DIRECTORS	4
Section1.	Organizational Meeting of Newly-Elected Board of Directors	4
Section	2. Regular Meetings	4
Section	3. Special Meetings	4
Section	4. Quorum	4
Section	5. Adjournment When Quorum Lacking	5
Section	6. Action Taken Without a Meeting	5
Section	7. Electronic Communications	5
ARTICLE VII	POWERS AND DUTIES OF THE BOARD OF DIRECTORS	5
Section1.	Powers	5
Section	2. Duties	6
Section	3. Reserve Fund	7
Section	4. Investment of Reserve Fund	7
Section	5. Use of Reserve Fund -- Definition of Common Areas Maintenance	7



TABLE OF CONTENTS (Cont'd.)

	<u>Page</u>
ARTICLE VIII OFFICERS AND THEIR DUTIES	8
Section 1. Enumeration of Offices	8
Section 2. Election of Officers	8
Section 3. Term	8
Section 4. Special Appointments	8
Section 5. Resignation and Removal	8
Section 6. Vacancies	8
Section 7. Multiple Offices	9
Section 8. Duties	9
ARTICLE IX COMMITTEES	9
ARTICLE X BOOKS AND RECORDS	9
ARTICLE XI ASSESSMENTS	10
ARTICLE XII LIMITATION ON CONTRACTS	10
Section 1. Management Contracts; Service Contracts	10
Section 2. Leases and Licenses of Common Areas	10
ARTICLE XIII INDEMNIFICATION	10
ARTICLE XIV MISCELLANEOUS	12
Section 1. Amendments	12
Section 2. Conflicts Among Documents	12
Section 3. Fiscal Year	12
Section 4. Violations	12
Section 5. Corporate Seal	12
CERTIFICATION	12

**BY-LAWS**  
**OF**  
**LONGACRES HOMEOWNERS ASSOCIATION, INC.**

**ARTICLE I**

NAME AND LOCATION

The name of the corporation is LONGACRES HOMEOWNERS ASSOCIATION, INC., hereinafter referred to as the “Association.” The principal office of the Association shall be located at 935 East Wayzata Boulevard, Wayzata, Minnesota 55391, but meetings of Members and directors may be held at such places within Carver County, Minnesota, as may be designated by the Board of Directors.

**ARTICLE II**

DEFINITIONS

Section 1. “**Association**” shall mean Longacres Homeowners Association, Inc., a Minnesota nonprofit corporation, its successors and assigns.

Section 2. “**Board**” shall mean the Board of Directors of the Association.

Section 3. “**Common Areas**” shall mean all real property (including the improvements thereto) owned by the Association for the common use and enjoyment of the Owners. The Common Areas to be owned by the Association at the time of the conveyance of the first Lot will be Outlots A, B, C, D and E, THE MEADOWS AT LONGACRES. Additional Common Areas may be annexed into the Active Development Area pursuant to Article X, Section 7 of the Declaration.

Section 4. “**Declaration**” shall mean the Declaration of Covenants for Longacres recorded or to be recorded in the Office of the Registrar of Titles in and for Carver County, Minnesota, as the same may be amended from time to time.

Section 5. “**Developer**” shall mean Lundgren Bros. Construction, Inc., a Minnesota corporation or its successors and assigns, if such successors or assigns should acquire a majority of the Lots owned by the Developer at the time of the acquisition, whether the acquisition is by sale, foreclosure of a mortgage, deed in lieu of foreclosure or otherwise.

Section 6. “**Lot**” means each of the following platted lots:

Lots 1 through 6, Block 1.  
Lots 1 through 13, Block 2;  
Lots 1 through 5, Block 3;  
Lots 1 through 7, Block 4; and  
Lots 1 through 7, Block 5; all in  
THE MEADOWS AT LONGACRES, according to the plat thereof on file or of record in the  
office of the Registrar of Titles in and for Carver County, Minnesota;

and such additions thereto as may be annexed into the Active Development Area pursuant to Article X, Section 7 of the Declaration.

Section 7. “**Member**” shall mean any Owner in his capacity as a member of the Association as provided in Article VII of the Declaration.

Section 8. “**Owner**” shall mean the record owner, whether one or more persons or entities, of the fee simple title to any Lot, except that when a Lot is being sold on a contract for deed and the contract vendee is in possession of the Lot, then the vendee and not the vendor shall be deemed the “Owner”.

Section 9. “**Properties**” shall mean all of the Lots and all of the Common Areas.

### **ARTICLE III**

#### MEETINGS OF MEMBERS

Section 1. Annual Meetings. Regular annual meetings of the Members shall be held on November 15th of each year, at 7:00 p.m., beginning in the year 1994. If the day for an annual meeting of the Members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday.

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 25% of all of the votes.

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 such notice, postage prepaid, at least 15 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, 50% of the total votes shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these By-Laws. 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 be represented.

Section 5. Proxies. At all meetings of Members, each Member may vote in person or by proxy. Members shall have the voting rights specified in Article VI of the Articles of Incorporation and Article VII, Section 2 of the Declaration. All proxies shall be in writing and filed with the secretary prior to the meeting. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his Lot.

Section 6. Action by Members Without Meeting. Any action required by law to be taken at a meeting of the Members, or any action which may be taken at a meeting of the Members, may be taken without a meeting if consent in writing setting forth the action so taken shall be signed by all of the Members entitled to vote with respect to the subject matter thereof. “All of the Members entitled to vote.” shall be all of the Lot Owners.

## ARTICLE IV

### BOARD OF DIRECTORS: SELECTION; TERM OF OFFICE; REMOVAL; VACANCY; COMPENSATION

Section 1. Number. The affairs of this Association shall be managed by a Board of Directors, who need not be Members of the Association. The first Board shall consist of the three individuals specified in the Articles of Incorporation. They shall serve until the first annual meeting of the members. Thereafter the Board shall consist of five individuals.

Section 2. Term of Office. At the first annual meeting after adoption of the By-Laws the Members shall elect two directors for a term of one year, two directors for a term of two years and one director for a term of three years; and at each annual meeting thereafter the Members shall elect the number of directors necessary to fill expiring terms, each for a term of three years. Subject to the provisions of the next paragraph, directors shall serve for their above specified term and until his successor shall have been elected and qualified.

Section 3. Removal. Any director may be removed from the Board, with or without cause, by a majority vote of the Members of the Association.

Section 4. Vacancy. In the event of death, resignation or removal of a director, his successor shall be elected by the Members of the Association at a special meeting called for that purpose within sixty days after such death, resignation or removal. Each successor shall serve for the unexpired term of his predecessor.

Section 5. Compensation. No director shall receive compensation for any service he may render to the Association. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties.

## ARTICLE V

### NOMINATION AND ELECTION OF DIRECTORS

Section 1. 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 consist of a Chairman, who shall be a Member of the Board of Directors, and two or more Members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the Members, to serve until the close of the 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. The candidates nominated may be 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 Article VI of the Articles of Incorporation and Article VII, Section 2 of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

## ARTICLE VI

### MEETINGS OF DIRECTORS

Section 1. Organizational Meeting of Newly-Elected Board of Directors. The organizational meeting of each newly-elected Board of Directors shall be held within ten days of its election, at such place and time fixed by such directors at the annual meeting at which they were elected. No further notice of such organizational meeting shall be necessary, providing a quorum shall be present.

Section 2. Regular Meetings. Regular meetings of the Board of Directors shall be held monthly, bimonthly or quarterly as determined by the Board, without notice, at such place and hour as may be fixed from time to time by resolution of the Board. Should said 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 3. Special Meetings. Special meetings of the Board of Directors shall be held when called by the president of the Association, or by any two directors, after not less than three days written notice to each director.

Section 4. 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.

Section 5. Adjournment When Quorum Lacking. If at any meeting of the Board of Directors there shall be less than a quorum present, the majority of those present may adjourn the meeting until a quorum is present. At any such adjourned meeting where a quorum is present, any business which might have been transacted at the meeting as originally called may be transacted without further notice. The joinder of a director in the action of a meeting by signing and concurring in the minutes thereof shall constitute the presence of such director for the purpose of determining a quorum.

Section 6. 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.

Section 7. Electronic Communications. (a) A conference among directors by any means of communication through which the directors may simultaneously hear each other during the conference constitutes a board meeting, if the same notice is given of the conference as would be required by Sections 2 or 3 for a meeting, and if the number of directors participating in the conference would be sufficient to constitute a quorum at a meeting. Participation in a meeting by that means constitutes presence in person at the meeting.

(b) A director may participate in a board meeting not described in paragraph (a) by any means of communication through which the director, other directors so participating, and all directors physically present at the meeting may simultaneously hear each other during the meeting. Participation in a meeting by such means constitutes presence in person at the meeting.

## ARTICLE VII

### POWERS AND DUTIES OF THE BOARD OF DIRECTORS

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

a. adopt and publish rules and regulations not inconsistent with the Declaration governing the use of the Common Areas and facilities, and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof;

b. suspend the voting rights and the right to use the recreational facilities 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 60 days for infraction of published rules and regulations;

c. impose sanctions against Owners violating the Association's published rules and regulations; such sanctions may include suspension of the voting rights and the rights to use the recreational facilities for up to 60 days per infraction; provided that no sanctions may be imposed against an Owner before he has been given notice of his alleged infractions and an opportunity to be heard by the Board;

d. 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 By-Laws, the Articles of Incorporation, or the Declaration;

e. declare the office of a Member of the Board of Directors to be vacant in the event such Member shall be absent from three consecutive regular meetings of the Board of Directors; and

f. employ a manager, independent contractors, employees or such other persons as they deem necessary, and to prescribe their duties.

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

a. 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 25% of the Members who are then entitled to vote;

b. supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

c. act by resolution, as more fully provided in the Declaration, to:

(1) fix the amount of the annual assessment against each Lot at least 30 days in advance of each annual assessment period;

(2) send written notice of each assessment to every Owner subject thereto at least 30 days in advance of each annual assessment period; and

(3) foreclose the lien against any property for which assessments are not paid within 30 days after due date or to bring an action at law against the Owner personally obligated to pay the same.

d. issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether all assessments have been paid and if not., which assessments are unpaid. A reasonable charge may be made by the Board 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. procure and maintain adequate liability and hazard insurance on property owned by the Association which shall include fire and extended coverage insurance on insurable common property on a current replacement cost basis in an amount not less than 100% of the insurable value (based on current replacement only), using the proceeds of such hazard insurance solely for the repair, replacement or reconstruction of such insurable common property including insured improvements;
- f. procure and maintain other insurance required by the Declaration;
- g. cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;
- h. cause the Common Areas to be maintained at the expense of the Association.

Section 3. Reserve Fund. The Board of Directors shall have the power and authority to levy as part of the monthly assessment such sums of money as they determine necessary to establish a Reserve Fund to provide for the payment of future Common Areas maintenance provided that:

- a. The portion of the annual assessments which constitutes the homeowners' contribution to the Reserve Fund shall be specifically identified;
- b. Such monies shall be credited to an appropriate account on the books of the Association with the designation "RESERVE FUND - - COMMON AREAS MAINTENANCE";
- c. Such reserves shall be in addition to and separate from the reserves for contingencies regularly maintained by the Association.

At a minimum, the Board of Directors shall establish an adequate reserve fund for maintenance, repairs and replacement of the common property that must be replaced on a periodic basis.

Section 4. Investment of Reserve Fund. It shall be a duty of the Board of Directors to identify, on a quarterly basis, that portion of the maintenance fees receipts which constitute Reserve Funds as defined in Section 3 above. The Board of Directors shall on a quarterly basis cause those funds to be invested in certificates of deposit, savings accounts, United States of America Government Bonds or state or municipal bonds. No other investment of the reserve funds shall be permitted.

Section 5. Use of Reserve Fund -- Definition of Common Areas Maintenance. Notwithstanding any provision to the contrary, "Common Areas Maintenance" as used in this Article with reference to Section 3 above shall mean and refer to maintenance, repair and replacement of the following:

- a. sanitary sewers, storm sewers, storm water holding ponds and other utilities in the Common Areas, if any;
- b. recreational and other common facilities in the Common Areas, if any;
- c. Entrance Improvements, as provided in Article III, Section 1 of the Declaration;
- d. Berm Sizes, as provided in Article III, Section 2, of the Declaration;
- e. landscaping islands, as provided in Article III, Section 8, of the Declaration; and
- f. retaining walls, if any, as provided in Article III, Section 8 of the Declaration.

The reserve funds shall not be expended for other purposes and especially shall not be expended for maintenance of houses, garages or other residential improvements.

## **ARTICLE VIII**

### **OFFICERS AND TREIR DUTIES**

Section 1. Enumeration of Offices. 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 and 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 year and until his successors shall have been elected and have qualified, unless he shall sooner resign, or shall be removed, or otherwise be 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 t4.me to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. 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.

## **ARTICLE X**

### **BOOKS AND RECORDS**

The books and records of the Association shall at al] times, during reasonable business hours, be subject to inspection by any Member and by any first mortgagee of any Lot. The Declaration, the Articles of Incorporation and the By-Laws of the Association shall be available for inspection by any Member and by any first mortgagee at the principal office of the Association, where copies may be purchased at reasonable cost. Any first mortgagee shall be allowed to have an audited statement prepared at its own expense.

## **ARTICLE XI**

### **ASSESSMENTS**

As more fully provided in Article VIII of the Declaration, each Member is obligated to pay to the Association annual and 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 30 days after the due date, the assessment shall bear interest from the date of delinquency at the rate of 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. Interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Areas or abandonment of his Lot.

## **ARTICLE XII**

### LIMITATION ON CONTRACTS

Section 1. Management Contracts; Service Contracts. Any agreement for professional management of the Properties, or any other contract providing for services, shall provide for termination by the Association for cause upon 30 days written notice thereof, and the term of any such agreement may not exceed one year, renewable by agreement of the parties for successive one year periods. Any such contract with the Developer or with any person controlled by the Developer shall provide for termination by either party without cause or payment of a termination fee on 90 days or less written notice, for a maximum contract term of three years, and for automatic termination upon the date the Class B Membership shall cease and be converted to Class A Membership pursuant to Article VI of the Articles of Incorporation and Article VII Section 2 of the Declaration.

Section 2. Leases and Licenses of Common Areas. The Association shall not lease any part of the Common Areas or common facilities to the Developer or to any person controlled by the Developer. The Association shall not franchise or license to the Developer or to any person controlled by the Developer for the provision of a central television antenna or similar services.

## **ARTICLE XIII**

### INDEMNIFICATION

Every director, officer, employee or agent of the Corporation who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, wherever brought, whether civil, criminal, administrative or investigative, by reason of the fact that he is or was a director, officer, employee or agent of the Corporation, or that he is or was serving at the specific request of the Board of Directors of the Corporation as a director, officer, employee, agent, partner or trustee of another corporation, partnership, joint venture, trust or other enterprise, shall be indemnified by the Corporation, to the extent permitted by and in accordance with Section 300.083 of Minnesota Statutes 1992 (as authorized by Section 317A.161(21) and subject to Section 317A.521 of Minnesota Statutes 1992) as presently enacted or hereafter amended from time to time, against judgments, fines, amounts paid in settlement and expenses, including attorneys' fees, reasonably incurred by him in connection with such action, suit or proceeding; and the Board of Directors may, at any time, approve indemnification of any other person which the Corporation has the power to indemnify under the Minnesota Statutes set forth herein. The indemnification with respect to a person who is or was serving as a director, officer, employee, agent, partner or trustee of another corporation, partnership, joint venture, trust or other enterprise shall apply only to the extent that such person is not indemnified by such other corporation, partnership, joint venture, trust or other enterprise. The indemnification provided by this Article XIII shall continue as to a person who has ceased to be a director, officer, employee, agent, partner or trustee; shall inure to the benefit of the heirs, executors and administrators of such person; shall apply whether or not the claim against such person arises out of matters occurring before the adoption of this Article XIII; and shall not be exclusive of other rights to which such person may be entitled. In the event any provision of this Article XIII shall be held by any court of competent jurisdiction to be inconsistent with Sections 300.083, 317A.161(21), or 317A.521 of Minnesota Statutes 1992, as presently enacted or hereafter amended from time to time, such provision shall be deemed to be separable and the remainder of this Article XV shall be deemed to be valid and in full force and effect.

## **ARTICLE XIV**

### MISCELLANEOUS

Section 1. Amendments. These By-Laws may be amended, at a regular or special meeting of the Members, by a majority vote of a quorum of Members present in person or by proxy.

Section 2. Conflicts Among Documents. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control. In the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

Section 3. Fiscal Year. Each fiscal year of the Association shall begin on the first day of January, except that the first fiscal year shall begin on the date of incorporation. Each fiscal year of the Association shall end on the 31st day of December.

Section 4. Violations. Failure of any Owner to comply with the provisions of these By-Laws, the Articles of Incorporation, or the Declaration shall give rise to a cause of action in the Association and in any aggrieved Owner for the recovery of damages, or for injunctive relief, or both.

Section 5. Corporate Seal. The Association shall have no Corporate Seal.

### **CERTIFICATION**

I, Michael A. Pflaum, do hereby certify:

That. I am the duly elected and acting secretary of Longacres Homeowners Association, Inc., a Minnesota nonprofit corporation; and

That the foregoing By-Laws are a true and correct copy of the current By-Laws of said Association, being the original By-Laws, duly adopted by the Board of Directors of the Association on the 23<sup>rd</sup> day of **May**, 1994. As of this date there have been no amendments to the By-Laws.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 23<sup>rd</sup> day of **May**, 1994.

/s/ Michael A. Pflaum  
Michael A. Pflaum, Secretary