

DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS

This DECLARATION, made on the date hereinafter set forth by BRONSON-ERICKSON, INC., a Minnesota corporation, hereinafter referred to as "Declarant".

WITNESSETH:

WHEREAS, Declarant is the owner of certain property in the Township of Ham Lake, County of Anoka, State of Minnesota, which is more particularly described as:

Blocks 1 to 6, inclusive, and Outlots A, Band E,
all in Rolling Meadows, Anoka County, Minnesota.

NOW THEREFORE, Declarant hereby declares that all of the properties described above shall be held, sold and conveyed subject to the following easements, restrictions, covenants and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with, the real property and be binding on all parties having any right, title or interest in the described properties or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I
DEFINITIONS

Section 1. "Association" shall mean and refer to Rolling Meadows Home Owners Association, Inc., a corporation organized pursuant to Chapter 317 of the Minnesota Statutes, its successors and assigns.

Section 2. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Properties including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 3. "Properties" shall mean and refer to that certain real property hereinbefore described, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 4. "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the owners. The Common Area to be owned by the Association at the time of the conveyance of the first lot is described as follows:

Outlots A, B and E, Rolling Meadows, Anoka County,
Minnesota.

Section 5. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties with the exception of the Common Area.

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Section 6. "Declarant" shall mean and refer to Bronson-Erickson Inc., its successors and assigns if such successors or assigns should acquire more than one undeveloped Lot from the Declarant for purpose of development.

Section 7. "Mortgage" shall mean any Mortgage or other security instrument by which a Lot or any part thereof is encumbered.

Section 8. "Mortgagee" shall mean any person named as the Mortgagee under any Mortgage under which the interest of any Owner is encumbered, or any successor to the interest of such person under such Mortgage.

Section 9. "Declaration" shall mean and refer to the Declaration of Covenants, Conditions and Restrictions applicable to the properties recorded in the Office of the Register of Deeds or Registrar of Titles for Anoka County, Minnesota.

Section 10. "Member" shall mean and refer to those persons entitled to membership as provided in the Declaration.

ARTICLE II PROPERTY RIGHTS

Section 1. Owners' Easements of Enjoyment. Every owner shall have a right and easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

(a) the right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area;

(b) The right of the Association to suspend the voting rights and right to use of the recreational facilities by an Owner for any period during which any assessment against his Lot remains unpaid; and for a period not to exceed 60 days for any infraction of its published rules and regulations;

(c) The right of the Association to dedicate 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 signed by members entitled to cast two-thirds (2/3) of the votes of each class has been recorded, agreeing to such dedication or transfer.

Section 2. Delegation of Use. Any owner may delegate, in accordance with the By-Laws, his right of enjoyment to the Common Area and facilities to the members of his family, his tenants, or contract purchasers who reside on the property.

Section 3. Owners Right to Ingress and Egress and Support. Each Owner shall have the right to ingress and egress over, upon and across the Common Area necessary for access to his Lot, and shall have the right to lateral support for improvements on his Lot

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and such rights shall be appurtenant to and pass with the title to each Lot.

Section 4. Use of Lot. Each Lot shall be used for residential purposes only. Lease or rental of a Lot for residential purposes shall not be considered to be a violation of this covenant.

Section 5. Use of Common Area. There shall be no obstruction of the Common Area, nor shall anything be kept or stored on any part of the Common Area without the prior written consent of the Association except as specifically provided herein. Nothing shall be altered on, constructed in, or removed from the Common Area except upon the prior written consent of the Association.

Section 6. Prohibition of Damage and Certain Activities. Nothing shall be done or kept on any Lot or in the Common Area or any part thereof to increase the rate of insurance on the Properties or any part thereof over what the Association, but for such activity, would pay, without the prior written consent of the Association. Nothing shall be done or kept on any Lot or in the Common Area, or any part thereof, which would be in violation of any statute, rule, ordinance, regulation, permit or other validly imposed requirement of any governmental body. No damage to, or waste of, the Common Area or any part thereof or of the exterior of the Properties and buildings shall be committed by any Owner or any invitee of any Owner and each Owner shall indemnify and hold the Association and the other Owners harmless against all loss resulting from any such damage or waste caused by him or his invitees, to the Association or other Owners. The lien in favor of the Association for sums assessed, as provided in Article V, does not secure the rights of the Association against an Owner for such damage or waste. No noxious, destructive or offensive activity shall be allowed on any Lot or in the Common Area or any part thereof. Nor shall anything be done thereon which may be or may become an annoyance or nuisance to any other Owner or to any other person at any time lawfully residing on the Properties.

Section 7. Rules and Regulations. No Owners shall violate the rules and regulations for the use of the Lot and of the Common Area as adopted from time to time by the Association.

ARTICLE III MEMBERSHIP AND VOTING RIGHTS

Section 1. Every owner of a lot which is subject to assessment shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment.

Section 2. The Association shall have two classes of voting membership:

Class A. Class A members shall be all Owners with the exception of the Declarant and shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. 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 Lot.

Class B. The Class B member(s) shall be the Declarant and 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 Class A membership equal the total votes outstanding in the Class B membership, or

(b) on January 1, 1976.

ARTICLE IV RIGHTS AND OBLIGATIONS OF THE ASSOCIATION

Section 1. The Common Area. The Association, subject to the rights of the Owners set forth in this Declaration, shall be responsible for the exclusive management and control of the Common Area and all improvements thereon (including furnishings and equipment related thereto), and shall keep the same in good, clean, attractive and sanitary condition, order and repair; the maintenance and repair of all Common Area and all other improvements or material located within or used in connection with the Common Area. The specification of duties of the Association with respect to particular Common Area shall not be construed to limit its duties with respect to other Common Areas, as set forth in the first sentence in this Section.

Section 2. Services. The Association may obtain and pay for the services of any person or entity to manage its affairs, or any part thereof, to the extent it deems advisable, as well as such other personnel as the Association shall determine to be necessary or desirable for the proper operation of the Properties whether such personnel are furnished or employed directly by the Association or by any person or entity with whom or which it contracts. The Association may obtain and pay for legal and accounting services necessary or desirable in connection with the operation of the Properties or the endorsement of this Declaration.

Section 3. Personal Property for Common Use. The Association may acquire and hold for the use and benefit of all of the Owners tangible and intangible personal property and may dispose of the same by sale or otherwise. Such beneficial interest shall not be transferable except with the transfer of a Lot. A transfer of a Lot shall transfer to the transferee ownership of the transferor's beneficial interest in such property without any reference thereto. Each Owner may use such property in accordance with the purpose for which it is intended, without hindering or encroaching upon the lawful rights of other Owners. The transfer of title to a Lot under foreclosure shall entitle the purchaser to the interest in such personal property associated with the foreclosed Lot.

Section 4. Rules and Regulations. The Association may make reasonable rules and regulations governing the use of the Common Areas, which rules and regulations shall be consistent with the rights and duties established in this Declaration.

Section 5. Implied Rights. The Association may exercise any other right or privilege given to it expressly by this Declaration. The Association may not authorize capital improvements to the Common Area

except for replacement or repair of an existing capital improvement, and except for acquisition, replacement or repair of personal property related to the maintenance of the Common Area and buildings, provided, however, that new capital improvements may be made with the approval of the Owners of two-thirds (2/3) of the Lots.

ARTICLE V COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Agreement to Pay Assessment. Declarant for each Lot owned by it within the Properties, and for and as the Owner of the Properties and every part thereof, hereby covenants, and each Owner of any Lot by the acceptance of a deed therefore, whether or not it be so expressed in the deed, shall be deemed to covenant and agree with each other and with the Association to pay to the Association for the purposes provided in this Declaration for annual assessments levied by the Association, for special assessments for capital improvements, and for any other matters as provided in this Declaration. Such assessments shall be fixed, established and collected from time to time in the manner provided in this Article.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the residents in the Properties and for the improvement and maintenance of the Common Area.

Section 3. Maximum Annual Assessment. Until January 1 of the year immediately following the conveyance of the first Lot to an Owner the maximum annual assessment shall be Fifty Dollars (\$50.00) per Lot.

(a) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased each year not more than 10% above the maximum assessment for the previous year without a vote of the membership.

(b) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum assessment may be increased above ten percent (10%), provided that any such increase shall have the assent of two-thirds (2/3) of the votes of each class of members who are voting in person or by proxy, at a meeting duly called for this purpose.

(c) The Board of Directors may fix the annual assessment at an amount not in excess of the maximum.

(d) The annual assessment for each Lot owned by the Declarant and containing an unoccupied house shall be twenty percent (20%) of the annual assessment for a Lot owned by a Class A member, provided that, in no event, shall the annual assessment for each such Lot owned by the Declarant exceed Ten Dollars (\$10.00). The annual assessment for each Lot owned by the Declarant and containing no structure shall be ten percent (10%) of the annual assessment for a Lot owned by a Class A member, provided that, in no event shall the annual assessment for each such Lot owned by the Declarant exceed Five Dollars (\$5.00).

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement

of a capital improvement upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose.

Section 5. Notice and Quorum for any Action Authorized Under Sections 3 and 4. Written notice of any meeting called for the purpose of taking any action authorized under Section 3 or 4 shall be sent to all members not less than 30 days nor more than 60 days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast sixty percent (60%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half ($\frac{1}{2}$) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than 60 days following the preceding meeting.

Section 6. Uniform Rate of Assessment. Except as provided in Section 3(d) of this Article V, both annual and special assessments must be fixed at a uniform rate for all Lots and may be collected on a monthly basis.

Section 7. Date of Commencement of Annual Assessments: Due Dates. The annual assessments provided for herein shall commence as to all Lots on the first day of the month following the conveyance of the Common Area. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The Board of Directors shall establish the due dates for the annual assessments and may provide that the assessments are due and are to be paid in quarterly, monthly or other periodic installments as the Board of Directors shall decide. The Association shall, upon demand, and for a reasonable charge, furnish certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid.

Section 8. Lien for Assessments. All sums assessed to any Lot pursuant to this Article, together with interest thereon as provided herein, shall be secured by a lien on such Lot in favor of the Association. Such lien shall be superior to all other liens and encumbrances on such Lot, except only for:

(a) Liens of general and special taxes; and

(b) A lien for all sums unpaid on a first Mortgage, duly recorded in the Anoka County, Minnesota, real estate records, prior to the making of such assessment, including all unpaid obligatory advances to be made pursuant to such Mortgage and secured by the lien thereof in accordance with the terms of such instrument.

(c) All other lienors acquiring liens on any Lot after this

Declaration, which liens shall have been recorded in said records shall be deemed to consent that such liens shall be inferior to future liens for assessments, as provided herein, whether or not such consent be specifically set forth in the instrument creating such liens.

To evidence a lien for sums assessed pursuant to this Article, the Association may prepare a written notice of lien setting forth the amount of the assessment, the date due, the amount remaining unpaid, and the name of the Owner of the Lot and a description of the Lot. Such a notice shall be signed by the Association and may be recorded in the office of the Register of Deeds or Registrar of Titles, of Anoka County, Minnesota. No notice of lien shall be recorded until there is a delinquency in payment of the assessment. Such lien may be enforced by judicial foreclosure by the Association in the same manner in which mortgages on real property may be foreclosed in Minnesota. In any such foreclosure, the Owner shall be required to pay the costs and expenses of filing the notice of lien and all reasonable attorneys' fees. All such costs and expenses shall be secured by the lien being foreclosed. The Owner shall also be required to pay to the Association any assessments against the Lot which shall become due during the period of foreclosure. The Association shall have the right and power to bid at the foreclosure sale or other legal sale and to acquire, hold, convey, lease, rent, encumber, use and otherwise deal with the Lot as the Owner thereof.

A release of notice of lien, shall be executed by the Association and recorded in the Anoka County, Minnesota real estate records, upon payment of all sums secured by a lien which has been made the subject of a recorded notice of lien.

Any encumbrancer holding a lien on a Lot may pay, but shall not be required to pay, any amounts secured by the lien created by this Section, and upon such payment such encumbrancer shall be subrogated to all rights of the Association with respect to such lien, including priority.

The Association shall upon written request report to any encumbrancer of a Lot any unpaid assessments remaining unpaid for longer than ninety (90) days after the same shall have become due; provided, however, that such encumbrancer first shall have furnished to the Association written notice of such encumbrance.

Section 9. Effect of Nonpayment of Assessments: Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of 8 percent per annum. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property. The personal obligation of the Owner to pay such assessments shall remain his personal obligation and shall not pass to his successors in title unless expressly assumed by them. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot. A suit to recover money judgment for unpaid expenses hereunder shall be maintainable without foreclosure, or waiving the lien securing the same.

Section 10. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

ARTICLE VI ARCHITECTURAL CONTROL

No building, wall or other structure shall be commenced, erected or maintained upon the Properties, nor shall any exterior addition to or change or alteration therein be made until the plans and specifications showing the nature, kind, shape, height, materials, and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Board of Directors of the Association, or by an architectural committee composed of three (3) or more representatives appointed by the Board. In the event said Board, or its designated committee, fails to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted to it, approval will not be required and this Article will be deemed to have been fully complied with.

ARTICLE VII GENERAL PROVISIONS

Section 1. Enforcement. The Association, or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. If these restrictions are enforced by appropriate proceedings by any such Owner or Owners, such Owner or Owners may be reimbursed by the Association for all or any part of the cost incurred in the discretion of the Board of Directors of the Association.

Section 2. Severability. Invalidity of any one of these covenants or restrictions by judgment or court order shall in no wise affect any other provisions which shall remain in full force and effect.

Section 3. Amendment. The covenants and restrictions of this Declaration shall run with and bind the land, for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended during the first twenty (20) year period by an instrument signed by the Owners of not less than nine-tenths (9/10) of the Lots, and thereafter by an instrument signed by the Owners of not less than three-fourths (3/4) of the Lots.

Section 4. Rights of the Township of Ham Lake. In the event the Common Area becomes a public nuisance or a threat to the public health, safety and welfare of the residents of the Township, then the Township will enter and abate the public nuisance or correct the threat to the public health, safety and welfare. The total costs of such work, labor and materials by said Township shall be paid to and recoverable by said Township from the Association and said Township shall be subrogated to all rights of the Association to levy and enforce collection of assessments for maintenance against the Owners. Entry by the Township for maintenance purposes shall not act to vest in the public any rights to use the above described Common Area.

Section 5. Insurance Provisions. The Board of Directors shall provide public liability insurance covering the Common Area and facilities in such amounts as may be determined at the discretion of the Board of Directors from time to time. The Board of Directors may also provide workmen's compensation insurance and fidelity bonds on such officers and employees and in such amounts as is determined by the Board of Directors to be necessary from time to time.

Section 6. Additions to Existing Property. Additional lands may become subject to this Declaration in the following manner:

(a) Additions in accordance with a General Plan of Development. The Declarant shall have the right to bring within the scheme of this Declaration additional properties in future stages of the development, provided that such additions are in accord with a general plan of development prepared prior to the sale of any lot and made known to every purchaser prior to such sale.

Such general plan of development shall show the proposed additions to the existing Properties and contain:

- (1) A general indication of size and location of additional development stages and proposed land uses in each;
- (2) The approximate size and location of common properties proposed for each stage;
- (3) The general nature of proposed common facilities and improvements;
- (4) A statement that the proposed additions, if made, will become subject to assessment for their just share of Association expenses; and
- (5) A schedule for termination of the Declarant's right under the provisions of this subsection to bring additional development stages within the scheme.

Unless otherwise stated therein, such general plan shall not bind the Declarant to make the proposed additions or to adhere to the plan in any subsequent development of the land shown thereon and the general

plan shall contain a conspicuous statement to this effect.

The additions authorized under this and the succeeding subsection, shall be made by filing of record a Supplementary Declaration of Covenants and Restrictions with respect to the additional property which shall extend the scheme of the covenants and restrictions of this Declaration to such property.

Such Supplementary Declaration may contain such complimentary additions and modifications of the covenants and restrictions contained in this Declaration as may be necessary to reflect the different character, if any, of the added properties and as are not inconsistent with the scheme of this Declaration. In no event, however, shall such Supplementary Declaration revoke, modify or add to the covenants established by this Declaration within the existing Properties.

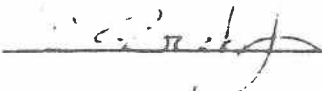
(b) Other Additions. Upon approval in writing of the Association pursuant to the assent of nine-tenths (9/10) of the votes of each class of member, the owner of any property who desires to add it to the scheme of this Declaration and subject it to the jurisdiction of the Association, may file of record a Supplementary Declaration of Covenants and Restrictions, as described in subsection (a) above.


Section 7. Registered Agent for Service of Process. The initial registered agent for service of process shall be Oliver R. Erickson, whose address is 6056 Woody Lane, Fridley, Minnesota. Change of agent for service of process may be accomplished by resolution of the Board of Directors of the Association and upon proper filing of said name with the Register of Deeds or Registrar of Titles of Anoka County.

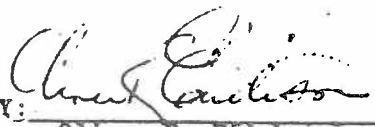
IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunto set its hand and seal this 3rd day of March, 1973.

IN PRESENCE OF:

BRONSON-ERICKSON, INC.





BY: 

Oliver R. Erickson,
President

STATE OF MINNESOTA)
) SS.
COUNTY OF ANOKA)

On this 30th day of March, 1973, before me, a Notary Public, within and for said County, personally appeared OLIVER R. ERICKSON, to me personally known, being by me duly sworn, did say that he is the President of BRONSON-ERICKSON, INC., of Minnesota, named in the foregoing instrument, and said instrument was signed in behalf of said corporation by authority of its Board of Directors, and said OLIVER R. ERICKSON, acknowledged said instrument to be the free act and deed of said corporation.

NOTARY PUBLIC

This instrument was drafted by
Barna, Guzy, Hynes, Giancola & Jensen, Ltd.
3700 Central Avenue N. E.
Minneapolis, Minnesota 55421

EDWARD A. BOK, JR.
NOTARY PUBLIC - MINNESOTA
ANOKA COUNTY
My Commission Expires Dec. 8, 1979

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ARTICLES OF INCORPORATION N-40, 71

OF

ROLLING MEADOWS HOME OWNERS ASSOCIATION, INC.

In compliance with the requirements of M.S.A. 317, the undersigned, all of whom are residents of Anoka County, Minnesota, and all of whom are of full age, have 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 Rolling Meadows Home Owners Association, Inc., hereafter called the "Association".

ARTICLE II

The principal office of the Association is located at 3231 Central Avenue N.E., Minneapolis, Minnesota 55418.

ARTICLE III

Oliver R. Erickson, whose address is 6056 Woody Lane, Fridley, Minnesota is hereby appointed the initial registered agent of this Association.

ARTICLE IV

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 maintenance, preservation and architectural control of the residence Lots and to own and maintain the Common Area within that certain tract of property described as:

All of Blocks 1, 2, 3, 4, 5, and 6, and Outlots
A, B and E, Rolling Meadows, Anoka County, Minnesota.

In addition to the above, the Association is formed 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 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 Covenants, conditions, and Restrictions, hereinafter called the "Declaration", applicable to the property and recorded or to be recorded in the Office of the Register of Deeds, Anoka County, Minnesota, and as the same may be amended from time to time as therein provided;

(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

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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 mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred, provided that the total debts of the Association at any time, shall not exceed One Thousand Dollars (\$1,000.00), provided further that authority to exceed said maximum in any particular case may be given by an affirmative vote of three-fourths (3/4) of the votes of each class of members voting in person or by proxy at a meeting duly called for this purpose.

(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 condition as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument authorizing such dedication or transfer has been signed by members entitled to case two-thirds (2/3) of the votes of each class of members.

(f) participate in mergers and consolidations with other non-profit corporations organized for the same purposes, provided that any such merger or consolidation shall have the assent of two-thirds (2/3) of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose.

(g) have and to exercise any and all powers, rights, and privileges which a corporation organized under the Minnesota Non-Profit Corporation Law by law may now or hereafter have or exercise.

Written notice of any meeting called for the purpose of taking action authorized under paragraphs (d) or (f) shall be sent to all members not less than thirty (30) days, nor more than sixty (60) days in advance of the meeting.

ARTICLE V

The names and addresses of the Incorporators are: Oliver R. Erickson, 6056 Woody Lane, Fridley, Minnesota; Edna D. Erickson,

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6056 Woody Lane, Fridley, Minnesota; and Robert A. Guzy, 4331
McLeod Street N.E., Columbia Heights, Minnesota.

ARTICLE VI 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, shall be a member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the Association.

ARTICLE VII VOTING RIGHTS

The Association shall have two classes of voting membership:

Class A. Class A members shall be all Owners with the exception of the Declarant, BRONSON-ERICKSON, INC. and shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. 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 Lot. There can be no split vote. Prior to the time of any meeting at which a vote is to be taken each Lot having co-owners shall file the name of the voting co-owner with the Secretary of the Association in order to be entitled to a vote at such meeting, unless such co-owners have filed a general voting authority applicable to all votes until rescinded.

Class B. The Class B members shall be the Declarant, Bronson-Erickson, Inc., a Minnesota corporation, its successors and assigns if such successors or assigns should acquire more than one undeveloped Lot from the Declarant for the purpose of development, and 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

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(b) on January 1, 1978.

ARTICLE VIII BOARD OF DIRECTORS

The affairs of this Association shall be managed by a Board of nine (9) 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 three persons who are to act in the capacity of Directors until the selection of their successors are: Oliver R. Erickson, 6056 Woody Lane, Fridley, Minnesota; Edna D. Erickson, 6056 Woody Lane, Fridley, Minnesota; and Robert A. Guzy, 4331 McLeod Street, Columbia Heights, Minnesota.

At the first annual meeting, the members shall elect one-third (1/3) of the Directors for a term of one year, one-third (1/3) of the Directors for a term of two years, and one-third (1/3) of the Directors for a term of three years; and at each annual meeting thereafter the members shall elect one-third (1/3) of the Directors for a term of three years.

ARTICLE IX DISSOLUTION

The Association may be dissolved with the assent of an instrument signed by members entitled to cast not less than two-thirds (2/3) of the votes 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, such assets shall be granted, conveyed and assigned to any non-profit corporation, association, trust or other organization to be devoted to such similar purposes.

ARTICLE X DURATION

The corporation shall exist perpetually.

ARTICLE XI AMENDMENTS

Amendment of these Articles shall require the assent of three-fourths (3/4) of the votes of each class of members.

N-40, 75

IN WITNESS WHEREOF, for the purpose of forming this corporation under the laws of the State of Minnesota, we, the undersigned, constituting the Incorporators of this Association, have executed these Articles of Incorporation this 29th day of March, 1973.

IN PRESENCE OF:

Oliver R. Erickson
OLIVER R. ERICKSON

Edna D. Erickson
EDNA D. ERICKSON

Robert A. Guzy
ROBERT A. GUZY

STATE OF MINNESOTA

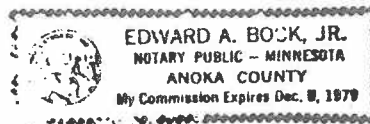
) ss.

COUNTY OF ANOKA

On this 29th day of March, 1973, before me a Notary Public, personally appeared OLIVER R. ERICKSON, EDNA D. ERICKSON, AND ROBERT A. GUZY, to me known to be the persons described in and who executed the foregoing instrument and acknowledged that they executed the same as their free act and deed.

Edward A. Bock, Jr.
NOTARY PUBLIC

instrument no. 2
on March
day 29 of 1973
notary no. N-40
office no. 71
Arden D. Erdahl
Secretary of State



BY-LAWS
OF
ROLLING MEADOWS HOME OWNERS ASSOCIATION, INC.

ARTICLE I

NAME AND LOCATION. The name of the corporation is Rolling Meadows Home Owners Association, Inc., hereinafter referred to as the "Association". The principal office of the corporation shall be located at 3231 Central Avenue N.E., Minneapolis, Minnesota, but meetings of members and directors may be held at such places within the State of Minnesota, County of Anoka, as may be designated by the Board of Directors.

ARTICLE II
DEFINITIONS

Section 1. "Association" shall mean and refer to Rolling Meadows Home Owners Association, Inc., its successors and assigns.

Section 2. "Properties" shall mean and refer to that certain real property described in the Declaration of Covenants, Conditions and Restrictions, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 3. "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the Owners.

Section 4. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties with the exception of the Common Area.

Section 5. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as a security for the performance of an obligation.

Section 6. "Declarant" shall mean and refer to Bronson-Erickson, Inc., a Minnesota corporation, its successors and assigns if such successors or assigns should acquire more than one undeveloped Lot from the Declarant for the purpose of development.

Section 7. "Declaration" shall mean and refer to the Declaration of Covenants, Conditions and Restrictions applicable to the Properties recorded in the Office of the Register of Deeds, Anoka County, Minnesota.

Section 8. "Member" shall mean and refer to those persons entitled to membership as provided in the Declaration.

ARTICLE III
MEETING OF MEMBERS

Section 1. Annual Meetings. The first annual meeting of the members shall be held within one year from the date of incorporation of the Association, and each subsequent regular annual meeting

of the members shall be held on the same day of the same month of each year thereafter, at the hour of 7:30 o'clock, P.M. If the day for the 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 one-fourth ($\frac{1}{4}$) 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 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, one-tenth ($\frac{1}{10}$) of the votes of each class of membership 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. 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 Lot.

ARTICLE IV

BOARD OF DIRECTORS: SELECTION: TERM OF OFFICE

Section 1. Number. The affairs of this Association shall be managed by a Board of nine (9) directors, who need not be members of the Association.

Section 2. Term of Office. At the first annual meeting, the members shall elect three directors for a term of one year, three directors for a term of two years and three directors for a term of three years; and at each annual meeting thereafter the members shall elect three directors for a term of three years.

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. In the event of death, resignation or removal of a director, his successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor.

Section 4. 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.

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 of 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. 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 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 MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held quarterly 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 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 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 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 governing the use of the Common Area 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 right to use of the Common Areas 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) 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;
- (d) 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) employ a manager, an independent contractor, or such other employees 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 one-fourth ($\frac{1}{4}$) of the Class A members who are entitled to vote;
- (b) supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;
- (c) as more fully provided in the Declaration, to:
 - (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 against any property for which assessments are 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) 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 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;

(f) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;

(g) cause the Common Area to be maintained.

ARTICLE VIII OFFICERS AND THEIR 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 (1) year unless he 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. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time 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 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 this Article.

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

President

(a) 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 and other written instruments and shall co-sign all checks and promissory notes on behalf of the Association.

Vice-President

(b) The vice-president shall act in the place and stead of the president in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.

Secretary

(c) The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; keep the corporate seal of the Association and affix it on all papers requiring said seal; 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 other duties as required by the Board.

Treasurer

(d) 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; shall sign all checks and promissory notes of the Association; keep proper books of account; cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be represented to the membership at its regular annual meeting, and deliver a copy of each to the members.

ARTICLE IX.

COMMITTEES

The Association shall appoint an Architectural Control Committee, as provided in the Declaration, and a Nominating Committee, as provided

in these By-Laws. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose.

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. The Declaration, the Articles of Incorporation and the By-Laws 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 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 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, 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 for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

ARTICLE XII CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the words: Rolling Meadows Home Owners Association, Inc.

ARTICLE XIII AMENDMENTS

Section 1. These By-Laws may be amended, at a regular or special meeting of the members, by a vote of a majority of a quorum of members of each class voting in person or by proxy.


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

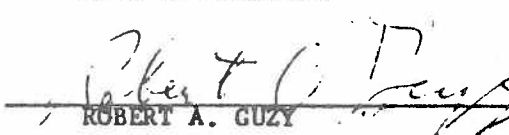
ARTICLE XIV MISCELLANEOUS

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, except that the first fiscal year shall begin on the date of incorporation.

IN WITNESS WHEREOF, we, being all of the directors of Rolling Meadows Home Owners Association, Inc., have hereunto set our hands this 29th day of March, 1973.

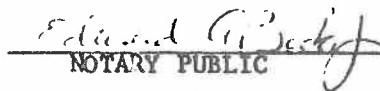

OLIVER R. ERICKSON


EDNA D. ERICKSON


ROBERT A. GUZY

STATE OF MINNESOTA)
) SS.
COUNTY OF ANOKA)

On this 29th day of March, 1973, before me a notary public personally appeared OLIVER R. ERICKSON, EDNA D. ERICKSON, and ROBERT A. GUZY, who acknowledged that they are the directors of the Rolling Meadows Home Owners Association, Inc., and that they executed the foregoing instrument as their free act and deed.


NOTARY PUBLIC