

**LOST RIVER HOMEOWNERS' ASSOCIATION, INC.
BYLAWS**

**ARTICLE I
NAME**

The name of the association shall be "Lost River Homeowners' Association, Inc."

**ARTICLE II
PRINCIPAL OFFICE**

The principal office of the Association shall be located at 3330 Fiechtner Drive, Suite 102, Fargo, North Dakota 58103, which is also the business address of the registered agent. This location may be changed, amended or revised from time to time, by resolution of the Board of Directors, without further amendment to the Bylaws.

**ARTICLE III
DEFINITIONS**

1. "Association" shall mean the Lost River Addition Homeowners' Association, Inc., its successors and assigns.
2. "Board" shall mean and refer to the Board of Directors of the Association. "Board," "The Board," and "The Board of Directors" may all be used interchangeably in both the Bylaws and Declaration.
3. "Declaration" shall mean that Declaration of Covenants and Restrictions, recorded May 31, 2017, as Document No. 1511136 and all "Subsequent Declarations," as that term is defined in said Declaration of Covenants and Restrictions, recorded May 31, 2017, as Document No. 1511136, and the covenants, conditions and restrictions and all other provisions set forth therein, as the same may from time to time be amended.
4. "Developer" shall mean and refer to Winnie Development II, Inc. a North Dakota corporation, and its successors and assigns, if any successors or assigns shall acquire a majority of the undeveloped acreage of the Property, including but not limited to undeveloped residential Lots, for purpose of development.
5. "Governing Documents" shall mean and refer collectively and severally to the Bylaws, the Declaration, Articles of Incorporation, or other documents created by the Board of Directors, as such may be amended from time to time.

6. "Lot" shall mean and refer to any plot of land shown upon any recorded Plat or Re-Plat of the Property. If a Lot as shown on the Plat or a portion thereof is added to an adjacent Lot, then the same shall be considered as one Lot.
7. "Occupant" shall mean and refer to the occupant of any Lot, whether or not such Occupant is an Owner.
8. "Owner" shall mean and refer to the record owner of a Lot, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Property, including contract buyers, but excluding those having an interest merely as security for the performance of an obligation. Every Owner is a mandatory member of the Lost River Addition Homeowners' Association. "Owner" and "Member" may be used interchangeably when referring to the Association.
9. "Property" shall mean and refer to all real property that is subject to the Declaration, which is more particularly described as all lots and blocks in Lost River Addition to the City of Horace.

ARTICLE IV
PURPOSE

This Association does not contemplate pecuniary gain or profit to the Owners thereof, and the specific purposes for which it is formed are:

1. To provide for maintenance, mowing, and snow removal for the community spaces within Lost River Addition and any re-plat thereof, to the extent those community spaces are not maintained by the City of Horace or City of Horace Park District.
2. To monitor and enforce compliance with the governing documents.
3. To assess the costs of said maintenance, mowing, snow removal, and administration of the Association to the Owners.
4. To promote the welfare and safety of the Owners, and the preservation of values of the Property.
5. To exercise any and all powers, rights and privileges that an Association organized under the laws of the State of North Dakota may now or hereafter have or exercise.

6. To exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as set forth in the Declaration and these Bylaws, as may be amended from time to time.

ARTICLE V
APPLICABILITY OF THE BYLAWS

1. **APPLICABILITY TO OWNERS AND OCCUPANTS ALIKE.** The provisions of these Bylaws are applicable to all Owners and Occupants. All Owners and Occupants, including their guests and invitees, are subject to these Bylaws, the Declaration, and the Articles of Incorporation. The acceptance of a deed, conveyance, or the entering into of a lease, or the act of occupancy of a lot shall constitute an acceptance of all of the provisions of these instruments (and any amendments) and an agreement to comply therewith.

2. **MERGER.** In accordance with its Articles of Incorporation, the rights and obligations of this Association may, by operation of law, be transferred to another surviving or consolidated association similar in corporate nature and purposes. Alternatively, the properties, rights and obligations of an association similar in corporate nature and purposes may, by operation of law, be added to the property, rights and obligations of the Association as a surviving Association pursuant to a merger. The surviving or consolidated association may administer the covenants and restrictions established upon any other properties as one scheme. No such merger or consolidations, however, shall affect any revocation, change or addition to the covenants established by the Declaration or these Bylaws within the Property except as hereinafter provided. Such merger or consolidation shall have the consent of seventy-five percent (75%) of a quorum of the Directors.

ARTICLE VI
ORGANIZATION AND OWNERSHIP OF THE ASSOCIATION

1. **THE ASSOCIATION.** The Association is a “not-for-profit” corporation organized and existing under the laws of North Dakota. The Association is charged with the duties and vested with powers prescribed by law and set forth in the Governing Documents, as such may be amended from time to time.

2. **OWNERSHIP.** Ownership in the Association, shall mean and refer to the same thing as membership in the Association. Ownership shall be appurtenant to the portion of the Property giving rise to such ownership, and shall not be assigned, transferred, pledged, hypothecated, conveyed or alienated in any way except as provided in the Governing Documents.

3. **OWNER’S RIGHTS AND DUTIES.** Each Owner shall have the rights, duties and obligations set forth in the Governing Documents.

4. **ANNUAL MEETING.** The Owners shall have at least one meeting per year.

5. **VOTING.** The Owner of each Lot, or some person designated by such Owner or Owners to act as proxy on his or their behalf by way of a written proxy made out to the secretary of the Association, shall be entitled to cast one vote appurtenant to each Lot.

6. **QUORUM.** At all meetings of the Owners, one quarter (in present in person or by proxy) shall constitute a quorum for the transaction of business.

7. **MAJORITY.** A "majority" shall mean having more than 50% of the total votes of all Owners present in person or by proxy and voting at any meeting of the Owners.

8. **NOTICE.** The secretary of the Association shall provide two weeks written notice by mail prior to conducting any meeting of the Owners.

ARTICLE VII

BOARD OF DIRECTORS

1. **THE BOARD OF DIRECTORS.** The Board of Directors shall have all powers for the conduct of the affairs of the Association that are enabled by law. The Board of Directors shall exercise its power in accordance with the Governing Documents. Without limiting the generality thereof, the Board shall have the power and obligation and ability to perform the following duties:

- A. To acquire liability insurance on behalf of the Association.
- B. To fix, levy and collect assessments as provided in the Declaration.
- C. To employ, enter into contract with, delegate authority to, and supervise such persons or entities as may be appropriate to manage, conduct and perform the business obligations and duties of the Association.
- D. To participate in mergers and consolidations with other associations as provided in the Declaration.
- E. To perform acts, as may be reasonably necessary or appropriate, including bringing suit, causing a lien to be foreclosed or suspending ownership rights, to enforce or effectuate any of the provisions of the Governing Documents.

2. **NUMBER AND QUALIFICATION.** The Board must consist of five (5) voting Owners of the Association (or an agent thereof). Each Director shall serve a two-year term. The terms shall be staggered: two directors shall be elected in even years, and three directors shall be elected in odd years.

3. **MEETINGS.** Regular meetings of the Board may be held at such time and place as shall be determined from time to time by a majority of the Board. An official Board meeting requires that each Director be given notice at least seven (7) calendar days prior to the meeting. Any Director may waive in writing notice of any meeting of the Board. Attendance by a Director, except for the purpose of objecting to the sufficiency of notice thereof, shall constitute a waiver of notice of the time and place thereof, but not of the purpose.

4. **QUORUM.** At all Board meetings, a majority of Directors shall constitute a quorum for the transaction of business.

5. **COMPENSATION AND LIABILITY.** No Director shall receive any compensation for acting as such. The Directors shall not be liable, either separately or collectively, except for their own individual willful misconduct or bad faith, for any mistake of judgment, negligence or otherwise, arising out of the management of the Association, except to the extent that such liability may be covered by insurance of other third party indemnification.

ARTICLE VIII DECLARANT CONTROL

The Developer reserves the exclusive right to fully control the operation and administration of the Association and its Board of Directors without limitation, including but not limited to the right to amend these Bylaws or the Declaration, the right to make decisions and take action on behalf of the Board of Directors of the Association, the right to approve Assessments, and the right to enforce collection of the same, until the Developer has divested itself of responsibility for architectural control as set forth in Article III, Paragraph 1 of the Declaration. The Developer can take any such action with or without a meeting of the Board. Should the Developer act on behalf of the Association, the Developer shall execute a Written Action of the Board describing the action taken and provide a copy of said Written Action to all the Owners.

ARTICLE IX OFFICERS

The elected officers of the Association, their selection and their terms of office shall be as follows (although any Officer may serve in more than one capacity):

1. **President:** The President shall preside over all meetings of the Owners and Directors and shall be responsible for the day-to-day affairs of the Association. The President shall be elected in odd years and shall serve for a two (2) year term and shall be eligible for re-election. The President shall execute all contracts for the provision of services to or on behalf of the Association.
2. **Vice-President:** Shall perform all the duties of the President in the President's absence or at the President's request, and perform such other duties as may be

required by the Association. The Vice-President shall be elected in even years and shall serve for a two (2) year term and shall be eligible for re-election.

3. Secretary: The Secretary shall be responsible for keeping records of Association and Board actions, including overseeing the taking of minutes at all meetings, sending out notices, distributing copies of minutes and the agenda to Owners and Directors and assuring that minutes are maintained. The Secretary shall be elected in even years and shall serve for a two (2) year term and shall be eligible for re-election.
4. Treasurer: The Treasurer shall make a report at each Board meeting. Treasurer shall assist in the preparation of the budget, and shall make financial information available to Owners and Directors. The Treasurer shall be elected in odd years and shall serve for a two (2) year term and shall be eligible for re-election. The Board may hire an independent bookkeeper to serve as the Treasurer of the Association.

ARTICLE X **LIMITATION OF ACTIVITIES**

The Association shall not be operated for profit, save and except that the Association is authorized and empowered to pay reasonable compensation for services rendered. The activities of the Association shall be limited to:

1. Borrow money in the name of the Association to carry out the responsibilities and obligations of the Association, and to assess the costs thereof to the Owners.
2. Fix, levy and collect assessments.
3. Pay all expenses incident to the conduct of business of the Association.
4. Employ, enter into contract with, delegate authority to, and supervise such persons or entities as may be appropriate to manage, conduct, and perform the business obligations and duties of the association, including the maintenance and repair of the public roads.
5. Perform such acts, as may be reasonably necessary or appropriate, including bringing suit, causing a lien to be foreclosed or suspending ownership rights, to enforce or effectuate any of the provisions of the Governing Documents.
6. Regulate the external appearance of the Property and improvements thereon in such a manner so as to preserve and enhance values and to maintain a

harmonious relationship among structures and the natural vegetation and topography.

**ARTICLE XI
AMENDMENTS OF BYLAWS**

These Bylaws may be amended or revised by the Developer until the Developer has divested itself of responsibility for architectural control as set forth in Article III, Paragraph 1 of the Declaration. Thereafter, these Bylaws may be amended or revised by a majority vote at an annual or special meeting of the Owners at which a quorum is present. These Bylaws are not intended to be recorded and indexed against the Property.

IN WITNESS WHEREOF, Lost River Homeowners' Association, Inc. has enacted these Bylaws this 19th day of October, 2018.

LOST RIVER HOMEOWNERS' ASSOCIATION, INC.



By: Jack Dwyer
Its: President

STATE OF NORTH DAKOTA)
) ss.
COUNTY OF CASS)

On this 19th day of October, 2018, before me, a notary public in and for said county and state, personally appeared Jack Dwyer, known to me to be the person that executed the foregoing instrument, and acknowledged to me that he executed the foregoing instrument on behalf of the Lost River Homeowners' Association, Inc.

BRIANNA A. NAUGLE
Notary Public
State of North Dakota
My Commission Expires June 23, 2020


Notary Public