

BYLAWS OF  
HIGHLAND PARK COMMUNITY SERVICES ASSOCIATION, INC.

ARTICLE I  
NAME AND LOCATION

The name of the corporation is Highland Park Community Services Association, Inc., hereinafter referred to as the “Association”. The principal office of the corporation shall be located at 1520 64<sup>th</sup> Ave. North, Fargo, North Dakota, but meetings of members and directors may be held at such places as may be designated by the Board of Directors.

ARTICLE II  
DEFINITIONS

Section 1. “Declaration” shall mean the covenants, conditions and restrictions and all other provisions herein set forth in the entire Document, as may from time to time be amended.

Section 2. “Association” shall mean and refer to Highland Park Community Services Association, Inc. its successors and assigns.

Section 3. “Developer” shall mean and refer to McCormick, Inc., a corporation, its successors or assigns.

Section 4. “General Plan of Development” shall mean that plan as publicly distributed and as approved by appropriate governmental agencies which shall represent the total general scheme and general uses of land in the Properties, as such may be amended from time to time subject to at least thirty (30) days notice to the Association and approval of the governmental agencies involved.

Section 5. "The Properties" shall mean and refer to all real property which becomes subject to the Declaration.

Section 6. "Common Area" shall mean and refer to those areas of land shown on any recorded subdivision plat of the Properties and improvements thereto, which are intended to be devoted to the common use and enjoyment of the Members. Such common areas are enumerated by a legal description on attached Exhibit B.

Section 7. "Living Unit" shall mean and refer to any portion of a structure situated upon the Properties designed and intended for use and occupancy as a residence by a single family.

Section 8. "Lot" shall mean any part or parcel of real property designated for residential use (with the exception of common areas) and shown on the plat or any replat of Highland Park situated in the County of Cass and State of North Dakota which is the property described in this Declaration or shown on the plat of any subdivision annexed thereto pursuant to the terms of this Declaration. In the event that any residential lot is originally platted as part of the Highland Park situated in the County of Cass and State of North Dakota or any other subdivision annexed thereto is subdivided for the purpose of constructing on such subdivided lot a separate residential improvement, any such subdivision of the original platted lot shall be considered a separate lot. In the event that two or more lots or parts of two or more lots as originally platted as part of Highland Park situated in the County of Cass and State of North Dakota or any subdivision annexed thereto are joined for the purposes of construction of a single residential or commercial investment upon the lots or parts of lots, such joined tracts shall be considered a single lot. In the event any condominium projects are erected within Highland Park situated in the County of Cass and

State of North Dakota, each separate condominium living unit shall be considered a lot, however, would only be erected in Block 7.

Section 9. “Multifamily Structure” shall mean and refer to a structure with two or more Living Units under one roof, except when such Living Unit is situated upon its own individual Lot as defined herein.

Section 10. “Owner” shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot, but excluding those having such interest merely as security for the performance of an obligation.

Section 11. “Book of Resolutions” shall mean and refer to the document containing rules and regulations and policies adopted by the Board of Directors as same may be from time to time amended.

### ARTICLE III

#### MEETINGS OF MEMBERS

Section 1. Annual Meetings. The first annual meeting of the members shall be held within one (1) year from the date of incorporation of the Association. Subsequent annual meetings shall be held in the month of May, on a day so designated by the Board of Directors.

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 one-tenth (1/10) of the members or a minimum of fifty (50) whichever is greater.

Section 3. Proxies. 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 after one (1) year, provided however, members of Class B cannot vote by proxy.

## ARTICLE IV

### BOARD OF DIRECTORS

Section 1. Term. The affairs of the Association shall be managed by a Board of five (5) directors who need not be members of the Association. As long as the Class B membership exists, the Board shall consist of directors appointed by the Class B member and directors elected by the Class A members.

Section 2. Composition and Term. The apportionment of the board between appointed and elected directors shall be as follows:

The initial Board of Directors shall be appointed and serve until the first annual meeting following conveyance of the first Lot in the Properties. At that meeting three (3) directors shall be appointed and one (1) director elected for a term of one (1) year and one (1) director elected for a term of two (2) years. Upon expiration of the term of the director elected for one (1) year, election of such director shall be for a period of two (2) years.

After Class B membership expires, all directors shall be elected. All terms of office of elected directors shall be for two (2) years.

Section 3. Method of Nomination. Candidates for election shall file a petition of candidacy, signed by not less than ten (10) members, with the Elections Committee at least three (3) weeks before the annual meeting. The Elections Committee shall provide all members with a ballot containing the names of all bona fide candidates not less than ten (10) days before the annual meeting. A prospective candidate cannot be a bona fide candidate if the prospective candidate is not current with Subdivision Dues or Assessments. A

prospective candidate cannot be a bona fide candidate if there is an ongoing violation of these Bylaws or the subdivision's Declaration of Covenants and Restrictions on the prospective candidate's Lot. An 'ongoing violation' shall be determined by a majority vote of the Board of Directors. Section 4. Method of Election. Election shall be by secret written ballot at the annual meeting or delivered to the Chairman of the Elections Committee prior to the start of the annual meeting. The members may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Articles of Incorporation. Cumulative voting is not permitted. Those persons receiving the largest number of votes shall be elected.

Section 5. Resignation and Removal. The unexcused absence of a director from three (3) consecutive regular meetings of the Board shall be deemed a resignation. Any director may be removed from the Board, with or without cause, by a majority vote of the members of the Association. These provisions do not apply to directors appointed by Class B members.

Section 6. Vacancies. In the event of death, resignation or removal of any elected director, his successor shall be selected by the remaining elected directors and shall serve for the unexpired term of his predecessor.

Section 7. 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

### MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be

held without notice, at such place and hour as may be fixed from time to time by resolution of the Board.

## ARTICLE VI

### POWERS AND DUTIES OF THE BOARD OF DIRECTORS

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

- (a) exercise for the Association all powers, duties and authority vested in or delegated to this Association by law, the Declaration or any Supplementary Declaration and not reserved to the membership by other provisions of these By-Laws, the Articles of Incorporation or the Declaration.
- (b) 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) adopt and publish rules and regulations including fees, if any, governing the use of the Common Area and facilities, and the personal conduct of the members and their guest thereon, and to include these in the Book of Resolutions.
- (b) suspend the right to use the recreational facilities of an Owner during any period in which such Owner shall be in default for more than thirty (30) days after notice in the payment of any assessment levied by the Association. Such right may also be suspended for members, after notice and hearing, for a period not to exceed sixty (60) days for infraction of the Declaration or the Book of Resolutions.
- (c) cause to be kept a complete record of all its corporate affairs including the Book of Resolutions, make such records available for inspection by any member or his agent and present an annual statement thereof to the members.

- (d) supervise all officers, agents and employees of the Association and see that their duties are properly performed.
- (e) issue upon demand by any member a certificate setting forth whether or not any assessment has been paid and giving evidence thereof for which a reasonable charge may be made.
- (f) designate depositories for Association funds, designate those officers, agents and/or employees who shall have authority to withdraw funds from such accounts on behalf of the Association, and cause such persons to be bonded, as it may deem appropriate.
- (g) hold a public hearing on the proposed annual budget and approve the annual budget.
- (h) fix annual general and parcel assessments at an amount sufficient to meet the obligations imposed by the Declaration and all Supplementary Declarations.
- (i) annually set the date(s) assessments are due, decide what, if any, interest rate is to be applied to assessments which remain unpaid thirty (30) days after they become due.
- (j) send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of the due date of the annual assessment or first installment thereof.
- (k) cause the lien against any property for which assessments are not paid within thirty (30) days after due date to be foreclosed or cause an action at law to be brought against the Owner personally obligated to pay the same.
- (l) cause the Common Areas to be maintained.

- (m) procure and maintain adequate liability and hazard insurance on property owned by the Association.
- (n) enter into mortgage agreements and obtain capital debt financing subject to the provisions of the Declaration.
- (o) appoint such committees as prescribed in Article VIII.

## ARTICLE VII

### OFFICERS

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 of Directors 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 of Directors 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. 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 5. 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 6. Multiple Offices. The offices of president and secretary may not be held by the same person.

Section 7. Duties. The duties of the officers are as follows:

- (a) President: The president shall preside at all meetings of the Board of Directors and of the Association; 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 promissory notes and contracts as the Board may approve from time to time.
- (b) Vice President: 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 duties as may be required of him by the Board.
- (c) Secretary: The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; maintain the Book of Resolutions; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notices to members as provided in Article IX; 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.
- (d) Treasurer: The treasurer shall cause all monies of the Association to be deposited in appropriate accounts and disbursed therefrom as directed by resolution of the Board of Directors, shall co-sign any promissory notes and contracts; keep proper books of account; cause an annual audit of the Association books to be made by a certified public accountant at the

completion of each full fiscal year; and shall be the chief officer responsible for the preparation of an annual budget and a statement of income and expenditures to be presented to the Board of Directors and to the membership at its regular annual meetings.

## ARTICLE VIII

### COMMITTEES

Section 1. Elections Committee. The Board shall appoint an Elections Committee no later than two (2) months prior to the annual meeting date. The Committee shall consist of a chairman who may not be a director, and at least four (4) members, none of whom shall be candidates for office. It shall be the duty of the Committee to provide supervision of the nomination and election of directors in accordance with procedures adopted by the Board and placed in the Book of Resolutions.

Section 2. Other Committees. The Board shall appoint such other committees it deems appropriate to carrying out its purpose.

## ARTICLE IX

### QUORUM AND NOTICE

Section 1. Quorum. The quorum for meetings where action by Owners is required by the Declaration shall be the presence of Owners in person or by proxy who are entitled to cast sixty percent (60%) of the votes of the Owners and the presence of the Class B member. If the required quorum is not forthcoming at the meeting, the meeting may be adjourned to another time no sooner than one (1) week nor later than one (1) month from that date. Should a quorum not be present at any meeting, the quorum requirement shall be reduced by half (1/2) for the subsequent adjourned meeting.

The quorum for all other meetings of members shall be the presence at meetings of members in person or by proxy who are entitled to cast one tenth (1/10) of the votes of the members than outstanding.

Section 2. Notice. Notice required by the Declaration, the Articles of Incorporation or these By-Laws shall be provided by one of these methods: in writing by mailing a copy of such notice, first class postage prepaid, to the member at the address last appearing on the books of the Association, or supplied by such member for the purpose of notice; OR by email and posting a copy of such notice in the glass box adjacent to the Association's mailbox at 1520 64<sup>th</sup> Avenue N, Fargo, ND 58102.

Notice for meetings where action by Owners is required shall be provided to Owners at least thirty (30) days and not more than sixty (60) days prior to such meeting. Notice of all other meetings of members shall be provided to members at least fifteen (15) days before such meeting.

Notice of meetings shall specify, the place, day and hour of the meeting, and in the case of a special meeting, the purpose of the meeting.

## ARTICLE X

### FISCAL YEAR

The fiscal year of the Association shall begin on the first day of June and end on the thirty-first day of May of every year, except that the first fiscal year shall begin on the date of incorporation.

## ARTICLE XI INDEMNIFICATION OF OFFICERS AND DIRECTORS

Each officer and director of the Association in consideration of his services as such, shall be indemnified by the Association to the extent permitted by law against expenses and liabilities reasonably incurred by him in connection with the defense of any action, suit, or proceeding, civil or criminal, to which he may be a party by reason of being or having been a director or officer of the Association. The foregoing right of indemnification shall not be exclusive of any other rights to which the director or officer or person may be entitled by law, or agreement, or vote of the members or otherwise.

## ARTICLE XII

### ARCHITECTURAL REVIEW BOARD

Section 1. Composition. The Architectural Review Board shall be comprised of a chairman and two or more members. A quorum for Review Board action shall be three (3) members.

Section 2. Duties. It shall be the duty of the Architectural Review Board to regulate the external design, appearance, location and maintenance of the Properties and of improvements thereon, to regulate such uses of property as described in the Declaration and to regulate and enforce certain additional protective covenants dated \_\_\_\_\_ and filed on \_\_\_\_\_ in the office of the Register of Deeds of Cass County, North Dakota as recorded in Book \_\_\_\_\_, Page \_\_\_\_\_.

Section 3. Procedures. The Committee shall formulate general guidelines and procedures and submit them for confirmation to the Board of Directors. Such guidelines and procedures shall be considered adopted policy of the Board unless rejected by a two-thirds (2/3) vote of the Board within thirty (30) days of the date of submittal. The adopted

guidelines and procedures shall be incorporated in the Book of Resolutions and the Committee shall act in accordance with such guidelines and procedures.

### ARTICLE XIII

#### AMENDMENT

Section 1. These By-Laws may be amended:

- (a) By a vote of two-thirds (2/3) of the Directors at any meeting of the directors duly called for that purpose, providing notice of the meeting has been given to the members at least fifteen (15) days prior to the meeting, or
- (b) At the annual meeting of the members, by a vote of a majority of the votes of the members who are voting in person or by proxy.

Should the Federal Housing Administration or the Veterans Administration have legal interest, they shall have the right to veto amendments while there is a Class B membership.

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 of Covenants and Restrictions and these By-Laws, the Declaration shall control.

APPROVED  
On 4/28/2016  
at a meeting  
of the Board  
called for that  
purpose.