**BYLAWS**

**OF**

**GOLDEN VALLEY HOMEOWNERS ASSOCIATION**

Dated: July 18, 2023

These Bylaws are adopted to provide for the administration of the Golden Valley Homeowners Association, a non-profit corporation (hereinafter “Association”) for the purpose of holding title to and maintaining the common areas as more specifically set forth in the Covenants, Conditions, Restrictions, Easements, Liens and Charges of Golden Valley Association and these Bylaws are subject to the definitions set forth in the Covenants, Conditions, Restrictions, Easements, Liens and Charges. These Bylaws are adopted for the improvement and operation strictly for the benefit of the Members of Golden Valley, and to provide for the peaceful enjoyment of private residential property in Golden Valley. Accordingly, this organization will have the responsibility to insure the continued development and maintenance of such facilities as Members of Golden Valley will determine, within the limits of the land and resources available; and to promote the general health, welfare, and well-being of the Members of Golden Valley.

ARTICLE I

PLAN OF UNIT OCCUPANCY

**Section 1**. Single Family Residences. The residential lots located upon Lots \_\_\_ through \_\_\_\_, Blocks \_\_\_\_.

**Section 2**. Applicability of Bylaws. The provisions of these Bylaws are applicable to the single-family residences, and to the use and occupancy thereof. The term “Unit” as used herein shall include the interior and exterior of the single-family residences and the lot on which they are located, as described by the purchase agreement signed by the Unit Owner. Wherever the word “Member” or “Members” is used herein, that term shall refer to the Owners of a single-family residence.

**Section 3**. Application. All present and future owners, mortgagees, lessees, and occupants of Units and their employees, families, roommates, and guests and any other persons who may use the facilities of the Units in any manner are subject to these Bylaws and the Covenants, Conditions, Restrictions, Easements, Liens and Charges (“Covenants”) pertaining to the use and operation of the Unit property. The acceptance of a deed or conveyance, or the entering into of a lease or the act of occupancy of a Unit shall constitute an agreement that the provisions of the Covenants, these Bylaws (and any rules and regulations made pursuant thereto), as they may be amended from time to time, are accepted, ratified, and will be complied with.

**Section 4**. Office. The principal office of the Association in the State of North Dakota will be located in Golden Valley, Cass County. The Association shall receive its mail at P.O. Box 9674 Fargo, North Dakota, 58106.

ARTICLE II

MEMBERS

**Section 1**. Members. Members of the Association will consist of all the owners of single-family residences.

**Section 2**. Title Owners. Ownership to single family residences may be taken in the name of an individual, a corporation, a limited liability company, tenants in common, joint tenants, limited liability partnerships, limited liability limited partnerships, general partnership, other registered North Dakota business entities, or in the name of a fiduciary.

**Section 3**. Annual Meetings. The Members shall meet annually and no later than the 30th day of May of each year at such time and place designated by the Board of Managers. At such meeting the Board of Managers shall be elected to replace those whose terms expire in the calendar year of such annual meeting.

**Section 4**. Special Meetings. Special meetings may be called at any time and for any purpose by any officer or by the Board of Managers upon at least three (3) days’ notice to the Members of the time, place, and purpose of such meeting.

**Section 5**. Voting. The Owner of a single-family residence shall be entitled to one (1) vote per residence.

**Section 6**. Quorum. The vote of a majority of members present at a meeting at which a quorum exists shall be binding upon all Members and shall be necessary for all voting purposes. A quorum for purposes of a meeting of the Members shall mean more than twenty percent (20%) of the Members are present either in person or by proxy.

**Section 7**. Notice of Meeting. Written notice of each annual meeting of the Members shall be delivered or mailed to the Owner at least fifteen (15) days before each meeting.

**Section 8**. Proxies. Any voting member may designate in writing someone to vote at Membership meetings as his or her or their proxy. Such proxy shall be delivered to the Secretary prior to the vote to be taken on any matter at any meeting. All proxies shall terminate not more than eleven (11) months after the date thereof, or upon sale of the Property by the Owner giving the proxy, whichever occurs first.

**Section 9**. Adjournment of Meetings. If any meeting of Members cannot be held because a quorum is not attended, the Members may adjourn the meeting to a time not less than forty-eight (48) hours from the time the original meeting was called.

**Section 10**. Order of Business. The order of business at all meetings of the Members shall be as follows:

1. Roll call;
2. Proof of notice of meeting;
3. Reading of the minutes of preceding meeting;
4. Reports of officers;
5. Reports of Board of Managers;
6. Reports of committees;
7. Election of Members of the Board (when so required);
8. Unfinished business; and
9. New business.

ARTICLE III

BOARD OF MANAGERS

**Section 1**. Number and Qualification. The affairs of the Association shall be governed by a Board of Managers elected by the Members. The Board of Managers shall be composed of five (5) persons, each of whom shall be Owners of a single-family residence, entitled to one (1) vote each.

**Section 2**. Powers and Duties. The Board of Managers shall have the powers and duties necessary for the administration of the affairs of the Association, except such powers and duties as by law or by these Bylaws may not be delegated to the Board of Managers by the Members. The powers and duties to be exercised by the Board of Managers shall include, but shall not be limited to the following:

1. Operation, care, upkeep, and maintenance of the common areas;
2. Determination of the amount required for operation, maintenance, and other affairs of the Association;
3. Collection of the common charges from the Members;
4. Employment and dismissal of personnel, as necessary for the efficient maintenance and operation of the Association;
5. Adoption and amendment of rules and regulations covering the details of the operation and use of the common areas;
6. Opening of bank accounts on behalf of the Association and designing the signatories required therefore;
7. Purchasing, leasing, or otherwise acquiring in the name of the Board of Managers, or its designee, corporate or otherwise, on behalf of all Members, Units offered for sale or lease that are surrendered by their Owners to the Board of Managers;
8. Purchasing Units at foreclosure or other judicial sale in the name of the Board of Managers, or its designee, corporate or otherwise, on behalf of all Members;
9. Selling, leasing, mortgaging, or otherwise dealing with Units acquired by, and subleasing Units leased by the Board of Managers or its designee, corporate or otherwise, on behalf of all Members;
10. Obtaining insurance for the Association property pursuant to these Bylaws;
11. Making repairs, additions, and improvements to, or alterations of, the Association property, and repairs to and restoration of the property in accordance with the other provisions of these Bylaws, after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings;
12. The Board of Managers may set annual assessments for the Association in such amounts as the Board deems prudent and reasonable. This shall include annual assessments or charges to maintain the common areas and special assessments for capital improvements. The Bylaws shall set forth the enforcement rights of the Board of Managers with respect to unpaid assessments. Any assessments exceeding $1,000.00 must be approved by a majority of voting members.
13. To levy fines and penalties against Members for violation of the Covenants.

**Section 3**. Election and Term of Office. At the first annual meeting of the Members, the Board shall be elected. The initial term of office of the Board Members shall be staggered so that one (1) Board Member shall serve an initial term of one (1) year, two (2) Board Members shall serve an initial term of two (2) years, and two (2) Board Member shall serve an initial term of three (3) years. Thereafter, the term of office of each new Board Member shall be fixed at three (3) years. Members of the Board shall hold office until their respective successors shall have been elected by the Members.

**Section 4**. Removal of Managers. A Manager may be removed from his or her or their position as such if the members agree to such an action in a written document signed by not less than seventy-five percent (75%) of the Members.

**Section 5**. Filling Prematurely Vacated Seats. In the event a seat on the Board of Managers is vacated prior to the end of the natural term as defined herein, for any reason, the empty seat shall be filled within a reasonable time in the same manner an empty seat would otherwise be filled.

**Section 6**. Organizational Meeting. The first meeting of the Board of Managers following the annual meeting of the Members shall be held within 10 days thereafter, at such time and place as shall be fixed by the Members at the meeting at which such Board shall have been elected.

**Section 7**. Regular Meetings. Regular meetings of the Board may be held at such time and place as shall be determined from time to time by the Board, but at least one such meeting shall be held during each year. Notice of such meeting shall be given at least three business days prior to the day named for such meeting.

**Section 8**. Special Meetings. Special meetings of the Board may be called by the President on three business days’ notice to each member of the Board, given by regular mail, which notice shall state the time, place, and purpose of the meeting.

**Section 9**. Quorum of Board of Managers. At all meetings of the Board of Managers, a quorum shall constitute two Managers. If at any meeting of the Board there shall be less than a quorum present, the member present may adjourn the meeting from time to time.

**Section 10**. Compensation. No member of the Board of Managers shall receive any compensation from the Association for acting in that capacity, unless reasonable compensation is approved of in a document signed by more than one-half of all unit Owners.

**Section 11**. Liability of Board of Managers. The Board of Managers shall not be liable to the Members for any mistake of judgment, negligence, or otherwise, except for their own individual willful misconduct or bad faith. The Members shall indemnify and hold harmless each person who is on the Board of Managers against all contractual liability to others arising out of contracts by the Board of Managers on behalf of the Association unless any such contract shall have been made in bad faith or contrary to these Bylaws. It is intended that the Board of Managers shall have no personal liability with respect to any contract made by them on behalf of the Association. It is also intended that the liability of any Member arising out of the indemnity in favor of the Board of Managers shall be limited to such proportion of the total liability thereunder as his interest in the common areas bears to the interests of all the Members in the common areas.

**Section 12**. Records and Audits. The Board of Managers shall keep minutes of meetings of the Board of Managers and the Members, and shall maintain financial records and books of account for the Association, including a chronological listing of receipts and disbursements, as well as a separate account for each Unit which shall contain the amount of each assessment of common charges against such Unit, the date when due, the amounts paid thereon and the balance remaining unpaid. Financial records shall be audited annually, and a copy thereof promptly provided to all Members and any mortgagee which might have requested the same. Copies of all Association documents, records, and the most recent financial statements shall be available for inspection to Owners, lenders, perspective purchasers, and perspective lenders.

ARTICLE IV

OFFICERS

**Section 1**. Designation. The principal officers of the Association shall be the President, the Vice President, the Secretary, and the Treasurer, all of whom shall be elected by the Board of Managers. The President and Vice President must be Members of the Board of Managers.

**Section 2**. Election of Officers. Officers shall be elected by the Board of Managers at the organizational meeting of each new Board of Managers and may be removed and replaced by the Board of Managers at any time.

**Section 3**. President. The President shall be the Chief Executive Officer of the Association. He shall preside at all meetings of the Members and of the Board of Managers. He shall have all of the general powers and duties which are incident to the office of President of a corporation.

**Section 4**. Vice President. The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act.

**Section 5**. Secretary. The Secretary shall keep the minutes of all meetings of the Members and of the Board of Managers.

**Section 6**. Treasurer. The Treasurer shall have the responsibility for Unit funds and securities and shall be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements and for the preparation of all required financial statements. He/she shall be responsible for the deposit of all monies and other valuable effects in the name of the Board of Managers, in such depositories as may from time to time be designated by the Board of Managers. The Treasurer shall be required to have some bookkeeping or accounting background.

**Section 7**. Agreements. Contracts. Deeds. Checks. etc. All agreements, contracts, deeds, leases, checks and any other instrument of the Units shall be executed by any two officers of the Association or by such other person or persons as may be designated by the Board of Managers.

**Section 8**. Compensation of Officers. No officer shall receive compensation from the Units for acting as such, unless reasonable compensation is approved of in a document signed by more than half of all the unit Owners.

ARTICLE V

OPERATION OF THE PROPERTY

**Section 1**. Determination of Common Expenses and Common Charges. The Board of Managers shall from time to time, and at least annually, prepare a budget for the Association, determine the amount of the common charges required to meet the common expenses of the Units, and allocate and assess such common charges against the Members according to their respective common interest. The common expenses shall include, among other things, the cost of all insurance premiums and all policies of insurance. The common expenses may also include such amounts as the Board of Managers may deem proper for the operation and maintenance of the Unit property, including, but not limited to, an amount for working capital of the Units, for a general operating reserve, for a reserve fund for replacements, for real estate taxes and special assessments, and to make up any deficit in the common expenses for any prior year. The Board of Managers shall advise each Member in writing of the amount of common charges payable, and shall furnish copies of each budget on which such common charges are based to all Members.

**Section 2**. Payment of Common Charges. All Members shall be obligated to pay the common charges assessed by the Board of Managers at such time or times as the Board of Managers shall determine. The Board of Managers shall take prompt action to collect from a Member any common charge due which remains unpaid for thirty days or more from the due date for its payment. In the event of default by any Member in paying the assessed common charges, such Member shall be obligated to pay interest at the legal rate on such common charges from the due date, together with all expenses, including late fees of 10% after four days, reasonable attorney's fees, recording fees and other expenses incurred by the Board of Managers in any proceedings brought to collect such unpaid common charges. The Board of Managers also has the right to record a lien against a Unit for unpaid common charges, interest thereon, reasonable attorney's fees and other expenses or initiate legal proceedings to collect the same.

**Section 3**. Foreclosure of Liens for Unpaid Common Charges. The Board of Managers may bring an action to foreclose the lien on a unit for unpaid common charges in accordance with the statutes relating to foreclosures of real estate mortgages in the same manner as if said lien was a real estate mortgage. The Board of Managers, through its designee, may purchase the unit at the foreclosure sale and deal with it in any manner as any other Member. A suit to recover a money judgment for unpaid common charges may also be maintainable without foreclosing or waiving the statutory lien.

**Section 4**. Maintenance and Repair. All maintenance of and repairs to the interior of any Unit shall be made by the Owner of such Unit subject to the Covenants. Each Member shall be responsible for all damages to any other Unit and to the common areas resulting from the Member's failure to effect such maintenance and repairs.

**Section 5**. Use of Units. In order to provide for congenial occupancy of the project and for the protection of the values of the Units, the use of the project shall be subject to the following limitations:

1. The Units shall be used only as a residence except for an office not involving foot traffic;
2. No nuisances shall be allowed on the project;
3. No immoral, improper, offensive, or unlawful use shall be made of the project or any part thereof, and all applicable laws, zoning ordinances and regulations of all governmental bodies shall be complied with. Such compliance shall be effected by the Unit Members or the Board of Managers, whichever shall have the obligation to maintain or repair the part of the project causing the violation;
4. Members are allowed to rent their unit with the prior written consent of the Board of Managers. Prior to leasing a Unit, the Member shall present information to the Board of Managers regarding the details of the rental. Those details shall include, but shall not be limited to, the names of all potential Lessees, the relationship of such occupants, if any, to the Members, the term of the lease and background information about potential Lessees as requested by the Board. The Board of Managers shall have authority to conduct a background investigation on each rental prospect and reject any proposed Lessee. Even if a Lessee is accepted by the Board of Managers, the Members shall remain responsible for all conduct of the Lessees and for all monthly assessments.

**Section 6**. Additions, Alterations, or Improvements by Members. Subject to the provisions of the Covenants, no Member shall make any additions, alteration or improvement in or to his Unit, except for remodeling or redecorating confined wholly within the Unit itself, without the prior written consent of the Board of Managers, after written request therefore, which must be answered within 30 days after receipt of such written request, and failure to answer shall constitute a waiver of the provision of this section. The Board of Managers shall not be liable to any contractor, subcontractor, or to any person sustaining personal injury or property damage, for any claim arising in connection with such addition, alteration, or improvement.

**Section 7**. Use of Common Areas. A Member shall not place any object or obstacle in any of the common areas.

**Section 8**. Water and Sewer. Water will be separately metered to each single-family residential Unit and the cost thereof shall be paid by that Member. Water serving the Common Areas will be separately metered and the cost thereof paid by the Board of Managers as a common charge.

**Section 10**. Electricity. Electricity will be separately metered to each unit and the cost thereof paid by that Member.

ARTICLE VI

LIENS AND CONVEYANCES

**Section 1**. Lien. Every Owner of a lot in Golden Valley Homeowners Association, by the acceptance of a deed of conveyance or other document conveying legal or equitable title to such Owner and acceptance of a lease does thereby grant this Association a lien for the payment of assessments levied against said lot by the Board of Managers.

**Section 2**. Conveyance. No Unit shall be conveyed to a subsequent Owner unless and until all assessments are paid in full as of the date of closing the conveyance. Any purchaser of a Unit assumes and agrees to pay all accrued and future assessments against said Unit.

**Section 3**. Notice. Every Owner of a Unit that intends to sell shall give notice to the intended purchaser of the provisions hereof and the amount of accrued assessments and shall give notice to the Secretary of the Association.

ARTICLE VII

FISCAL YEAR

**Section 1**. Fiscal Year. The fiscal year of the Association shall be from January 1 to December 31, unless otherwise established by the Board of Managers.

ARTICLE VIII

CONDEMNATION

**Section 1**. Condemnation. In the event of taking by condemnation or by eminent domain of part or all of the Common Areas, the award made for such taking shall be payable to the Board of Managers. The Board of Managers shall arrange for the repair and restoration of such Common Areas, and the Board of Managers shall disburse the proceeds of such award to the contractors engaged in such repair and restoration in appropriate progress payments. Any expense over condemnation proceeds may be assessed as a common expense by the Board. Any surplus shall be distributed to the Members in proportion to their common interest, subject to unpaid liens upon such Unit. In the event the project is obsolete and uneconomical and more than half of the Members disapprove the repair and restoration of such Common Areas, the Board of Managers shall disburse the net proceeds to the Members in proportion to their common interest. Any restoration or repair of the damage must be approved by the eligible holders of first mortgages on Units until more than half of the votes of Units subject to mortgages held by such eligible holders are allocated.

ARTICLE IX

APPELLATE PROCESS

**Section 1**. Any Member whose rights, obligations, or property are affected by a decision of the board of managers, whether it be a decision specific to that Member, another Member, or all Members shall have the right to request that the Board of Managers reconsider a decision after hearing testimony of any Member wishing to give such at a meeting open to all Members.

**Section 2**. Upon the request of any Member described in Section 1 of this Article, the Board of Managers shall schedule and give proper notice in writing of a meeting to all Members of the date, time, location, and topics to be discussed and voted upon by the Board of Managers.

**Section 3**. Any meeting scheduled under this Article shall occur within a reasonably timely time span, considering the time sensitivity of the matter at hand, not to exceed 45 days from the date of request.

**Section 4**. Any Member seeking to challenge a decision of the Board of Managers in a court of competent jurisdiction must first appeal that decision via the process described in this Article.

ARTICLE X

MISCELLANEOUS

**Section 1**. Notices. All notices to the Board of Managers shall be sent by registered or certified mail to the office of the Board of Managers or to such other address as the Board of Managers may hereafter designate from time to time.

**Section 2**. Invalidity. The invalidity of any part of these Bylaws shall not impair or affect in any manner the validity, enforceability, or effect of the balance of these Bylaws.

**Section 3**. Captions. The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit, or describe the scope of these Bylaws, or the intent of any provision thereof.

**Section 4**. Gender. The use of the masculine in these Bylaws shall be deemed to include the feminine, and the use of the singular shall be deemed to include the plural, whenever the context so requires.

**Section 5**. Waiver. No restrictions, condition, obligation or provision in these Bylaws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur.

ARTICLE XI

AMENDMENTS TO THE BYLAWS

**Section 1**. Amendments to the Bylaws. The Bylaws may be amended, altered or repealed and new Bylaws may be adopted by the Owners at any regular or special meeting of the Owners, upon the affirmative vote of seventy-five percent (75%) of the voting Members present. Notice of the proposed Amendment must be given in writing at least fifteen (15) days before the meeting at which a proposed Amendment is to be voted upon.

ARTICLE XII

COMMITTEES

**Section 1**. Committees. The Board of Managers may appoint such committees as the Board deems necessary and advisable, appointing Owners thereto and establishing, if necessary, the term of such committees existence, which may not exceed two years.

The above Bylaws are hereby adopted and approved by the undersigned this day of \_\_\_\_\_\_\_\_\_, 2023.

Golden Valley Homeowners Association, Inc.

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Its: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_