

BY-LAWS
OF
RIVER HILLS PARK ASSOCIATION

ARTICLE I

OFFICES

Section 1. Registered Office. The registered office of the Cooperative shall be as provided and designated in the Articles of Incorporation. The Board of Directors of the Cooperative may, from time to time, change the location of the registered office. On or before the day that such change is to become effective, a certificate of such change and of the location and post office address of the new registered office shall be filed with the Secretary of State of the State of Minnesota.

Section 2. Other Offices. The Cooperative may establish and maintain such other offices, within or without the State of Minnesota, as are from time to time authorized by the Board of Directors.

ARTICLE II

MEETINGS OF STOCKHOLDERS

Section 1. Place of Meeting. All meetings of the Stockholders shall be held at the principal place of transacting the business of the Cooperative in the State of Minnesota or at such place within or without the State as may be fixed from time to time by the Board of Directors or by written consent of all the Stockholders entitled to vote thereat.

Section 2. Date of Annual Meeting. The annual meeting of the Stockholders shall be held in the month of May, on the Sunday of Memorial Day weekend, at the hour of 10:00 o'clock a.m., in each year, beginning with the year 2007, for the purpose of electing directors and for the transaction of any other business with respect to which special notice is required shall be transacted unless such notice shall have been given. If for any reason the annual meeting is not held, or the directors are not elected thereat, directors may be elected at a special meeting held for that purpose, and it shall be the duty of the President or Secretary, upon demand of any Stockholder entitled to vote, to call such special meeting. Should none of the said officers call such meeting upon demand, any Stockholder shall have the right and power to call such meeting.

Section 3. Notice of Annual Meeting. Written notice of the time and place of the annual meeting shall be hand delivered or mailed by United States mail, postage prepaid, not less than fifteen (15) nor more than thirty (30) days before such annual meeting, to each Stockholder entitled to vote thereat at his address as the same appears upon the books of the Cooperative.

Section 4. Stockholders List. The officer who has charge of the stock ledger of the Cooperative shall prepare and make, at least ten (10) days before every election of directors, a complete list of the Stockholders entitled to vote at said election, arranged in order of Stock Certificate number,

showing the address of each Stockholder. Such list shall be open to the examination of any Stockholder, during ordinary business hours, for a period of at least ten (10) days prior to the election, either at a place within the city, town, or village where the election is to be held and which place shall be specified in the notice of the meeting, or, if not specified, at the place where said meeting is to be held, and the list shall be produced and kept at the time and place of election during the whole time thereof, and subject to the inspection of any Stockholder who may be present.

Section 5. Special Meetings. Special meetings of the Stockholders, for any purpose or purposes, unless otherwise prescribed by statute or by the Articles of Incorporation, may be called by the majority of the Board of Directors, or at the request in writing of at least twenty percent (20%) of the Stockholders of the Cooperative. Such Stockholders request, which shall be by certified mail directed to the President, shall state the purpose or purposes of the proposed meeting.

Section 6. Notice of Special Meetings. Written notice of the time, place and purpose or purposes of a special meeting shall be hand delivered or mailed by United States mail, postage prepaid, not less than ten (10) nor more than thirty (30) days before such meeting, to each Stockholder at his address as the same appears upon the books of the Cooperative. The notice of special meeting shall be issued within ten (10) days after the date of presentation of the requisite stockholders' request.

Section 7. Business to be Transacted. No business shall be transacted at any special meeting of Stockholders except that stated in the notice of the meeting, unless consented to in writing by all Stockholders of the Cooperative.

Section 8. Waiver of Notice. Notice of the time, place and purpose of any meeting of Stockholders may be waived in writing, by any Stockholder. Such waiver maybe given before or after the meeting and shall be filed with the Secretary or entered upon the records of the meeting.

Section 9. Quorum and Adjournment. At any regular or special meeting of the Stockholders of the Cooperative, a quorum necessary to the transaction of business shall be the holders of record a majority of the total votes of all Stockholders in the Cooperative represented in person, by mail, by electronic means or by proxy. A Stockholder may vote by electronic means if the Cooperative is able to authenticate that it is the Stockholder who is casting the vote. If, however, such quorum shall not be present or represented at any meeting of the Stockholders, the Stockholders entitled to vote thereat, present in person, by mail, be electronic means or represented by proxy, shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present or represented, any business may be transaction which might have been transaction at the meeting as originally noticed. The Stockholders present at a duly called or held meeting until a transacted which might have been transacted at the meeting as originally noticed. The Stockholders present at a duly called or held meeting at which a quorum is present, may continue to transact business until adjournment, notwithstanding the withdrawal of enough Stockholders to leave less than a quorum.

Section 10. Voting Rights. A Stockholder in the Cooperative is only entitled to one (1) vote. The

term “Unit” as used in these By-Laws shall include the ownership interest held by the Stockholder in the Cooperative thereby entitling the Stockholder to the exclusive use of the Unit as described in the Proprietary Lease between the Stockholder and the Cooperative. A Stockholder is a “Member” of the Cooperative. The Cooperative may not cast any vote or be counted in determining a quorum as to any Unit for which a Stockholder does not have the right to use such Unit pursuant to a Proprietary Lease. If there is more than one Stockholder with respect to a Unit, the vote attributable to that Unit may be cast only by one of such Stockholders. A total of 130 votes may be cast by the Stockholders of the Association. A Stockholder may cast his vote in person, by mail, by electronic means, or by proxy. When a quorum is present in person, by mail, or by electronic means, or represented by proxy at the time a meeting is convened, the vote of at least eighty percent (80%) of the Stockholders present at the meeting present in person, by mail, by electronic means or by proxy shall decide any question before the meeting unless the question is one upon which, by express provision of statute, the Articles of Incorporation, or these By-Laws, a different vote is required, in which case such express provision shall govern and control the decision of such question.

Section 11. Manner of Voting. Each Stockholder shall at every meeting of the Stockholders be entitled to one vote in person, by mail, by electronic means or by proxy, and each Stockholder present, either in person, by mail, by electronic means or by proxy, shall have the right to cast one vote on each question and never more than one vote. Except where the transfer books of the Cooperative have been closed or a date has been fixed as a record date for the determination of its Stockholders entitled to vote, no Stockholder may vote at any election for directors if the capital stock of such Stockholder has been transferred on the books of the Cooperative within twenty (20) days next preceding such election of directors.

Section 12. Record Date. The Board of Directors may fix a time, not exceeding sixty (60) days preceding the date of any meeting of Stockholders, as a record date for the determination of the Stockholders entitled to notice of and to vote at such meeting, and in such case only Stockholders of record on the date so fixed, or their legal representatives, shall be entitled to notice of and to vote at such meeting, notwithstanding any transfer of any capital stock on the books of the Cooperative after any record date so fixed. The Board of Directors may close the books of the Cooperative against transfers of capital stock during the whole or any part of such period.

Section 13. Organization of Meetings. At all meetings of the Stockholders, the President shall act as Chairman and in his absence, the Vice President shall act as Chairman, and the Secretary, or in his absence, any person appointed by the Chairman shall act as Secretary.

Section 14. Action Without a Meeting. Any action which may lawfully be taken at a Stockholders' meeting may be taken without a meeting if authorized by a writing or writings signed by all of the Stockholders who would be entitled to a notice of a meeting for such purpose. Such action shall be effective on the date on which the last signature is placed on such writing or writings, or such earlier effective date as is set forth therein. If any action so taken requires a certificate to be filed in the office of the Secretary of State, the officer signing the same shall state therein that the action was affected in the manner aforesaid.

ARTICLE III

BOARD OF DIRECTORS

Section 1. Powers and Duties. The business of the Cooperative shall be managed by its Board of Directors which may exercise all such powers of the Cooperative and do all such lawful acts and things as are not by statute or by the Articles of Incorporation or by these By-laws required to be exercised or done by the Stockholders. The powers and duties of the Board of Directors shall include, but shall not be limited to, the following:

- a. Operate, maintain, repair and replace the Property and any personal property owned by the Cooperative in accordance with the provisions of these By-Laws or applicable statute.
- b. Determine what shall constitute common expenses required for the affairs of the Cooperative, which shall include all ordinary and necessary operating expenses for the operation and maintenance of the Property, and establish reserves for future repair, replacement and improvement of the Property and those parts of the Units which the Cooperative is obligated to maintain and repair.
- c. Levy and collect assessments for common expenses from the Stockholders.
- d. Employ and dismiss managing agents and personnel necessary for the maintenance and operation of the Property at such compensation as may be determined by the Board of Directors; provided, that any contracts entered into for such purposes shall provide for a maximum contract term of three (3) years.
- e. Adopt and implement Rules and Regulations governing the operation and the permitted use of the Property, and the personal conduct of Stockholders and their guests.
- f. Prepare and submit to the Stockholders an annual report required by Article IV below.
- g. Maintain and manage bank accounts on behalf of the Cooperative and designate the signatories required thereof.
- h. Purchase, lease or other wise acquire in the name of the Cooperative, capital stock offered for sale (including Units offered at any foreclosure or other judicial sale) or lease, or surrendered by their Stockholders.
- i. Sell, lease, mortgage or otherwise deal with capital stock acquired by, and sublease Units leased by, the Cooperative.
- j. Obtain insurance for the Property pursuant to the provisions of these By-Laws.
- k. Provide for the making of repairs, additions and improvements to or alterations of the Property and repairs to and restoration of the Property in accordance with these By-Laws, after

damage or destruction by fire or other casualty, or as a result of eminent domain proceedings.

1. Commence appropriate legal action for collection of Assessments for common expenses as hereinafter provided, and commence, defend and intervene in legal action for such other purposes as do not violate the purpose and objectives of the Cooperative.

m. Borrow money and pledge or mortgage the assets of the Cooperative for the purposes related to the bona fide business and operation of the Cooperative, with the approval of the holders of record of at least ninety percent (90%) of the total votes of all Stockholders in the Cooperative.

Section 2. Number and Term of Office. The initial Board of Directors as provided for in the Articles of Incorporation of the Cooperative shall serve as Directors of the Cooperative until the first annual meeting of Stockholders or until their successors are duly elected and qualified. Upon election of successors to the initial Board of Directors, the number of Directors which shall constitute the whole board shall be five (5), of which four (3) directors shall be the Owners of Units or designees of such Owners. The term "Owners" shall mean the Stockholders who are entitled to the exclusive use of a particular Unit by virtue of the execution of a Proprietary Lease with respect to such Unit. The number of directors may be otherwise determined in accordance with the applicable statute. The terms of the Board of Directors succeeding the initial Board shall be staggered, with the term of two (2) of the directors to expire as of the election of directors held at the annual stockholders meeting in the year 2008, the term of two (2) of the directors to expire as of the election of directors held at the annual stockholders meeting in the year 2009, and the term of one (1) of the directors to expire as of the election of directors held at the annual stockholders meeting in the year 2010. Thereafter each successor director shall be elected to serve for a term of three (3) years. Except as otherwise permitted by statute, the directors shall be elected at the annual meeting of the Stockholders of the Cooperative (or at any special meeting of the Stockholders called for that purpose. Nomination for election to the Board of Directors shall be made by a nominating committee. Nominations may also be made upon the floor at the annual meeting of Stockholders. The nominating committee shall consist of a chairperson, who shall be a member of the Board of Directors, and two (2) other Stockholders of the Cooperative. The nominating committee shall be appointed by the Board of Directors prior to each annual meeting of the Stockholders 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 shall be made from among the Stockholders of the Cooperative.

Section 3. Resignations and Removal. Any Directors of the Cooperative may resign at any time by giving written notice to the Secretary of the Cooperative. Such resignation shall take effect at the date of the 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. Any Director may be removed for cause related to the duties of the position of director by the vote of at least two-thirds (2/3rds) of the Stockholders of the Cooperative. Such vote shall be taken at a special meeting called for such purpose.

Section 4. Vacancies. Except with respect to the initial election of a director to fill a newly created directorship resulting from an increase in the number of directors by action of the Board of Directors in the manner as permitted by statute, if the office of any director becomes vacant by reason of death, resignation, retirement, disqualification, removal from office or otherwise, the directors then in office may choose a successor who shall hold office until the next annual or special meeting of the Stockholders.

Section 5. Place of Meetings. The Board of Directors of the Cooperative may hold meetings, both regular and special at River Hills Park, Detroit Lakes, Minnesota, or at such other place as at least three (3) of the members of the Board may from time to time appoint.

Section 6. Annual Meeting of Directors. An annual meeting of the Directors for the purpose of electing officers shall be held immediately following the annual meeting of the Stockholders. Notice of such meeting need not be given. Such meeting may be held at any other time or place which shall be specified in a notice, as hereinafter provided for special meetings of the Board of Directors, or such meeting may be dispensed with and the election of officers and any other business may be handled pursuant to Section 11 hereof.

Section 7. Regular Meetings. Regular meetings of the Board of Directors may be held without notice at such time and at such place as shall be determined by the Board at the previous Board meeting.

Section 8. Special Meetings. Special meetings of the Board may be called by the President on three (3) days notice to each director; either personally, by mail, by facsimile transmission or by email; special meetings shall be called by the President or Secretary in like manner and on like notice on the written request of two (2) directors. Every such notice shall state the time and place of the meeting and no business other than that stated in the notice shall be transacted at said meeting without the unanimous consent of all of the members of the Board of Directors. Special meetings may be held only on a Saturday or Sunday.

Section 9. Quorum. At all meetings of the board, two-thirds (2/3rds) of the directors shall constitute a quorum for the transaction of business and the act of two-thirds (2/3rds) of the directors present at any meeting at which there is a quorum shall be the act of the Board of Directors, except as may be otherwise specifically provided by statute, by the Articles of Incorporation, or by these By-Laws. If a quorum shall not be present at any meeting of the Board of Directors, the directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present. If a quorum is present at the call of a meeting, the directors may continue to transact business until adjournment notwithstanding the withdrawal of enough directors to leave less than a quorum.

Section 10. Organization of Meetings. At all meetings of the Board of Directors, the President, or in his absence, any person appointed by the President, shall act as Chairman, and the Secretary, or in his absence, any person appointed by the Chairman, shall act as Secretary.

Section 11. Action Without Meeting. Unless otherwise restricted by the Articles of Incorporation or these By-Laws, any action required or permitted to be taken at any meeting of the Board of

Directors or of any committee thereof may be taken without a meeting, if a written consent thereto is signed by all members of the Board or of such committee as the case may be, and such written consent is filed with the minutes of proceedings of the board or committee. Such action shall be effective on the date on which the last signature is placed on such writing or writings, or such earlier effective date as is set forth therein.

Section 12. Participation by Conference Telephone. Directors of the Cooperative may participate in a meeting of the Board of Directors or any committee thereof by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and participation in such a manner shall constitute presence in person at such meeting.

Section 13. Executive Committee. The Board of Directors may, by unanimous affirmative action of the entire board, designate two (2) or more of their number to constitute an Executive Committee, which, to the extent determined by unanimous affirmative action of the entire board, shall have and exercise the authority of the board in the management of the business of the Cooperative. Any such Executive Committee shall: act only in the interval between meetings of the board; be subject at all times to the control and direction of the board; and keep regular minutes of all its meetings and report the same to the Board of Directors when required.

Section 14. Compensation of Directors. No compensation shall be paid to any member of the Board of Directors unless a resolution authorizing such compensation shall have been adopted by the vote of a majority of the Stockholders of the Cooperative, but out of pocket expenses may be reimbursed upon approval by at least two-thirds (2/3rds) of the members of the Board of Directors. The foregoing provision shall not affect salaries to be paid to officers pursuant to Article IV, Section 4.

Section 15. Limitation of Director's Liabilities. A Director's personal liability to the Cooperative or Stockholders for monetary damages for breach of fiduciary duty as a Director are hereby eliminated, provided, however, that a Director shall be subject to liability for: (a) breach of the Director's duty of loyalty to the Cooperative or its Stockholders; (b) acts or omissions that are not in good faith or involve intentional misconduct or a knowing violation of law; and (c) a transaction from which the Director derived an improper personal benefit.

ARTICLE IV

OFFICERS

Section 1. Number. The officers of the Cooperative shall be chosen by the Board of Directors and shall include a President, a Vice President, a Secretary, and a Treasurer. The offices of Secretary and Treasurer may be held by the same person.

Section 2. Election. The Board of Directors at its first meeting after each annual meeting of Stockholders shall choose a President, a Vice President, a Secretary and a Treasurer.

Section 3. Other Officers and Agents. The Board of Directors may appoint such other officers

and agents as it shall deem necessary who shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board of Directors.

Section 4. Salaries. Salaries to be paid to the President, Secretary and Treasurer of the Cooperative shall be established by the vote of at least seventy-five percent (75%) of the members of the Board of Directors.

Section 5. Term of Office. The officers of the Cooperative shall hold office until their successors are chosen and qualify. Any officer elected or appointed by the Board of Directors may be removed for cause related to the duties of the position of the officer at any time by the affirmative vote of at least seventy-five percent (75%) of the members of the Board of Directors. Any officer may resign at any time by giving written notice to the President or the Secretary of the Cooperative. Any vacancy occurring in any office of the Cooperative shall be filled by the Board of Directors.

PRESIDENT

Section 6. Powers. The President shall be the chief executive officer of the Cooperative, shall preside at all meetings of the Stockholders of the Board of Directors, shall have general and active management of the business of the Cooperative and shall see that all orders and resolutions of the Board of Directors are carried into effect.

Section 7. Duties. He shall execute bonds, mortgages, and other contracts requiring a seal, under the seal of the Cooperative, if any, except where required or permitted by law to be otherwise signed and executed and except where the signing and execution thereof shall be expressly delegated by the Board of Directors to some other officer or agent of the Cooperative.

VICE PRESIDENT

Section 8. Powers and Duties. The Vice President, if any, or if there shall be more than one, the Vice Presidents in the order determined by the Board of Directors, shall, in the absence or disability of the President, perform the duties and exercise the powers of the President and shall perform such other duties and have such other powers as the Board of Directors may from time to time prescribe.

SECRETARY

Section 9. Secretary. The Secretary shall attend all meetings of the Board of Directors and all meetings of the Stockholders and record all the proceedings of the meetings of the Cooperative and of the Board of Directors in a book to be kept for that purpose and shall perform like duties for the standing committees when required. He shall give, or cause to be given, notice of all meetings of the Stockholders and special meetings of the Board of Directors, and shall perform such other duties as may be prescribed by the Board of Directors of President, under whose supervision he shall be.

TREASURER

Section 10. Treasurer's Duties. The Treasurer shall have the custody of the corporate funds and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Cooperative and shall deposit all monies and other valuable effects in the name and to the credit of the Cooperative in such depositories as may be designated by the Board of Directors.

Section 11. Treasurer's Accounting. He shall disburse such funds of the Cooperative as may be ordered by the Board of Directors, taking proper vouchers for such disbursements, and shall render to the President and the Board of Directors, at its regular meetings, or when the Board of Directors so requires, an account of all his transactions as Treasurer and of the financial condition of the Cooperative.

Section 12. Treasurer's Bond. If required by the Board of Directors, he shall give the Cooperative a bond which shall be renewed every six (6) years in such sum and with such surety or sureties as shall be satisfactory to the Board of Directors for the faithful performance of the duties of his office and for the restoration to the Cooperative, in case of his death, resignation, retirement or removal from office, of all books, papers, vouchers, money and other property of whatever kind in his possession or under his control belonging to the Cooperative.

Section 13. Reports. The Treasurer shall be required to prepare an annual report on behalf of the Cooperative to be provided to each Stockholder prior to each annual meeting of the Stockholders. The report shall contain at a minimum the following:

- a. A statement of any capital expenditures in excess of two percent of the current budget or Five Thousand and no/100s Dollars (\$5,000.00) whichever is greater, approved by the Cooperative for the current fiscal year or the succeeding two fiscal years.
- b. A statement of the balance in any reserve or replacement fund.
- c. A copy of the statement of revenues and expenses of the Cooperative for the last fiscal year, and a balance sheet as of the end of said fiscal year.
- d. A statement of the status of any pending suits or judgments in which the Cooperative is a party.
- e. A detailed description of the insurance coverage provided by the Cooperative, including a statement of which, if any, of the following items within the Units are insured by the Cooperative: ceiling and wall finishing materials, floor coverings, cabinetry, finished millwork, electrical or plumbing fixtures, and built-in appliances.
- f. A statement of any unpaid assessments, by individual Units, identifying the Unit and the amount of the unpaid assessment, which statement shall be current through the end of the month preceding the month in which the annual meeting takes place. A copy of the foregoing report shall be delivered or sent by United States mail to all Stockholders entitled to notice of an annual meeting of the Stockholders at the address of their respective Units, or to such other address as

the Stockholders register with the secretary in writing, at least ten (10) days in advance of any annual meeting of the Stockholders and copies shall be made available for review by all Stockholders at such annual meeting.

ARTICLE V

STOCKHOLDERS

Section 1. Eligibility. Any person who owns capital stock in the Cooperative and has executed a Proprietary Lease for the use of a Unit, which Proprietary Lease remains in effect, but excluding contract for deed vendors, lessees, mortgagees and other secured parties, shall be Stockholders of the Cooperative. A Stockholder is a Member of the Cooperative. The term "person" shall include a natural individual, corporation, limited liability company, partnership, limited partnership, limited liability partnership, trustee or other legal entity capable of holding title to property.

Section 2. Certificate of Stock. Each holder of capital stock in the Cooperative shall be entitled to have a Stock Certificate signed by the President and the Secretary of the Cooperative certifying that each such holder is the owner of one (1) share of capital stock in the Cooperative, The number of each stock certificate shall correspond to the number of the Unit which such Stockholder is entitled to occupy.

Section 3. Lost or Destroyed Certificates. The Board of Directors may direct a new certificate or certificates to be issued in place of any certificate or certificates theretofore issued by the Cooperative alleged to have been lost or destroyed, upon the making of an Affidavit of that fact by the person claiming the Stock Certificate to be lost or destroyed. When authorizing such issue of a new certificate or certificates, the Board of Directors may, in its discretion and as a condition precedent to the issuance thereof, require the owner of such lost or destroyed certificate or certificates, or his legal representative, or advertise the same in such manner as it shall require and/or agree to indemnify the Cooperative against any claim that may be made against the Cooperative with respect to the certificate alleged to have been lost or destroyed.

Section 4. Transfers of Stock. Except as provided herein, shares of capital stock are transferable only with the approval of the Board of Directors of the Cooperative. No transfer of capital stock shall be made upon the books of the Cooperative within twenty (20) days next preceding the annual meeting of the Stockholders. In all transfers of stock, the Cooperative shall be entitled to a reasonable fee for the processing of the transfer. A Stockholder may transfer capital stock to any third party by bona fide gift to a lineal descendent, to a joint owner, or to a trust for estate planning purposes, (collectively "Permitted Transferee") provided that the Permitted Transferee shall be bound by the provisions of these By-Laws, the Declaration, the Articles of Incorporation and any Rules and Regulations of the Cooperative. If, upon death of a Stockholder, the capital stock of the deceased Stockholder does not transfer to a Permitted Transferee, the Cooperative shall have the first option and privilege of purchasing the capital stock from the deceased Stockholder's estate. If a Stockholder proposes to sell, transfer or convey the capital stock held by such Stockholder to anyone other than a Permitted Transferee, the Cooperative shall have the first option and privilege of purchasing such capital stock. The exercise by the Cooperative of its first option and privilege to purchase such capital stock shall be in accordance with Section 6 of

this Article V.

Notwithstanding the foregoing, the pledge and/or grant to a secured party of a security interest in capital stock owned by a Stockholder in the Cooperative and the collateral assignment of a Stockholder's lessee's interest in the Proprietary Lease between the Cooperative and Stockholder to the same secured party shall not be deemed a prohibited transfer under this Section 4, and in the event any disposition by a secured party to any person or the retention by a secured party of such capital stock under applicable law, the person receiving such disposition or so retaining the capital stock and Proprietary Lease shall be entitled to receive a transfer of such capital stock and Proprietary Lease upon the books and records of the Cooperative and such transfer shall be deemed made to a Permitted Transferee under this Article V.

Section 5. Termination of Stockholder for Cause. At a special meeting of the Board of Directors called for such purpose, the Board may terminate any Stockholder for cause upon receiving the affirmative vote of at least eighty-five percent (85%) of the members of the Board, after such Stockholder is given the opportunity to be heard. A Stockholder may be terminated for cause if the Stockholder knowingly, intentionally or repeatedly violates a provision of the By-Laws, Declaration or Proprietary Lease. If the Stockholder is terminated for cause, the Stockholder shall be obligated to sell and the Cooperative shall be obligated to purchase the capital stock of such Stockholder for the amount determined in accordance with Section 6 of this Article V., less any amount which remains owing by the Stockholder to the Cooperative.

Section 6. Determination of Purchase Price. If the Board of Directors of the Cooperative elects to exercise its privilege of purchasing the capital stock offered for sale by the Stockholder, the price to be paid by the Cooperative shall be equal to the price which is deemed acceptable by the Stockholder and which is offered by a bona fide third party purchaser. The Cooperative shall signify its intention to match the price and terms offered by the bona fide third party purchaser within five (5) business days after receipt of written notice from the Stockholder, if received between May 1 and September 1, or within thirty (30) calendar days after receipt of such written notice if received by the Cooperative between September 2 and April 30. If, however, the Stockholder has not received an acceptable offer from a third party purchaser, the Stockholder and the Cooperative shall attempt to come to an agreement regarding the purchase price to be paid by the Cooperative. If the Stockholder and the Cooperative cannot come to an agreement regarding the purchase price to be paid by the Cooperative to the Stockholder, the Cooperative shall have the capital stock and the associated Unit of the Stockholder appraised by a certified real estate appraiser at the expense of the Cooperative, which appraisal shall be completed within forty-five (45) days following the determination that the Stockholder and the Cooperative are unable to come to an agreement. If the Stockholder disagrees with the appraisal obtained at the expense of the Cooperative, the Stockholder shall promptly cause the capital stock and the associated Unit to be appraised by a certified real estate appraiser as chosen by the Stockholder within forty-five (45) days following completion of the appraisal ordered by the Cooperative. Thereafter the two appraisals shall be averaged in order to arrive at the purchase price to be paid by the Cooperative to the Stockholder. The Stockholder may withdraw his offer to sell and the Cooperative may withdraw its offer to purchase upon completion of the appraisal process, unless the sale is occasioned by the termination of the Stockholder for cause. The two (2) appraisals and payment in full of the purchase price to be paid by the Cooperative shall be completed within

one hundred twenty (120) days following the giving of written notice to the Board of Directors that the Stockholder desires to sell his capital stock in the Cooperative or within one hundred twenty (120) days following the decision by the Board to terminate the Stockholder for cause, as the case may be, if the appraisal process is timely completed as provided above. If the appraisal process is not timely completed, the one hundred twenty (120) day period shall be extended by the number of days by which the completion of the appraisal process exceeded the time periods specified in this Section.

ARTICLE VI

ADMINISTRATION

Section 1. Common Expenses. "Common Expenses" shall mean and include all expenses approved or incurred by the Board of Directors or by officers of the Cooperative, pursuant to authority granted to them by these By-Laws, by the Declaration or by law, in the performance of their powers and duties, including the expenses set forth- in the Proprietary Lease between the Cooperative and the Stockholder.

Section 2. Budget: Levy. The Board of Directors shall from time to time, and at least annually, prepare a budget for the Cooperative and allocate, assess and levy such assessments uniformly among the Units. The levy shall be deemed to occur upon the vote adopting the resolution which sets forth the Common Expenses and the allocation to the Units. The assessments shall include those Common Expenses set forth in these By-Laws or in the Declaration and may include such other such amounts as the Board of Directors may deem proper for the operation, repair, maintenance, replacement and improvement of the Property; provided, however, that the assessment for Property shall include an adequate reserve fund for maintenance, repairs, replacements and improvements of the Property that must be replaced on a periodic basis, and shall, when practicable, be payable in regular installments. The Board of Directors shall fix the amount of the annual assessments against each Unit and mail written notice thereof to the Stockholders (including the amount payable for each Unit at least thirty (30) days prior to the due date of such assessment and shall, upon request by the Stockholder, furnish copies of such budget on which such assessment is based to such Stockholder. In the event an annual assessment proves to be insufficient to meet the Common Expenses of the Cooperative, or if the capital reserve is insufficient for the making of a capital improvement, the Board of Directors may levy a special assessment in any calendar year provided that such special assessment shall not exceed the aggregate amount of \$250 per Unit outstanding without the consent of at least eighty percent (80%) of the Stockholders who are voting in person at a meeting duly called for this purpose.

Section 3. Payment of Assessments. All Stockholders shall be obligated to pay the share of the Common Expenses assessed and levied by the Board of Directors. Each Stockholder's individual assessments shall be due in accordance with the schedule specified or designated by the Board of Directors.

Section 4. Default in Payment of Assessments. In the event any Stockholder does not make

payment on or before the date when any assessment or installment thereof is due, such Stockholder shall be obligated to pay, at the discretion of the Board of Directors, an administrative late fee of up to 5% of each such unpaid assessment or installment thereof, and interest at the rate of twelve percent (12%) per annum on such assessment or installment thereof from the date due, together with all expenses, including reasonable attorneys' fees incurred by the Board in any proceeding brought to collect any such unpaid assessment. In the event of a default of more than thirty (30) days in payment of any assessment or installment thereof, the Board of Directors may accelerate the remaining installments of the assessment upon ten (10) days written notice thereof to the Stockholder, and thereupon the entire unpaid balance of the assessment with all late fees and accrued interest shall become due and payable upon the date stated in the notice. The Board of Directors shall have the right and duty to attempt to recover all assessments for Common Expenses, together with interest and the expenses of the proceeding, including reasonable attorneys' fees, in any action to recover the same brought against a Stockholder or by foreclosure of the lien on a share of the stock. In addition to any other remedies, the use of recreational facilities by the Stockholder, or any guest thereof, may be suspended by action of the Board of Directors during the period when any assessments are past due and payable with respect to such Unit, or for up to an additional thirty (30) days for each such infraction.

Section 5. Foreclosure of Liens for Unpaid Assessments. The Cooperative has a lien on the capital stock of a Stockholder for any assessment levied against such capital stock in respect of the Unit which the Stockholder is entitled to occupy from the time the assessment becomes due. If an assessment is payable in installments, the full amount of the assessment is a lien against such capital stock from the time the first installment becomes due. Fees, charges, late charges, fines and interest charges imposed by the Cooperative are liens, and are enforceable as assessments, against the capital stock. A lien for common expenses may be foreclosed against a capital stock pursuant to Section 515B.3-116 of Minnesota Common Interest Ownership Act and to Article 9 of Chapter 336 of Minnesota Statutes. The Cooperative shall, in addition, have the right to pursue any other remedy at law or in equity against any Stockholder who fails to pay any assessment or charge against the capital stock or the corresponding Unit. In any action brought by the Cooperative to foreclose a lien on capital stock because of any unpaid assessments or installments of assessments, the Stockholder may be required by the Board of Directors to pay a reasonable rental for the use of the Unit, and the Cooperative shall be entitled to the appointment of a receiver to collect the same.

Section 6. Records. The Board of Directors shall cause to be kept at the registered office of the Cooperative or at such other place as the Board of Directors may determine, records of the actions of the Board of Directors, minutes of the meetings of the Board of Directors, minutes of the meetings of the Stockholders of the Cooperative, names of the Stockholders, and detailed and accurate records, in chronological order, of the receipts and expenditures affecting the Property. Such records of receipts and expenditures and the vouchers authorizing payments shall be available for examination by the Stockholders at convenient hours of weekdays. Separate accounts shall be maintained for each Unit setting forth the amount of the assessments against the Unit, the date when due, amount paid thereon and the balance remaining unpaid.

ARTICLE VII

GENERAL PROVISIONS

Section 1. Dividends. Subject to provisions of applicable law and the Articles of Incorporation, dividends of the Cooperative may be declared by the Board of Directors at any regular or special meeting, and may be paid in cash or in property, provided, however, that such dividends may not exceed eight percent (8%) annually.

Section 2. Reserves. Before payment of any dividend, there may be set aside out of the funds of the Cooperative available for dividends such sum or sums as the directors from time to time, in their absolute discretion, think proper as a reserve or reserves to meet contingencies, or for equalizing dividends, or for repairing, maintaining, operating, replacing or improving any property of the Cooperative, or for such other purposes as the directors shall think conducive to the interest of the Cooperative, and the directors may modify or abolish any such reserve in the manner in which it was created.

Section 3. Annual Statement. The Board of Directors shall present at each annual meeting, and at any special meeting of the Stockholders when called for by vote of the Stockholders, a full and clear statement of the business and condition of the Cooperative.

Section 4. Checks. All checks or demands for money and notes of the Cooperative shall be signed by such officer or officers or such other person or persons as the Board of Directors may from time to time designate.

Section 5. Fiscal Year. The fiscal year of the Cooperative shall be fixed by resolution of the Board of Directors.

ARTICLE VIII

AMENDMENTS

Section 1. Amendments. These By-Laws may be altered or repealed by the affirmative vote of the holders of record of ninety percent (90%) of the capital stock in the Cooperative at any regular meeting of the Stockholders or at any special meeting of the Stockholders if notice of the proposed alteration or repeal be contained in the notice of such special meeting.

ARTICLE IX

RESTRICTION ON PROMOTIONAL EXPENSES

Section 1. Restriction on Promotional Expenses. None of the funds of the Cooperative shall be used nor shall the Cooperative be permitted to incur any indebtedness in payment of any promotion of the Cooperative or for the payment of commissions, salaries or expenses of any kind in connection with the promotion of such Cooperative, provided, however, that payment of promotional expenses shall be allowed in connection with the operation of the business of the

Cooperative.

The undersigned Secretary of the Cooperative hereby certifies that the foregoing By-Laws were adopted as the By-Laws of River Hills Park Association by action of the Board of Directors effective the 14th day of June , 2007.

/s/ Richard Pettit
by: Richard Pettit
its: Secretary

STATE OF MINNESOTA)
)SS.
COUNTY OF BECKER)

On this 14th day June , 2007, before me, a Notary Public within and for said County and State, personally appeared Richard Pettit, to me personally known, who, being by me duly sworn did say that he is the Secretary of River Hills Park Association, the Association named in the foregoing instrument, and said Secretary acknowledged said instrument to be the free act and deed of said Association.

/s/ Carl Malmstrom
Notary Public

This Instrument Drafted By:
Carl E. Malmstrom
Thorwaldsen, Malmstrom, Sorum & Majors
1105 Hwy 10 E., P.O. Box 1599
Detroit Lakes, MN 56502
(218) 847-5646