

AMENDED BYLAWS
OF
VALHALLA ONE ASSOCIATION

SECTION 1
GENERAL

The following are the Amended Bylaws of Valhalla One Association, a Minnesota nonprofit corporation (the "Association"). The Association is organized pursuant to Section 515B.3-101 of the Minnesota Common Interest Ownership Act (the "Act") for the purpose of operating and managing Valhalla One Association, a planned community created pursuant to the Act. The terms used in these Amended Bylaws shall have the same meaning as they have in the Amended and Restated Declaration of Common Interest Community No. 2, Valhalla One Association (the "Declaration") and the Act.

SECTION 2
MEMBERSHIP

2.1 Owners Defined. All Persons described as Owners in Sections 1 and 4 of the Declaration shall be members of the Association. No Person shall be a member solely by virtue of holding a security interest in a Unit. A Person shall cease to be a member at such time as that Person is no longer an Owner.

2.2 Registration of Owners and Occupants. Each Owner shall register with the Secretary of the Association, in writing, within 30 days after taking title to a Unit, (i) the name and address of the Owners and any Occupants of the Unit; (ii) the nature of such Owner's interest or estate in each Unit owned; (iii) the mailing address at which the Owner desires to receive notice of any meeting of the Owners, if other than the Unit address; (iv) the e-mail address, if any, at which the Owner desires to receive notice of any meeting of the Owners; (v) the name and address of the secured party holding the first mortgage on the Unit, if any; and (vi) if there are multiple Owners of the Unit, the name of the Owner who shall be authorized to cast the vote with respect to the Unit. The Owner shall have a continuing obligation to advise the Association in writing of any changes in the foregoing information.

2.3 Transfers. The interests, rights, and obligations of an Owner of the Association may be assigned, pledged, encumbered, or transferred, but only along with and as a part of the title to the Owner's Unit or as otherwise specifically authorized by the Governing Documents or by law.

SECTION 3 **VOTING**

3.1 Entitlement. Votes shall be allocated to each Unit as provided in the Declaration. However, no vote shall be exercised as to a Unit while the Unit is owned by the Association.

3.2 Authority to Cast Vote. At any meeting of the Owners, an Owner included on the voting register presented by the Secretary in accordance with Section 4.6, or the holder of such Owner's proxy, shall be entitled to cast the vote which is allocated to the Unit owned by the Owner. If there is more than one Owner of a Unit, only one of the Owners may cast the vote. If the Owners of a Unit fail to agree as to who shall cast the vote, or fail to register pursuant to Section 2.2, the vote shall not be cast.

3.3 Voting by Proxy. An Owner may cast the vote which is allocated to the Owner's Unit and be counted as present at any meeting of the Owners by executing a written proxy naming another Person entitled to act on that Owner's behalf and delivering the same to the Board of Directors or the Association's management company at least three (3) day before the commencement of any such meeting. All proxies shall remain in effect until the earliest of the following events: (i) revocation by the granting Owner by written notice or by personally attending and voting at the meeting for which the proxy is effective, (ii) eleven months after the date of the proxy, unless otherwise provided in the proxy, (iii) the time at which the granting Owner is no longer an Owner.

3.4 Vote Required. A majority of the votes cast at any properly constituted meeting of the Owners shall decide all matters properly brought before the Owners, except where a different vote is specifically required by the Governing Documents or the Act. The term "majority" as used herein shall mean in excess of 50% of the votes cast at a meeting, in person or by proxy, or voting by mail, in accordance with the allocation of voting power set forth in the Declaration. Cumulative voting shall not be permitted.

SECTION 4 **MEETING OF OWNERS**

4.1 Place and Manner of Meetings. Meetings of the Owners may be held either (a) in person at a location in the State of Minnesota reasonably accessible to the Owners or (b) by one or more means of remote communication, as may be designated by the Board of Directors in any notice of a meeting of the Owners.

4.2 Annual Meetings. An annual meeting of the Owners shall be held in each fiscal year on a date, and at a reasonable time and place, designated by the Board of Directors. At each annual meeting of the Owners, (i) the Persons who are to constitute the Board of Directors shall be elected pursuant to Section 6, (ii) a report shall be made to the Owners on the activities and financial condition of the Association, and (iii) any other matter which is included in the notice of the annual meeting, and is a proper subject for discussion or decision by the Owners, shall be considered and acted upon at the meeting.

4.3 Special Meetings. Special meetings of the Owners may be called by the President as a matter of discretion. Special meetings of the Owners shall be called by the President or Secretary within 30 days following receipt of the written request of a majority of the members of the Board of Directors or of Owners entitled to cast at least 25% of all the votes in the Association. The meeting shall be held within 60 days following receipt of the request. The request shall state the purpose of the meeting, and the business transacted at the special meeting shall be confined to the purposes stated in the notice. The purpose for which the meeting is requested and held must be lawful and consistent with the Association's purposes and authority under the Governing Documents. Special meetings may be held by means of remote communication.

4.4 Notice of Meetings. At least 21, but no more than 30, days in advance of any annual meeting of the Owners and at least 7, but no more than 30, days in advance of any special meeting of the Owners, the Secretary shall send, to all persons who are Owners as of the date of sending the notice, notice of the time, place, and agenda of the meeting, by United States mail, e-mail, or by hand delivery, at the Owner's Unit address or to such other address or e-mail address as the Owner may have designated in writing to the Secretary.

4.5 Quorum/Adjournment. The presence of Owners in person or by proxy, who have the authority to cast in excess of twenty percent (20%) of all the votes in the Association shall be necessary to constitute a quorum at all meetings of the Owners for the transaction of any business, except that of adjourning the meeting to reconvene at a subsequent time. Any meeting may be adjourned from time to time, but until no longer than 15 days later, without notice other than announcement at the meeting as initially called. If a quorum is present at the reconvened meeting, any business may be transacted which might have been transacted at the meeting as initially called had a quorum then been present. The quorum, having once been established at a meeting or a reconvened meeting, shall continue to exist for that meeting notwithstanding the departure of any Owner previously in attendance in person or by proxy. The Association may not be counted in determining a quorum as to any Unit owned by the Association.

4.6 Voting Register. The Secretary shall have available at the meeting a list of the Unit numbers, the names of Owners, the vote attributable to each Unit, and the name of the Person (in case of multiple Owners) authorized to cast the vote.

4.7 Agenda. The agenda for meetings of the Owners shall be established by the Board of Directors, consistent with the Governing Documents, and shall be sent to all Owners along with the notice of the meeting.

SECTION 5 **ANNUAL REPORT**

The Board of Directors shall prepare an annual report on behalf of the Association to be mailed or delivered to each Owner together with the notice of the annual meeting. The report shall contain at a minimum:

a. A statement of any capital expenditures in excess of two percent of the current budget or \$5,000.00, whichever is greater, approved by the Association for the current year or succeeding two fiscal years.

b. A statement of the balance in any reserve or replacement fund and any portion of the fund designated for any specified project by the Board of Directors.

c. A copy of the statement of revenues and expenses for the Association's last fiscal year, and a balance sheet as of the end of said fiscal year.

d. A statement of the status of any pending litigation or judgments to which the Association is a party.

e. A detailed description of the insurance coverage provided by the Association, including a statement as to which, if any, of the items referred to in Section 515B.3-113, subsection (b) of the Act, are insured by the Association.

f. A statement of the total past due assessments on all Units, current as of not more than 60 days prior to the date of the meeting.

SECTION 6

BOARD OF DIRECTORS

6.1 Number and Qualification. The affairs of the Corporation shall be governed by a Board of Directors. The Board of Directors shall be composed of three (3) to five (5) directors, who need not be Members. No Member may be elected to the Board if such Member is more than sixty (60) days past due with respect to assessments on the Member's Unit at the time the election is held.

6.2 Term of Office. The terms of office of the members of the Board of Directors shall be two (2) years and shall expire at the appropriate annual meeting of the Owners; provided that a director shall continue in office until a successor is elected. A number of nominees equal to the number of vacancies, and receiving the greatest number of votes, shall be elected, notwithstanding that one or more of them does not receive a majority of the votes cast. However, any non-Member nominee is required to receive a majority of the votes cast to be elected to the Board. A director appointed or elected to fill an uncompleted term shall serve until the natural termination of that term, unless removed in accordance with these Bylaws. There shall be no cumulative voting for directors.

6.3 Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee appointed by the Board of Directors, from the floor at the annual meeting, or by "write-in" if authorized by the Board.

6.4 Powers. The Board of Directors shall have all powers necessary for the administration of the affairs of the Association and may exercise for the Association all powers and authority vested in or delegated to the Association (and not expressly prohibited or reserved to the owners) by law or by the Governing Documents. The powers of the Board of Directors shall include, but are not limited to, the power to:

a. adopt, amend, and revoke Rules and Regulations not inconsistent with the Governing Documents, as follows: (i) regulating the use of Common Elements; (ii) regulating the use of the Units, and the conduct of the Owners and Occupants, which may jeopardize the health, safety, or welfare of other Owners and Occupants, which involves noise or other disturbing activity, or which may damage the Common Elements or other Units; (iii) regulating or prohibiting animals; (iv) regulating changes in appearance of the Common Elements and conduct which may damage the Property, (v) regulating the exterior appearance of the Property, including for example, balconies and patios, window treatments, signs, and other displays, regardless of whether inside a Unit; (vi) implementing the Governing Documents, and exercising the powers granted by this Section; and (vii) otherwise facilitating the operation of the Property;

b. adopt and amend budgets for revenues, expenditures and reserves, and levy and collect assessments for Common Expenses from Owners;

c. hire and discharge managing agents and other employees, agents, and independent contractors;

d. institute, defend, or intervene in litigation or administrative proceedings (i) in its own name on behalf of itself or two or more Owners on matters affecting the Common Elements or other matters affecting the Property or the Association, or, (ii) with the consent of the Owners of the affected Units on matters affecting only those Units;

e. make contracts and incur liabilities;

f. regulate the use, maintenance, repair, replacement, and modification of the Common Elements and the Units;

g. cause improvements to be made as a part of the Common Elements;

h. acquire, hold, encumber, and convey in its own name any right, title, or interest to real estate or personal property, subject to the requirements of the Act for the conveyance or encumbrance of the Common Elements;

i. grant public easements through, over, or under the Common Elements, and subject to approval by resolution of the Owners at a meeting duly called, grant other public or private easements, leases, and licenses through, over or under the Common Elements;

j. impose and review any payments, fees, or charges for the use, rental or operation of Common Elements, other than Limited Common Elements, and for services provided to Owners;

k. impose charges for late payment of assessments and, after notice and an opportunity to be heard, levy reasonable fines for violations of the Governing Documents and the Rules and Regulations;

l. impose reasonable charges for the review, preparation, and recordation of amendments to the Declaration or Bylaws, resale certificates required by Section 515B.4-107 of the Act, statements of unpaid assessments, or furnishing copies of Association records;

m. provide for the indemnification of its officers and directors, and maintain directors' and officers' liability insurance;

n. provide for reasonable procedures governing the conduct of meetings and the election of directors;

o. appoint, regulate and dissolve committees; and

p. exercise any other powers conferred by law or the Governing Documents, or which are necessary and proper for the governance of the Association.

6.5 Meeting and Notices. An annual meeting of the Board of Directors shall be held promptly following each annual meeting of the Owners. At each annual meeting the officers of the Association shall be elected.

a. Regular meetings of the Board of Directors shall be held at least three times per year, at such times as may be fixed from time to time by a majority of the members of the Board of Directors. A schedule, or any amended schedule, of the regular meetings shall be provided to the directors and published on the Association's web site, if applicable.

b. Special meetings of the Board of Directors shall be held when called (i) by the President of the Association, or (ii) by the Secretary within ten (10) days following the written request of any two (2) directors. Notice of any special meeting shall be given to each director not less than three (3) days in advance thereof. Notice to each director shall be deemed to be given when

deposited in the United States mail postage prepaid to the Unit address of such director, when sent via e-mail to an e-mail address designated pursuant to Section 2.2, or when personally delivered, orally or in writing, by a representative of the Board of Directors.

c. Any director may at any time waive notice of any meeting of the Board of Directors orally, in writing or by attendance at the meeting, and such waiver shall be deemed equivalent to the giving of such notice. If all the directors are present at any meeting of the Board, no notice shall be required, and any business may be transacted at such meeting.

d. All meetings shall be governed and operated pursuant to Robert's Rules of Order.

6.6 Quorum and Voting. A majority of the members of the Board of Directors shall constitute a quorum for the transaction of business at any meeting thereof. A quorum, once established, shall continue to exist, regardless of the subsequent departure of any directors. Each director shall have one vote. The vote of a majority of the directors present at any meeting at which a quorum is present shall be sufficient to adopt any action. **Proxies shall not be permitted.**

6.7 Action Taken Without a Meeting. The Board of Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting when authorized in writing by all the directors.

6.8 Vacancies. When a vacancy in the Board of Directors reduces the count to less than three (3) Directors, the vacancy shall be filled by a person elected within 30 days following the occurrence of the vacancy by a majority vote of remaining directors, regardless of the number; except for vacancies created pursuant to Sections 6.2 and 6.9. Each person so elected shall serve out the term vacated.

6.9 Removal. A director may be removed from the Board of Directors, with or without cause, by a majority vote at any annual or special meeting of the Owners provided (i) that the notice of the meeting at which removal is to be considered states such purpose; (ii) that the director to be removed has a right to be heard at the meeting; and (iii) when the removal results in less than three (3) Directors, that a new director is elected at the meeting by the owners to fill the vacant position caused by the removal. A director may also be removed by the Board of Directors if such director (i) has more than two unexcused absences from Board meetings and/or Owners meetings during any twelve-month period or (ii) is more than 60 days past due with respect to assessments on the director's Unit. Such vacancies shall be filled by the vote of the Owners as previously provided in this Section.

6.10 Compensation. Except as authorized by a vote of the Owners at a meeting thereof, the directors of the Association shall receive no compensation for their services in such capacity. Directors may be reimbursed for out-of-pocket expenses incurred in the performance of their duties.

6.11 Fidelity Bond. Fidelity bonds or insurance coverage for unlawful taking of Association funds shall be obtained and maintained as provided in the Declaration on all directors and officers authorized to handle the Association's funds and other monetary assets.

6.12 Master Board Member. The Board shall, pursuant to the terms of the Master Governing Documents, appoint a representative of the Association to the Master Board of Directors.

SECTION 7 **OFFICERS**

7.1 Principal Officers. The principal officers of the Association shall be a President, a Secretary, and a Treasurer, all of whom shall be elected by the Board of Directors. The Board of Directors may from time to time elect such officers and designate their duties as in their judgment may be necessary to manage the affairs of the Association. A person may hold more than one office simultaneously. Only the President must be a member of the Board of Directors.

7.2 Election. The officers of the Association shall be elected annually by the Board of Directors at its first annual meeting and shall hold office at the pleasure of the Board.

7.3 Removal. Upon an affirmative vote of a majority of the members of the Board, any officer may be removed, with or without cause, and a successor elected, at any regular meeting of the Board of Directors, or at any special meeting of the Board of Directors called for that purpose.

7.4 President. The President shall be the chief executive officer of the Association and shall preside at all meetings of the Board of Directors and the Association. The President shall have all of the powers and duties which are customarily vested in the office of president of a corporation, including without limitation the duty to supervise all other officers and to execute all contracts and similar obligations on behalf of the Association. The President shall have such other duties as may from time to time be prescribed by the Board of Directors.

7.5 [INTENTIONALLY OMITTED]

7.6 Secretary. The Secretary shall be responsible for recording the minutes of all meetings of the Board of Directors and the Association. The Secretary shall be responsible for keeping books and records of the Association and shall give all notices required by the Governing Documents or the Act unless directed otherwise by the Board of Directors. The Board of Directors may delegate the Secretary's administrative functions to a managing agent provided that such delegation shall not relieve the Secretary of the ultimate responsibility for the Secretary's duties.

7.7 Treasurer. The Treasurer shall have the responsibility for all financial assets of the Association and shall be covered by a bond or insurance in such sum and with such companies as the Board of Directors may require. The Treasurer shall be responsible for keeping the Association's financial books, assessment rolls, and accounts. The Treasurer shall cause the books of the Association to be kept in accordance with customary and accepted accounting practices and shall submit them to the Board of Directors for its examination upon request. The Treasurer shall cause all monies and other monetary assets of the Association to be deposited in the name of or to the credit of the Association in depositories designated by the Board of Directors, shall cause the funds of the Association to be disbursed as ordered by the Board of Directors and shall perform all other duties incident to the office of the Treasurer. The Board of Directors may delegate the Treasurer's administrative functions to a managing agent; provided that such delegation shall not relieve the Treasurer of the ultimate responsibility for the Treasurer's duties.

7.8 Compensation. Except as authorized by a vote of the Owners at a meeting thereof, officers of the Association shall receive no compensation for their services in such capacity. Officers may be reimbursed for out-of-pocket expenses incurred in the performance of their duties.

SECTION 8 AMENDMENTS

These Bylaws may be amended, and the amendment shall be effective, upon the satisfaction of the following conditions:

8.1. Approval. The amendment must be approved by Owners who have authority to cast in excess of fifty percent (50%) of the total votes in the Association, in writing or at a duly held meeting of the Owners; and

8.2. Notice. A copy of the proposed amendment, and if a meeting is to be held, notice of such meeting, shall be mailed by U.S. mail, e-mailed if applicable pursuant to Section 2.2, or hand delivered, to all Owners authorized to cast votes; and

8.3. Effective Date of Recording. The amendment shall be effective on the date of approval by the required vote of the Owners and need not be recorded.

SECTION 9 INDEMNIFICATION

The Association shall, to the extent the alleged liability is not covered by insurance, indemnify every individual acting in any official capacity on behalf of the Association, pursuant to the provisions of Minnesota Statutes 317A.521.

SECTION 10
MISCELLANEOUS MATTERS

10.1 Notices. Unless specifically provided otherwise in the Act, the Declaration, or these Bylaws, all notices required to be given by or to the Association, the Board of Directors, the Association officers, or the Owners or Occupants shall be in writing and shall be effective (i) upon hand delivery, (ii) upon being e-mailed to an e-mail address recorded pursuant to Section 2.2, or (iii) upon mailing if properly addressed with postage prepaid and deposited in the United States mail; except that registrations pursuant to Section 2.2 shall be effective upon receipt by the Association.

10.2. Severability. The invalidity or unenforceability 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.

10.3 Captions. The captions herein are inserted only as a matter of convenience and for reference and in no way limit or proscribe the scope of these Bylaws or the intent of any provision hereof.

10.4 Conflicts in Documents. In the event of any conflict among the provisions of the Act, the Declaration, the Bylaws, or the Rules and Regulations, the Act shall control unless it permits the documents to control. As among the Declaration, Bylaws, and Rules and Regulations, the Declaration shall control, and as between the Bylaws and the Rules and Regulations, the Bylaws shall control.

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

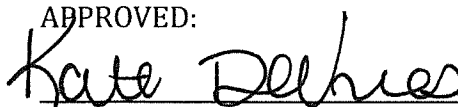
10.6 No Corporate Seal. The Association has no corporate seal.

10.7 Fiscal Year. The fiscal year of the Corporation shall be determined by the Board of Directors.

The undersigned hereby executes these Amended Bylaws and certifies that they were adopted by Valhalla One Association, a non-profit corporation incorporated under the laws of the State of Minnesota, effective as of the date hereof.

Dated: Jan. 26, 2012


Secretary

APPROVED:


President