

ARTICLES OF INCORPORATION

OF

BURGEN SUNRISE ASSOCIATION

The undersigned, being of full age, for the purpose of forming a non-profit corporation under Chapter 317A of Minnesota Statutes as amended, and in compliance with the requirements thereof, does hereby voluntarily adopt these Articles of Incorporation.

ARTICLE I

NAME

The name of the corporation shall be Burgen Sunrise Association (hereinafter "Association").

ARTICLE II

REGISTERED OFFICE

The Registered Office of the Association shall be 901 Highway 29 North, Alexandria, Minnesota 56308.

ARTICLE III

PURPOSES AND AUTHORITY

The purposes of the Association are to provide the maintenance, preservation and architectural control of certain property in the County of Douglas, Minnesota, undertaken by Blue Spruce Development, Inc, a Minnesota Corporation, (hereinafter referred to as Declarant) more particularly described as:

BURGEN SUNRISE (“Property”)

and such additional property as may hereafter be added to the development to promote the health, safety and welfare of the residents within the real property now or hereafter to be brought into the development and thus into the jurisdiction of the Association for those purposes to:

- (a) Exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as set forth in that certain Declaration relating to the Property, hereinafter called the "Declaration," applicable to the property and recorded or to be recorded in the Office of the County Recorder, Douglas County, Minnesota, and as the same may be amended from time to time as therein provided;
- (b) Fix, levy, collect and enforce payment of, by any lawful means, all charges or assessments pursuant to the terms of the Declaration; to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Association, including all licenses, taxes or governmental charges levied or imposed against the property of the Association;
- (c) Acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Association;
- (d) Borrow money, and with the assent of sixty-seven percent (67%) of the members mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;
- (e) Dedicate, sell or transfer all or any part of the Common Elements to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument has been signed by sixty-seven percent (67%) of the members agreeing to such dedication, sale or transfer;
- (f) Participate in mergers and consolidations with other non-profit corporations organized for the same purposes or annex additional residential property and Common Elements, provided that any such merger, consolidation or annexation shall have the assent of sixty-seven percent (67%) of the members;
- (g) Maintain unkept lands or trees;
- (h) Supplement municipal services;

- (i) Enforce provisions of the Declaration and any and all covenants, restrictions and agreements applicable to the Property;
- (j) Pay all taxes, if any, on the Common Elements and facilities; and
- (k) Insofar as permitted by law, and consistent with provisions and purposes hereof and of the Declaration to do any other things that, in the opinion of the Board of Directors, will promote the common benefit and enjoyment of the members.

ARTICLE IV

NO PECUNIARY GAIN TO MEMBERS

The Association does not and shall not afford pecuniary gain, incidental or otherwise, to its members. Neither shall its members be personally liable for corporate debt but shall be liable to the Association for assessments as specified herein.

ARTICLE V

MEMBERSHIP

Every person or entity who is a record owner of a fee or undivided fee interest in any Unit which is subject by covenants of record to assessment by the Association, including contract sellers and purchasers, shall be a member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of any obligation. Membership shall be appurtenant to and may not be separated from ownership of any parcel which is subject to assessment by the Association.

ARTICLE VI

VOTING RIGHTS

The Association shall not have capital stock and shall have one class of voting membership. Members shall be all Owners and shall be entitled to one vote for each parcel owned. When more than one person holds an interest in a Unit, all such persons shall be members. The vote for such parcel shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any parcel. There can be no split vote. Prior to the time of any meeting at which a vote is to be taken, each parcel having co-owners shall file the name of the voting co-owner with the Secretary of the Association in order to be entitled to a vote at such meeting, unless such co-owner has filed a general voting authority applicable to all votes until rescinded.

ARTICLE VII

BOARD OF DIRECTORS

The names and addresses of the first Board of Directors are as follows:

<u>NAME</u>	<u>ADDRESS</u>
Benedict J. Zacher	901 Highway 29 North Alexandria, Minnesota 56308
Carol J. Zacher	901 Highway 29 North Alexandria, Minnesota 56308

Upon the conclusion of the period of Declarant control as provided for in Section 14.7 of the Declaration, the Board of Directors of the Corporation shall be five (5) in number. The manner of selection and tenure in office of such Members of the Board of Directors shall be as specified in the By-Laws of this Corporation.

ARTICLE VIII

DURATION

The duration of the Association shall be perpetual.

ARTICLE IX

DISSOLUTION

The Association may be dissolved only with the assent of sixty-seven percent (67%) of the Unit Owners and with the assent of fifty percent (50%) of the First Mortgagees of Units (each Mortgagee having one (1) vote per Unit financed). Such assent shall be given in writing and signed by such Unit Owners and First Mortgagees. Written notice of a proposal to dissolve, setting forth the reasons therefor and the disposition to be made of the assets (which shall be consonant with Article X hereof), shall be mailed to every member at least ninety (90) days in advance of any action taken.

ARTICLE X

DISPOSITION OF ASSETS UPON DISSOLUTION

Upon dissolution of the Association, the assets, both real and personal, of the corporation, including sewer and water lines, shall be dedicated or transferred to an appropriate municipality, public agency or utility to be devoted to purposes as nearly as practicable the same as those to which they were required to be devoted by the corporation. In the event that any part of such dedication or transfer be refused, such assets shall be granted, conveyed and assigned to any non-profit corporation, association, trust or other organization to be devoted to purposes as nearly as practicable the same as those to which they were required to be devoted by the corporation. No such disposition of Association properties shall be effective to divest or diminish any right or title

of any member vested in him under the recorded covenants and deeds applicable to the properties unless made in accordance with the provisions of such covenants and deeds.

ARTICLE XI

AMENDMENTS

Amendment of these Articles shall require the assent of sixty-seven percent (67%) of the entire membership.

ARTICLE XII

INCORPORATOR

The following person constitutes the incorporator who is forming the corporation:

NAME

ADDRESS

Scott T. Johnston

510 22nd Avenue East, Suite 101
Alexandria, Minnesota 56308

IN WITNESS WHEREOF, I have hereunto executed these ARTICLES OF
INCORPORATION this 6th day of October, 2005.

Scott T. Johnston