

(Above Space Reserved for Recording Data)

**DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS,
AND EASEMENTS OF
LAKEVIEW**

This Declaration of Covenants, Conditions, Restrictions, and Easements of Lakeview (the "Declaration") is made, effective on the date of recording hereof in the office of the Registrar of Titles in and for Hennepin County, Minnesota, by Source Land Development, Inc. (the "Developer"), a South Dakota corporation, for the purpose of establishing Lakeview as a single-family residential housing neighborhood.

WHEREAS, the Developer, as the owner of that certain real property located in Hennepin County, Minnesota, and legally described in Exhibit A attached hereto (collectively the "Property"), desires to submit the Property and all improvements thereon to this Declaration; and

WHEREAS, the Developer desires to establish on the Property, and on any real property added thereto, a plan for a permanent, single-family residential community to be owned, occupied and operated for the use, health, safety, and welfare of the Owners and Occupants, and for the purpose of preserving the quality and character of the Property; and

WHEREAS, the Property is not subject to Minnesota Statutes Chapter 515B, known as the Minnesota Common Interest Ownership Act ("MCIOA"), by reason of the exemption contained in Section 515B.1-102(e)(2) of MCIOA.

NOW, THEREFORE, the Developer makes this Declaration and submits the Property to this Declaration as a residential community under the name "Lakeview," consisting of the Units referred to in Section 2, declaring that this Declaration shall constitute covenants to run with the Property, and that the Property, and all real property added thereto, shall be owned, used, occupied, and conveyed subject to the covenants, conditions, restrictions, easements, charges, and liens set forth herein, all of which shall run with the land (the Property) and be binding upon all Persons owning or acquiring any right, title, or interest therein, and their heirs, personal representatives, successors (in title or otherwise), and assigns.

SECTION 1 DEFINITIONS

The following words, when used in the Governing Documents, shall have the following meanings (unless the context indicates otherwise):

1.1 "Act" means Minnesota Statutes Chapter 317A, known as the Minnesota Nonprofit Corporation Act, as amended.

1.2 "Assessments" means all assessments and other amounts levied or assessed by the Association against one or more than one Unit pursuant to this Declaration, including, without limitation, annual Assessments, special Assessments, and limited Assessments.

1.3 "Association" means Lakeview Owners Association, a Minnesota nonprofit corporation created pursuant to the Act, whose Members consist of all Owners.

1.4 "Board" means the Board of Directors of the Association as provided for in the Bylaws.

1.5 "Builder" shall mean and refer to a Person in the business of constructing residential properties, and who has acquired a Unit from the Developer for purposes of the construction of the initial Dwelling thereon and resale of the Unit containing a completed Dwelling, and not for personal use by the Builder.

1.6 "Bylaws" means the Bylaws governing the operation of the Association, as amended from time to time.

1.7 "City" means the City of Orono, Minnesota.

1.8 "CLP" means Citizens for Lakeview Preservation, Inc. ("CLP"), a Minnesota nonprofit corporation.

1.9 "Common Elements" means any parts of the Property, including all Improvements thereon, except the Units, owned by the Association for the common benefit of the Owners and the Occupants. The Common Elements, if any, as of the date of this Declaration, are legally described in Exhibit B attached hereto.

1.10 "Common Expenses" means expenditures made or liabilities incurred by or on behalf of the Association and incident to (i) its operation, including, but not limited to, Assessments and other items specifically identified as Common Expenses in this Declaration or the Bylaws, and including allocations to reserves, (ii) all obligations of the Association, whether under the Governing Documents, the Rules, or otherwise, and (iii) the Association's operations of and obligations as to the Recreation Property.

1.11 "Developer" means Source Land Development, Inc. ("Source Land Development"), a South Dakota corporation, or any Person to whom Source Land Development assigns or transfers all of the Developer Rights.

1.12 "Developer Control Period" means the time period during which the Developer has the exclusive right to control the operations of the Association and to appoint the members of the Board, as provided in Section 16.6.

1.13 "Developer Rights" means those exclusive rights reserved to the Developer, its successors and assigns, as described in Section 16.

1.14 "Dwelling" means a building consisting of one or more floors, designed and intended for occupancy as a detached, single family residence, and located within the boundaries of a Unit. The Dwelling includes any garage attached thereto or otherwise included within the boundaries of the Unit in which the Dwelling is located.

1.15 "Governing Documents" means this Declaration, the Articles of Incorporation of the Association, and the Bylaws, all as may be amended from time to time, all of which shall govern the use and operation of the Property.

1.16 "Improvement" means any physical improvement of any kind to any part of the Property, temporary or permanent, structural, aesthetic, or otherwise, including, but not limited to, any Dwelling, structure, enclosure, building, addition, retaining wall, other wall, fence, sign, enclosure, deck, patio, screening, sport court, basketball hoop, fire pit, exterior lighting, gazebo, utilities system, antenna or other type of sending or receiving apparatus or communications system, irrigation system, drainage system, pond, roadway, trail, planting, landscaping, or any other type of structure or physical improvement or any alteration, modification, or change involving any such physical improvement.

1.17 "MCIOA" means Minnesota Statutes Chapter 515B, known as the Minnesota Common Interest Ownership Act, as amended.

1.18 "Member" means all Persons who are members of the Association by virtue of being Owners. The words "Owner" and "Member" may be used interchangeably in the Governing Documents.

1.19 "Occupant" means any natural Person or Persons, other than an Owner, in possession of a Unit or residing in a Dwelling within a Unit.

1.20 "Owner" means a Person who owns a Unit, but excluding contract for deed vendors, mortgagees, other parties holding a security interest in a Unit, and Persons holding a remainder interest in a life estate. The term "Owner" includes, without limitation, contract for deed vendees and holders of life estates.

1.21 "Person" means a natural individual, a corporation, a limited liability company, a partnership, a limited liability partnership, a trust, or other legal entity capable of holding title to real property.

1.22 "Plat" means the recorded plat or part thereof depicting the Property pursuant to the requirements of Minnesota Statutes Chapter 505, 508 or 508A, as applicable, including any

amended Plat or replat recorded from time to time. As of the date hereof, the Plat is comprised of the plat of LAKEVIEW OF ORONO, Hennepin County, Minnesota.

1.23 "Preservation Area" means the portion of the Property legally described on Exhibit C attached hereto and depicted on Exhibit D attached hereto.

1.24 "Property" means all of the real property now or hereafter subjected to this Declaration, including the Dwellings and all other structures and Improvements located thereon now or in the future. The Property is legally described in Exhibit A attached hereto.

1.25 "Recreation Property" means that portion of the Common Elements legally described in Exhibit E hereto.

1.26 "Rules" means the Rules and Regulations of the Association as approved from time to time pursuant to Section 5.6.

1.27 "Sewage Treatment System" means the private sewage treatment system (otherwise known as a septic system) serving a Unit and which includes, without limitation, a holding tank, a drain field, meters, a lift station, piping, pumps, and all other related apparatus and related improvements.

1.28 "Unit" means any platted lot subject to this Declaration upon which a Dwelling is located or is intended to be located, as described in Section 2.1 and shown on the Plat, including all Improvements thereon (including, but not limited to, a Dwelling), but excluding Common Elements.

References in this Declaration to section numbers shall refer to sections of this Declaration, unless otherwise indicated. References in this Declaration to the singular may refer to the plural, and conversely, depending on context.

SECTION 2 DESCRIPTION OF UNITS

2.1 Units. There are forty-six Units, subject to the right to add other property thereto as described in Section 3.2. All Units are restricted to residential use. Each Unit constitutes a separate parcel of real estate. The Units are identified by lot and block numbers and subdivision name, as shown on the Plat, which is incorporated herein by reference. The Units are legally described in Exhibit A attached hereto.

2.2 Unit Boundaries. The front, rear, and side boundaries of each Unit are the boundary lines of the platted lot upon which the Dwelling is located or is intended to be located. The Units have no upper or lower boundaries. All spaces, walls, and other Improvements within the boundaries of a Unit are a part of the Unit.

2.3 Appurtenant Easements. The Units shall be subject to and benefited by the easements described in Section 13.

**SECTION 3
COMMON ELEMENTS AND OTHER PROPERTY**

3.1 Common Elements. The Common Elements and their characteristics shall be as follows:

3.1.1 All parts of the Property except the Units constitute Common Elements. The Common Elements, if any, are owned by the Association for the benefit of all of the Owners and the Occupants.

3.1.2 The Common Elements shall be subject to (i) certain easements as described in this Declaration and the other Governing Documents, reflected on the Plat, and any other easements (whether now or hereafter existing) recorded against the Common Elements; and (ii) the right of the Association to establish reasonable Rules governing the use of the Property.

3.1.3 Except as otherwise expressly provided in the Governing Documents, or as agreed to in writing by the Association, (i) no improvement, modification, construction, or change of the Common Elements shall take place by an Owner or Occupant without prior written authorization by the Board and (ii) all maintenance, repair, replacement, improvement, management, and operation of the Common Elements shall be the responsibility of the Association except as set forth in other provisions of this Declaration or the Governing Documents.

3.1.4 Common Expenses for the maintenance, repair, replacement, management, and operation of the Common Elements shall be assessed and collected from the Owners in accordance with Section 6 and other relevant provisions of this Declaration.

3.2 Annexation of Real Property. Real property (in one or more than one parcel) may be annexed to the Property and subjected to this Declaration, subject to the following requirements: (i) the parcel shall be owned by the Developer; (ii) the annexation shall be approved by the Board; and (iii) an amendment to this Declaration describing the annexation and the parcel being annexed, subjecting said parcel to this Declaration, and reallocating Common Expense obligations, voting rights, and memberships, shall be executed by the Developer and the Association, consented to by any mortgagee of the annexed parcel, and recorded. There shall be no additional requirements for so amending this Declaration to annex real property including, but not limited to, the amendment provisions set forth in Section 15. Any property so annexed may be designated as Common Elements or Units.

3.3 Deannexation and Dedication of the Property. Portions of the Property may be deannexed and withdrawn from this Declaration subject to the following requirements: (i) the Property shall be owned by the Developer; (ii) the deannexation shall be approved by the Board; and (iii) an amendment to this Declaration describing the deannexation and the parcel being deannexed shall be executed by the Developer and the Association, consented to by any mortgagee of the deannexed parcel, and recorded. There shall be no additional requirements for

so amending this Declaration to deannex a portion of the Property including, but not limited to, the amendment provisions set forth in Section 15. The Association shall also have the unilateral power to deannex and dedicate or convey reasonable portions of the Property owned by it to any governmental or private Person for private or public purposes, subject to the written consent of the Developer so long as the Developer owns an unsold Unit for sale, and subject to the following requirements: (i) the deannexation and dedication shall be approved by the Board; and (ii) an amendment to this Declaration describing the deannexation and dedication of the parcel being deannexed and dedicated shall be executed by the Association, consented to by any mortgagee of that parcel, and recorded. There shall be no additional requirements for so amending this Declaration to deannex and dedicate a portion of the Property including, but not limited to, the amendment provisions set forth in Section 15. The portion of the Property which is deannexed shall be automatically released from and no longer be subject to this Declaration, and any rights or obligations accruing thereto shall terminate, effective upon the recording of the respective amendment to this Declaration; provided, that such amendment shall reference this Declaration and the authority contained in this Section.

3.4 Interest Subject to Plan of Development. Every Owner and any secured party or other Person holding or acquiring an interest in a Unit or the Common Elements, shall take title or hold such interest subject to the Developer's rights pursuant to this Declaration. Notwithstanding anything to the contrary in this Declaration, the Developer's rights or obligations under the Governing Documents shall not be changed in whole or in part without the prior written consent of the Developer, which consent may be granted, withheld, or denied in the Developer's sole and absolute discretion.

3.5 Improvements to the Common Elements. No Improvements shall be made to or constructed on the Common Elements, except such Improvements contemplated by the Developer's plan for development of the Property.

SECTION 4 ASSOCIATION MEMBERSHIP: RIGHTS AND OBLIGATIONS

Membership in the Association, and the allocation to each Unit of a portion of the votes in the Association and a portion of the Common Expenses of the Association, shall be governed by the following provisions:

4.1 Membership. Each Owner shall be a Member of the Association solely by virtue of Unit ownership, and the membership shall be automatically transferred with the conveyance of the Owner's interest in the Unit. The Owner's membership shall automatically terminate when the Owner's ownership of the Unit terminates. When more than one Person is an Owner of a Unit, each such Person shall be a Member, but multiple ownership of a Unit shall not increase the voting rights allocated to such Unit nor authorize the division of the voting rights.

4.2 Voting and Common Expenses. Voting rights are allocated equally among the Units, with one vote allocated to each Unit. Subject to Sections 6.4, 10, and 11, and other provisions of this Declaration, Common Expense obligations are allocated equally among the

Units. Said rights and obligations are reallocated on the same basis as and if other Units are added to the Property.

4.3 Appurtenant Rights and Obligations. The ownership of a Unit includes the voting rights and Common Expense obligations described in Section 4.2. Said rights and obligations, and the title to the Units, shall not be separated or conveyed separately. Any conveyance, encumbrance, judicial sale, or other transfer of any interest in a Unit, which is separate from the title to the Unit, shall be void. The allocation of the rights and obligations described in this Section 4 may not be changed, except in accordance with the Governing Documents.

4.4 Authority to Vote. The Owner, or some natural Person designated to act as proxy on behalf of the Owner and who must be an Owner, may cast the vote allocated to such Owner's Unit at meetings of the Owners; provided, that if there are multiple Owners of a Unit, only the Owner or other Person designated pursuant to the provisions of the Bylaws may cast such vote. The voting rights of Owners are more fully described in Section 3 of the Bylaws.

SECTION 5 ADMINISTRATION

The administration and operation of the Association and the Property, including but not limited to the acts required of the Association, shall be governed by the following provisions:

5.1 General. The operation and administration of the Association and the Property are governed by the Governing Documents and the Rules. Subject to Section 5.2 and the rights of the Owners set forth in the Governing Documents and the Act, the Association is responsible for the operation, management, and control of the Property and shall have all powers described in the Governing Documents, the Act, and the statute under which the Association is incorporated. All power and authority exercisable by the Association shall be vested in the Board, unless action or approval by the individual Owners is specifically required by the Governing Documents or the Act. All references in the Governing Documents and the Rules to the Association shall mean the Association acting through the Board, unless specifically stated to the contrary.

5.2 Operational Purposes. The Association shall operate and manage the Property for the purposes of (i) administering and enforcing the covenants, restrictions, easements, charges, and liens set forth in the Governing Documents and the Rules, (ii) maintaining, repairing, and replacing those portions of the Property for which it is responsible, and (iii) preserving the value and the architectural character of the Property.

5.3 Binding Effect of Actions. All agreements and determinations made by the Association in accordance with the Governing Documents or the Rules shall be binding upon all Owners and Occupants, and their lessees, guests, heirs, personal representatives, successors, and assigns, and all secured parties.

5.4 Bylaws. The Association shall have Bylaws. The Bylaws, and any amendments thereto, or supplements or restatements thereof, govern the operation and administration of the Association and shall be binding upon all Owners and Occupants.

5.5 Management. The Board may delegate to a manager or managing agent the management duties imposed upon the Association's officers and directors by the Governing Documents and the Act; provided, however, that such delegation shall not relieve such officers and directors of the ultimate responsibility for the performance of their duties as prescribed by the Governing Documents and the Act.

5.6 Rules. The Board shall have exclusive authority to approve and implement such reasonable Rules, and policies and procedures (which shall be considered part of the Rules), as it deems necessary from time to time for the purpose of operating and administering the Association and regulating the use of the Property; provided, that the Rules must be reasonable, lawful, and consistent with the Governing Documents. The inclusion in other parts of the Governing Documents of authority to approve Rules shall be deemed to be in furtherance, and not in limitation, of the authority granted by this Section. New or amended Rules shall be effective only after at least thirty days' notice thereof has been given to the Owners.

5.7 Association Assets; Surplus Funds. All funds and real or personal property acquired by the Association shall be held and used for the benefit of the Owners for the purposes stated in the Governing Documents. Surplus funds remaining after payment of or provision for Common Expenses and reserves shall be credited against future assessments or added to reserves, as determined by the Board.

5.8 Recreation Property. The Recreation Property is part of the Common Elements, and is or will be subject to that certain Conservation Easement Agreement recorded (or to be recorded) in the office of the Registrar of Titles in and for Hennepin County, Minnesota, against the Recreation Property (the "Conservation Easement Agreement"). Pursuant to the Conservation Easement Agreement, the public is granted easements to use the Recreation Property for certain limited recreational purposes (including, but not limited to, using the trails constructed or to be constructed within the Recreation Property). Pursuant to the Conservation Easement Agreement, the Developer shall initially undertake and be responsible for (i) the installation and construction of certain paths and trails within the Recreation Property and (ii) the maintenance and replacement of certain vegetation that the Developer plants within the Recreation Property pursuant to the Conservation Easement Agreement. All such maintenance and replacement of said vegetation by the Developer shall be at the Developer's reasonable discretion. All maintenance and replacement obligations of the Developer pursuant to this Section 5.8 shall terminate on the date that is three years immediately following the date of recording of the Conservation Easement Agreement in said office. Following the expiration of that three-year period, the Association shall be responsible for the maintenance, repair, and replacement of the Recreation Property. No amendment to this Section 5.8, or to any other Section of this Declaration that obligates the Association to maintain, repair, and replace the Recreation Property, shall be undertaken or be effective unless the amendment is approved in

writing by CLP (but such approval shall not be required if, at the time an amendment is undertaken, CLP is dissolved (whether voluntarily or involuntarily) under Minnesota law).

5.9 Control of the Association. The Developer has the right to control the Association for a certain period of time, as more fully set forth in Section 16.6 and as provided in other provisions of the Governing Documents.

SECTION 6 ASSESSMENTS

6.1 General. A budget shall be established and Assessments shall be determined and assessed against the Units, subject to the requirements and procedures set forth in this Section 6, in other provisions of this Declaration, and subject to any relevant requirements of the Bylaws. Assessments may include, but not limited to, annual Assessments under Section 6.2, special Assessments under Section 6.3, limited Assessments under Section 6.4, and all other Assessments assessed to and levied against the Units pursuant to this Declaration. Limited Assessments under Section 6.4 are allocated and assessed to Units as set forth in that Section. Annual Assessments and special Assessments shall be allocated and assessed among the Units in accordance with the allocation formula set forth in Section 4.2; provided, that the Board may allocate a reduced share of an annual or special Assessment against those Units which are unimproved or unoccupied to reflect reduced services received by the Association. Other Assessments may be allocated and assessed as provided in the Governing Documents. The Association shall keep the replacement reserves in one or more than one account separate from the Association's operating funds, and shall not use or borrow from the replacement reserves to fund the Association's operating expenses; provided, that this restriction shall not affect the Association's authority to pledge or encumber the replacement reserves as security for a loan to the Association. No portion of the replacement reserves need be segregated for the replacement of specific components of the Property.

6.2 Annual Assessments. Annual Assessments shall be established and levied by the Board, subject to the limitations set forth hereafter. Each annual Assessment shall cover all of the anticipated Common Expenses of the Association for that year which are to be shared by all Units in accordance with the allocation formula set forth in Section 4.2. Annual Assessments shall be payable in equal monthly, quarterly, semi-annual, or annual installments and due on the first day of each such relevant period, as directed by the Board. Annual Assessments shall provide, among other things, one or more than one adequate reserve fund for the replacement of those parts of the Property for which the Association is responsible to replace, by reason of ordinary wear and tear or obsolescence.

6.3 Special Assessments. In addition to annual Assessments, and subject to the limitations set forth hereafter, the Board may levy a special Assessment against all Units in accordance with the allocation formula set forth in Section 4.2, and for the purposes described in this Declaration. Special Assessments may be levied (i) to cover Association expenditures of an emergency nature, (ii) to replenish underfunded replacement reserves, (iii) to cover unbudgeted capital expenditures or operating expenses of the Association, (iv) to cover the cost

of any unforeseen and unbudgeted Common Expense, and (v) to cover general or specific reserves for maintenance, repair, or replacement of any part of the Property that the Association has the obligation to maintain, repair, or replace. A special Assessment may be payable in more than one year and in more than one installment.

6.4 Limited Assessments. In addition to other Assessments, the Board may, at its discretion, levy and allocate limited Assessments among all or only certain Units in accordance with the following requirements and procedures:

6.4.1 Notwithstanding any provision to the contrary in this Declaration, any Common Expense benefiting fewer than all of the Units may, at the Board's discretion, be assessed exclusively against the Unit or Units benefited, (i) in proportion to the respective Common Expense liability, (ii) equally, (iii) by actual cost per Unit, or (iv) on such other fair basis determined by the Board.

6.4.2 The costs of common utilities, or utilities serving the Units but which are commonly metered (if any), may be assessed in proportion to usage (due to waste, or otherwise), or such other fair basis that the Board shall determine. Fees for the use of common amenities (if any) may be assessed equally or in proportion to use.

6.4.3 Reasonable attorneys' fees and other costs incurred by the Association in connection with (i) the collection of Assessments and (ii) the enforcement of the Governing Documents or the Rules, against an Owner or Occupant or a tenant or guest of an Owner or Occupant, may be assessed against the Owner's Unit.

6.4.4 Late charges, fines, and interest may be assessed as provided in Section 14.

6.4.5 Assessments levied to pay a judgment against the Association may be levied only against the Units existing at the time the judgment was entered, in proportion to their Common Expense liabilities.

6.4.6 If any damage to the Property is caused by the act or omission of any Owner or of any Occupant of that Owner's Unit, or by a guest or invitee of an Owner or Occupant, or by any condition that exists in the Owner's Unit, the Association may assess the costs of repairing the damage, or assess any increase in insurance rates directly attributable to the act, omission, or condition; exclusively against the Owner's Unit to the extent that the damage is not covered by insurance, and charge such costs or such increase to that Owner.

6.4.7 If any increase in the cost of utilities that are otherwise paid by the Association is caused by the act or omission of any Owner, or of any Occupant of that Owner's Unit, or of a guest or invitee of an Owner or Occupant, or by any condition that exists in the Owner's Unit, the Association may assess the increased cost attributable to the act, omission, or condition, exclusively against the Owner's Unit, and charge such costs to that Owner.

6.4.8 The costs of utilities (to the extent not separately metered) may be assessed in proportion to usage or such other reasonable formula established by the Board.

6.4.9 If Common Expense liabilities are reallocated for any purpose, Assessments and any installment thereof not yet due shall be recalculated in accordance with the reallocated Common Expense liabilities.

6.4.10 If any Assessment or installment of an Assessment becomes more than thirty days past due, then the Association may, upon ten days written notice to the Owner, declare the entire amount of the Assessment immediately due and payable in full.

Assessments levied under Sections 6.4 may, at the Board's discretion, be assessed as a part of, or in addition to, other Assessments levied under this Section 6.

6.5 Liability of Owners for Assessments/Developer Exemption. Subject to Section 6.5.3, the obligation of an Owner to pay Assessments is as follows:

6.5.1 The obligation of an Owner to pay Assessments with respect to the Owner's Unit shall commence at the time that the Owner takes title to the Unit. The Owner at the time an Assessment is payable with respect to that Owner's Unit is personally liable for the share of the Common Expenses assessed against such Unit. The Owners' liability is joint and several where there are multiple Owners of a Unit.

6.5.2 The Owner's liability is absolute and unconditional, unless otherwise modified by law or this Declaration. Except as provided in Section 6.5.3, no Owner is exempt from liability for payment of Assessments by right of set-off, by waiver of use or enjoyment of any part of the Property, by absence from or abandonment of the Unit, by the waiver of any other rights, or by reason of any claim against the Developer, the Association, or their respective officers, directors or agents, or for their failure to fulfill any duties under the Governing Documents or the Act.

6.5.3 The Developer shall pay all costs of operating and administering the Association until the date that the first annual Assessment levied and assessed by the Association becomes due and payable. Notwithstanding the foregoing, the Developer may, during the Developer Control Period, and whether or not any Assessment has been levied and assessed by the Association, expend funds for the benefit of or on behalf of, or advance funds to, the Association to pay Common Expenses that exceed the Association's operating revenue (costs incurred or paid by the Developer to discharge the Developer's three-year obligation to maintain the Preservation Area under Section 7.1 shall not be deemed to be any such expended or advanced funds). All such funds expended or advanced by the Developer to pay Common Expenses shall be reimbursed by the Association to the Developer within thirty days following a written notice from the Developer to the Association for that reimbursement; provided, that the Association shall not be obligated to reimburse such funds to the Developer unless and until the Association has operating funds that are in excess of the reimbursement amount (the

Association shall, upon demand by the Developer, provide written evidence to the Developer of the status of the Association's operating funds, in the event that the Association represents to the Developer that the Association is unable, following a demand for such reimbursement by the Developer, to provide that reimbursement).

6.5.4 Notwithstanding anything in the Governing Documents to the contrary, (i) the Developer is exempt from (and shall not be liable to the Association for) Assessments charged to the Developer while the Developer owns a unit for initial sale, (ii) the Developer is exempt from (and shall not be liable to the Association for) Assessment liens levied and assessed by the Association against a Unit owed by the Developer for initial sale, and (iii) a Unit owned by the Developer for initial sale shall be exempt from Assessment liens levied and assessed by the Association against that Unit during the Developer's ownership of that Unit. Notwithstanding anything in the Governing Documents to the contrary, a Builder approved by the Developer shall be exempt from (and shall not be liable to the Association for) Assessments charged to the Builder with regard to a Unit owned by the Builder for construction and resale, and a Unit owned by a Builder for construction and resale shall be exempt from Assessment liens levied and assessed by the Association against that Unit, all until the earliest to occur of the following: (i) one year after the date the title to that Unit was conveyed by the Developer to the Builder, or (ii) the date a certificate of occupancy (or similar approval) has been issued by the City with respect to a Dwelling located in that Unit.

6.6 Assessment Lien. Subject to Section 6.5, the Association has a lien on a Unit for any Assessment assessed to and/or levied against that Unit from the time the Assessment becomes due. If an Assessment is payable in installments, the full amount of the Assessment is a lien from the time the first installment thereof becomes due. Fees, charges, late charges, fines and interest charges imposed by the Association are liens, and are enforceable as Assessments, under this Declaration. Recording of this Declaration constitutes record notice and perfection of any lien under this this Declaration, and no further recordation of any notice of or claim for the lien is required. The release of the lien shall not release the Owner from personal liability unless agreed to in writing by the Association. The attorneys' fees and costs incurred by the Association to prepare and record a satisfaction or release of the lien shall be the personal obligation of the Owner of the Unit that is subject to the lien, and shall be part of the amount of the lien.

6.7 Foreclosure of Lien; Remedies. A lien for Assessments may be foreclosed against a Unit under the laws of the state of Minnesota (i) by action or (ii) by advertisement in substantially the same manner as a mortgage containing a power of sale. The Association, or its authorized representative, shall have the power to bid at the foreclosure sale and to acquire, hold, lease, mortgage and convey any Unit so acquired. The Owner and any other Person claiming an interest in the Unit, by the acceptance or assertion of any interest in the Unit, grants to the Association a power of sale and full authority to accomplish the foreclosure by advertisement. The Association shall, in addition to its other remedies, have the right to pursue any other remedy at law or in equity against the Owner who fails to pay any Assessment or charge against the Unit.

6.8 Lien Priority; Foreclosure. A lien for Assessments is prior to all other liens and encumbrances on a Unit except (i) liens and encumbrances recorded before the recording of this Declaration, (ii) any first mortgage on the Unit, and (iii) liens for real estate taxes and other governmental assessments or charges against the Unit. The holder of a first mortgage on a Unit which acquires title to the Unit by foreclosure or a deed in lieu of foreclosure shall take title to the Unit free and clear of all Assessment liens encumbering the Unit and Assessments payable in the period prior to the acquisition of title to the Unit by the mortgage holder. At such time as the first mortgage holder takes title to the Unit, it shall be obligated to pay Assessments levied against the Unit and payable during the period when it holds title to the Unit. Notwithstanding the foregoing, if (i) a first mortgage on a Unit is foreclosed, and (ii) no Owner redeems during the Owner's period of redemption provided by Minnesota Statutes Chapter 580, 581, or 582, then the holder of the sheriff's certificate of sale from the foreclosure of the first mortgage (or any Person who acquires title to the Unit by redemption, as set forth in the Act) shall take title to the Unit subject to the Association's lien against the Unit for unpaid Assessments which became due, without acceleration, during the six months immediately preceding the first day following the end of the Owner's period of redemption in said mortgage foreclosure.

6.9 Voluntary Conveyances; Statement of Assessments. In a voluntary conveyance of a Unit, the grantee of the Unit shall not be personally liable for any unpaid Assessments and other charges made by the Association against the Unit or the grantor of the Unit prior to the time of conveyance to said grantee, unless expressly assumed by said grantee. However, the lien of such Assessments shall remain against the Unit until released. Any such grantee or grantor shall be entitled to a statement, in recordable form, from the Association setting forth the amount of the unpaid Assessments against the Unit, including all Assessments payable in the Association's current fiscal year, which statement shall be binding on the Association, and on such grantee or grantor.

6.10 Governmental Assessments. If a governmental assessment or other governmental charge is levied against the Common Elements for improvements to roadways, utilities, or other infrastructure improvements serving the Property, the Association shall have authority, but not the obligation, to allocate and levy such governmental assessment or other governmental charge equally against all Units, notwithstanding the fact that the levy made by the City or other governmental authority affects only the Common Elements.

6.11 Working Capital Fund. There shall be a working capital fund for the Association to meet unforeseen expenditures, to purchase additional equipment or services of the Association, to cover the administrative costs associated with the transfer of ownership of a Unit, and/or to provide funding for other purposes set forth in this Section 6.11. At the time of the closing of the sale of a Unit on which a certificate of occupancy (or similar approval) has been issued by the City with respect to a Dwelling located in that Unit, whether initial sale or resale, the Person to whom the Unit is sold shall pay a working capital fund contribution to the Association in the amount of five hundred dollars with regard to that sale. Notwithstanding the foregoing, the requirement to contribute to the working capital fund upon the sale of a Unit shall not apply to an initial sale of the Unit to a Builder, unless the Builder is purchasing the Unit for personal, rental, and/or residential use, and not for construction and resale; provided, that, if a

Person is (at any time) residing in the Dwelling located within that Unit while the Builder is the Owner of that Unit, it will be presumed that the Builder purchased that Unit for personal, rental, and/or residential use, and not for construction and resale, and the Builder shall be required to contribute to the working capital fund, as provided herein. The amounts paid into the working capital fund are in addition to Assessments assessed to and levied against one or more than one Unit by the Association, and shall not be considered an advance payment of, or an offset of, any Assessment. In addition to other purposes set forth in this Section 6.11, the working capital funds shall, at the Association's discretion, be used by the Association (i) to pay or defray the expenses of the Association in connection with any Unit transfer, (ii) for any other operating expense of the Association, or (iii) as a contribution to the Association's reserves, in any one or more than one combination.

SECTION 7 PRESERVATION AREA

The Preservation Area is legally described on Exhibit C attached hereto and depicted on Exhibit D attached hereto, and includes portions of the Units and possibly other portions of the Property. The following provisions shall apply specifically to the Preservation Area:

7.1 Responsibilities for the Preservation Area. The Association is responsible for the maintenance to and improvement of the Preservation Area, with the goal of protecting and preserving the natural setting created and existing in the Preservation Area; provided, that the Developer (and not the Association) has the obligation to undertake the maintenance of the Preservation Area for the three-year period beginning on the date following the date of the recording of this Declaration in the appropriate recording office in Hennepin County, Minnesota, which maintenance shall be pursuant to a maintenance agreement entered into by and between the Developer and a qualified contractor; and provided further, that the maintenance to and improvement of the Preservation Area (whether undertaken by the Developer or the Association (as the case may be) shall, at the very least, be consistent with and in accordance with all requirements for such maintenance and improvement as may be set forth in writing by the City. Following the expiration of that three-year period, the Association shall be responsible for the maintenance to and improvement of the Preservation Area, which maintenance is intended to include yearly spot treating, as needed, controlled burning every three years (or on such other schedule as established by the Association), all per requirements established by qualified contractors/experts retained or consulted by the Association.

7.2 Conditional Work by the City. In the event that the Developer or the Association (as the case may be) fails to comply with any maintenance or improvement requirements set forth in writing by the City, and such failure continues for at least sixty days following the date of a written notice by the City to the Developer or the Association (depending upon whether the Developer or the Association (as the case may be) has the maintenance and improvements obligations at the relevant time pursuant to Section 7.1) or a plan or proposal submitted by the Developer or the Association to the City during said sixty-day period for such maintenance or improvement is deemed to not be acceptable by the City, the City has the right and authority to perform said maintenance or improvement and charge the Developer or the Association

(depending upon which of those two entities has the obligation to perform such work as of the date of that notice) for the reasonable costs incurred by the City for such maintenance or improvement. If such costs are the obligation of the Association, then such costs may then be assessed to and levied against the Units by the Association, on an equal basis, which Assessment shall (notwithstanding any other provision in the Governing Documents to the contrary) be in addition to any other Assessments assessed to and levied against the Units by the Association and shall be due and payable by the Owners to the Association on a date established by the Board. The City is hereby granted a nonexclusive easement over, on, and through the Common Elements and the yard portions of the Units to enable the City to reasonably undertake its right and authority under this Section 7.2.

7.3 Restricted Use of the Preservation Area. The Preservation Area shall not be used, altered, replaced, modified, or otherwise changed by the Owners, except as expressly set forth in this Declaration (which exceptions shall include, but not be limited to, the use of the Preservation Area by the Owners, and the maintenance, repair, and replacement of the Sewage Treatment System by the Owners, all as set forth in Section 7.5). Without limiting the foregoing, the Preservation Area shall not be used for composting, and no soil, turf, lawn clippings, leaf litter, garden clippings, refuse plant matter, or other material, trash, waste, or refuse shall be dumped or placed within the Preservation Area. No trees or other vegetation shall be harvested, removed, poisoned, cut, pruned, divided, or burned within the Preservation Area, except by the Association or its agents or contractors.

7.4 Structures. No structures (whether manmade or otherwise) including, without limitation, storage sheds, patios, concrete walkways, and gardens, shall be installed or constructed within the Preservation Area, except for manmade structures that are installed by the Developer or by the Association, or that the Developer or the Association deems necessary to discharge its obligations under the Governing Documents.

7.5 Activities in the Preservation Area. The portion of the Preservation Area that is located within a Unit is restricted for use by the Owners and Occupants of that Unit and their guests, as set forth in this Declaration and set forth in restrictions established by the Association from time to time. Use of the Preservation Area is limited by any additional restrictions established by the City at any time. Notwithstanding the foregoing, an Owner has the authority and obligation to maintain, repair, and replace all portions of the Sewage Treatment System located within and serving that Owner's Unit and at the Owner's sole expense, which authority shall be limited by written policies or procedures (whether set out in the Rules or otherwise) that may be established from time to time by the Association or the City. Any maintenance, repair, and replacement of the Sewage Treatment System shall be undertaken in such a manner that creates as little impact as possible on the Preservation Area, and the Owner of the Unit on which the maintenance, repair, and replacement is undertaken has the obligation to oversee such work and to ensure such minimal impact on the Preservation Area. All such work to be undertaken by or on behalf of an Owner within the Preservation Area shall only be done if an after the Board approves such work pursuant to Section 9.

7.6 Signage. Within three months of the date of the recording of this Declaration in the office of the Registrar of Titles in and for Hennepin County, Minnesota, the Developer shall install signs at various locations along the perimeter of the Preservation Area (which locations shall be mutually agreeable by the City and the Developer), containing verbiage that is mutually agreeable by the City and the Developer that designate the Preservation Area and that generally describe the restrictions set forth in this Section 7 on the use, alteration, replacement, and modification of the Preservation Area by Owners and Occupants. The Developer shall, through the expiration of the Developer Control Period, and the Association shall, thereafter, maintain, repair, and replace those signs, all to the satisfaction of the City.

7.7 Amendment to this Section 7. Pursuant to Section 15, there shall be no amendment or other modification to this Section 7 without prior written approval of the City.

SECTION 8 RESTRICTIONS ON USE OF PROPERTY

All Owners and Occupants, and all secured parties, by their acceptance or assertion of an interest in the Property, or by their occupancy of a Unit, covenant and agree that, in addition to any other restrictions which may be imposed by the Governing Documents, the occupancy, use, operation, alienation, and conveyance of the Property shall be subject to the restrictions set forth in this Section, in addition to other restrictions set forth in the Governing Documents.

8.1 Preservation of Natural Areas. Except as otherwise allowed, authorized, or obligated under this Declaration, ponds, marshes, wetland areas, vegetation, trees, and other similar areas existing or located on the Property, and whether natural or otherwise, shall be maintained in substantially the same condition as originally established or constructed, subject only to (i) changes authorized by the Association consistent with all statutes, requirements, rules, and regulations imposed on such areas and items by governmental authorities having jurisdiction over any portion of the Property and (ii) the prior approval of any such governmental authorities, if required. No cutting, mowing, trimming, draining, dredging, or other alteration of such areas and items shall be permitted by Owners or Occupants, except as authorized by Section 9 or other provisions of this Declaration, it being the intention that such areas and items remain and be maintained in a substantially natural condition, and subject to natural changes.

8.2 General Restrictions. The Property shall be owned, conveyed, encumbered, leased, used, and occupied subject to the Governing Documents and the Rules, all as amended from time to time. All covenants, restrictions, obligations, conditions, and easements set forth in the Governing Documents are in furtherance of a plan for the Property, and shall run with the Property and be a burden and benefit to all Owners and Occupants and to any other Person acquiring or owning an interest in the Property, their heirs, personal representatives, successors and assigns.

8.3 Subdivision Prohibited. Except as otherwise provided in this Declaration, no Unit or any part of the Common Elements may be subdivided or partitioned without the prior written approval of the Owners at an Association meeting, any governmental authorities having

jurisdiction over the Property, and any secured parties holding first mortgages on any Units affected. The dedication or de-annexation of a portion of the Property pursuant to Section 3 shall not be deemed a subdivision or partition.

8.4 Residential Use. The Units shall be used by Owners and Occupants and their guests exclusively as private, single family residential dwellings, and not for transient, hotel, commercial, business, or other non-residential purposes, except as provided in Section 8.5 and in other provisions of the Governing Documents. Any occupancy of a Unit which includes services customarily furnished to hotel guests, shall be presumed to be for transient or hotel purposes. Garages shall not be used for living or sleeping quarters.

8.5 Business Use Restricted. No business, trade, occupation, or profession of any kind, whether carried on for profit or otherwise, shall be conducted, maintained, or permitted in any Unit or the Common Elements, except as follows:

8.5.1 An Owner or Occupant residing in a Unit may maintain a business, trade, occupation, or profession in such Unit (but only within the Dwelling in such Unit); provided, that such use of the Unit (i) is incidental to the residential use of the Unit; (ii) does not involve physical alteration or improvement of the Unit visible from the exterior of the Unit; (iii) is in compliance with all governmental laws, ordinances, and regulations; (iv) does not involve observable business activity such as signs, advertising displays, customers, clients, unusual numbers of deliveries, or unusual levels of pedestrian or vehicular traffic to and from the Unit; (v) does not involve employees, independent contractors, or consultants (other than an Owner or Occupant of the Unit); and (vi) does not otherwise involve activity which disturbs the quiet enjoyment of the other Units by their Owners or Occupants.

8.5.2 The Association may maintain offices and other facilities on the Property, including the Common Elements, for management, operations, and related purposes.

8.5.3 The Developer, or a Builder authorized by the Developer, may maintain offices, sales facilities, model homes, and other related facilities on the Property, including the Common Elements, in connection with the exercise of their rights under the Governing Documents.

8.6 Leasing. Leasing of a Unit shall be allowed, subject to reasonable regulation by the Association, and subject to the following conditions: (a) the Unit shall not be subleased, (b) the Unit must be leased in its entirety (not by room), and the Dwelling within the Unit shall not be leased separately from the balance of the Unit, (c) each lease shall be in writing, (d) unless otherwise required in connection with the financing, guarantee, or insuring of a Unit mortgage, no lease shall be for a period less than three or more than twelve months, except for extenuating situations approved by the Board and except where an Owner of the Unit is simultaneously occupying the Unit along with the lessee, (e) each lease shall provide that it is subject to the Governing Documents and the Rules, and that any failure of the lessee to comply with the terms of the Governing Documents and the Rules shall be a default under the lease, (f) the occupancy

of the Unit shall be subject to the Governing Documents and the Rules, (g) the Association shall, prior to occupancy of the Unit by a lessee, receive from the Owner of the Unit a copy of the fully-signed lease and a copy of each license, permit, or similar document issued by the City to the Owner of the Unit and that the City requires that Owner to have as a condition of the leasing, (h) prior to occupancy of a Unit by a lessee, the Association shall receive a written list of the name and telephone number of each Person who will occupy the Unit, and the absentee address and telephone number of the absentee Owner, and (i) the Unit shall not be leased for transient or hotel purposes (any occupancy which includes services customarily furnished to hotel guests, shall be presumed to be for transient or hotel purposes). The Association may establish such reasonable Rules governing the leasing of the Units and governing the implementation of procedures for the leasing of the Units, not in conflict with this Section 8.6 and applicable law, including, but not limited to, a requirement for a form addendum to be attached to each lease to assure that the rights and authority of the Association and of the Owners and Occupants are recognized. Any violation of the Governing Documents or the Rules by any Person occupying or visiting a Unit (whether or not pursuant to a lease) shall be deemed to be a violation by the Owner of that Unit. Any resulting fines or other penalties imposed by the Association shall be imposed upon that Owner and shall be that Owner's personal responsibility to the Association, shall be assessed against that Owner's Unit, and shall be a lien in favor of the Association and against that Unit. Notwithstanding anything to the contrary in this Section 8.6, the leasing of a Unit by the Association, and the leasing of a Unit owned by the holder of a first mortgage against that Unit following a foreclosure of its mortgage against that Unit or the granting of a deed to the Unit in lieu of foreclosure, shall not be subject to the time period restrictions set forth in Section 8.6 (d). Notwithstanding anything to the contrary in this Section 8.6 or in any other provisions of this Declaration, the terms "lease," "leasing," and "leased," as used in this Section 8.6 and in other provisions of this Declaration shall be given their ordinary and common meaning, but shall also be deemed to include the occupancy or use of a Unit by Persons who are not Owners of the Unit (whether or not consideration is given by those persons to the Owner of that Unit).

8.7 Delegation of Use. Subject to the restrictions set forth in Section 8.6, an Owner may delegate, in accordance with the Governing Documents, the Owner's right of use and enjoyment of the Unit to Persons living in the Unit pursuant to a legal right of possession; provided, that such Persons shall be subject to the Governing Documents and the Rules. If lessees, or other Persons other than the Owner or the Owner's family, have been given the legal right to possess the Owner's Unit (and if such possession is in accordance with, and allowed by, the provisions of Section 8.6), then those Persons shall have the right to use any common recreational facilities, parking, storage, and other amenities on the Property in lieu of the Owner and the Owner's family.

8.8 Parking/Vehicles/Personal Property. The outside storage or parking of buses, trucks (other than pick-ups, sport utility vehicles, and similar small trucks used for the Owner's or Occupant's personal vehicle), trailers, aircraft, tractors, motorcycles, snowmobiles, motorhomes, all-terrain vehicles, watercraft, unlicensed vehicles of any type, and inoperative vehicles of any type is prohibited, except for temporary parking as authorized by the Association. Other personal property shall not be stored, displayed, or otherwise left outside the Dwellings,

except as authorized in writing by the Association or by this Declaration. Garages and other parking areas shall not be used for living quarters, and shall not be converted to other uses or used for storage or other purposes which would prevent the parking of automobiles or similar vehicles in the garages and parking areas. Garages and other parking areas on the Property shall be used only for parking of vehicles owned or leased by Owners and Occupants and their guests, and such other incidental uses as may be authorized in writing by the Association. Garages shall not be used for storage or other purposes so that they become unavailable for parking vehicles and keeping incidental personal property. No Person shall perform maintenance, repair, or restoration work on any vehicle on the Property except for their own vehicles, and then only within the Owner's garage. Notwithstanding anything to the contrary in this Section 8.8, commercial vehicles shall not be parked or stored on the Property, except within a garage or on a temporary basis in connection with construction work on a Unit (with prior approval by the Association) or for short-term deliveries lasting not more than one hour. The use of garages, driveways, and other parking areas on the Property, and the amount, size, and types of vehicles, trucks, trailers, watercraft, recreational vehicles, and all other kinds of personal property thereon, shall be subject to further restriction and regulation (through the Rules) by the Association consistent with this Section 8.8 including without limitation the right of the Association to tow vehicles parked in unauthorized areas or in a manner not authorized by the Association and the right of the Association to remove personal property kept in a manner or location that is not authorized by the Association or by this Declaration.

8.9 Swimming Pools; Hot Tubs; Play Equipment; Flagpoles. The provisions of this Section 8.9 shall govern the matters referred to in this Section 8.9, notwithstanding anything to the contrary in other provisions of this Declaration (including, but not limited to, Section 9).

8.9.1 Above-ground swimming pools are prohibited on the Property.

8.9.2 Temporary and portable swimming pools which would (when fully constructed and operable) fit within a ten foot square and have a finished height of less than two feet may be permitted within a Unit; provided, that (i) any such pool is located in the back yard of a Lot, (ii) the use of any such pool shall not violate the provisions of any other covenant or restriction contained in this Declaration, and (iii) the method and parameters of the installation, construction, placement, and location of the pool is allowed and approved by the Association pursuant to Section 9.

8.9.3 Each exterior hot tub (or similar item) installed, constructed, or placed within a Unit but outside of the Dwelling within the Unit (and only if the installation, construction, or placement is allowed and approved by the Association pursuant to Section 9) shall only be installed, constructed, or placed within the backyard of the Unit and shall be fully screened from view from all other Units, year around, by approved lattice, evergreen vegetation, or other screening that may be approved pursuant to Section 9.

8.9.4 Any play-set, swing set, and similar installations installed, constructed, or placed within a Unit but outside of the Dwelling within the Unit (and only if the installation, construction, or placement is allowed and approved by the Association

pursuant to Section 9) shall only be installed, constructed, or placed within the backyard of the Unit; provided, that any play-set, swing set, or similar installation (i) shall be constructed of predominantly of cedar wood or redwood, (ii) shall have a maximum finished height of twelve feet above ground at its highest point, (iii) shall fit within a twenty-four foot square, and (iv) shall consist entirely of green or earth tone in color (unless a different color scheme is allowed and approved pursuant to Section 9).

8.9.5 One basketball hoop and backboard may, if allowed and approved by the Association pursuant to Section 9, be permanently affixed by utilizing an in-ground pole mounting in or adjacent to a front driveway area.

8.9.6 No lighting of play or recreation equipment (including, but not limited to, a basketball hoop/backboard system, a play-set, a swing set, or a pool (with the exception of lighting installed within the interior of a pool that may be approved by the Association pursuant to Section 9), or of any sport court or similar installation, is permitted anywhere on the Units.

8.9.7 No item referred to in this Section 8.9 shall be installed, constructed, placed, or located within ten feet of an adjacent Unit, and no tree or other vegetation shall be removed for the purpose of such be installation, construction, placement, or location unless such removal is allowed and approved by the Association pursuant to Section 9). Each such item shall also be shall be installed, constructed, placed, and located in accordance with all applicable laws, codes, and ordinances.

8.10 Traffic Regulations. All vehicular traffic on the Property is subject to federal, state and local laws and regulations. All vehicles operated on the Property shall be operated in a careful, prudent, and safe manner; and with due consideration for the rights of all Owners and Occupants.

8.11 Pets. The Board shall have the exclusive authority to regulate or prohibit, by Rules, the keeping of animals on the Property; provided, that the only pets/animals that may be permitted to be kept on the Property (whether permanently or temporarily) shall be dogs, cats, small birds, and small fish (collectively referred to in this Section 8.11 as "pets"). The word "animal" herein shall be construed in its broadest sense and shall include all living creatures except humans. The following conditions shall apply to all pets allowed by the Board to be kept on the Property:

8.11.1 Rules may be adopted by the Association to prohibit or regulate pets on the Property including, but not limited to, the type, breed, and number of pets allowed to be kept in a Unit, the transport of pets to and from a Unit, and the disposal of pet waste.

8.11.2 Pets shall be kept solely as common domestic house pets (and/or as statutorily authorized "service animals" or "assistance animals" used by handicapped/disabled Persons, subject to the relevant federal and Minnesota laws and regulations governing handicapped/disabled Persons) and not for any other purpose. No

animal of any kind shall be raised or bred, or kept for business or commercial purposes, by any Person upon any part of the Property.

8.11.3 Pets shall not be allowed to make an unreasonable amount of noise, or to become a nuisance or a threat to the safety of Owners, Occupants, and their guests.

8.11.4 Pets shall be housed only within the Dwellings, and shall not be kept in a garage within a Dwelling. No structure, fence, or enclosure for the care, housing, or confinement of any pet shall be constructed or maintained on any part of the Common Elements, or in any part of a Unit, except as approved pursuant to Section 9 (to the extent such approval is required under Section 9).

8.11.5 Pets shall be under control at all times when outside of a Dwelling, and either in a pet carrier or on a leash. In addition, all City leash laws and other ordinances shall be followed.

8.11.6 The Board shall have authority to determine in its sole and absolute discretion whether a particular pet shall be permanently removed from the Property based upon the pet's behavior or the failure of the pet's owner to comply with (i) this Section 8, (ii) applicable governmental restrictions, laws, or ordinances, or (iii) any additional restrictions approved by the Board; provided, that such removal shall be subject to Section 14.3.

8.11.7 Owners and Occupants keeping pets within their Units are responsible for the pet's behavior and for complying with municipal pet laws, ordinances, and regulations. An Owner is liable to the Association for the cost of repair of any damage to the Property, or the damages and expenses associated with any personal injury, caused by an animal (i) kept by that Owner on the Property, (ii) kept on the Property by an Occupant of that Owner's Unit, or (iii) brought upon the Property by a guest or invitee of that Owner or that Occupant. The owner of that animal (if not that Owner) shall also be liable for such costs, damages, and expenses.

8.11.8 All fines, or costs for repair or injury, imposed upon an Owner for a failure to comply with any pet restrictions, or otherwise charged or imposed by the Association pursuant to this Section 8, shall be charged to the Owner and shall be assessed against the Owner's Unit.

8.12 Signs. Except as permitted by applicable law, but subject to review and regulation as provided in Section 9, no sign or comparable device of any kind shall be placed, erected, or maintained on the exterior of a Dwelling, or in other parts of a Unit visible from the exterior the Property, except (i) one sign per Unit of a size and style approved by the Association, advertising the Unit for sale or rent; (ii) signs placed by the Developer to advertise the Property, Units, or Dwellings during the construction, development, or sales period; and (iii) the permanent entrance signs and monuments erected by the Developer to identify the Property.

8.13 Quiet Enjoyment; Interference Prohibited. All Owners and Occupants and their guests shall have a right of quiet enjoyment in their respective Units, subject to the rights of other Owners and Occupants to reasonable use of their respective Units and the usual and customary sounds and smells generated thereby given the structure of the Property. The Owners and Occupants and their guests shall use and occupy the Property in such a manner as will not cause a nuisance or disturbance, nor unduly restrict, interfere with, or impede the use and quiet enjoyment of the Property by other Owners and Occupants and their guests.

8.14 Conformance with Law. No use shall be made of the Property which would violate any then existing City codes or ordinances, or state or federal laws, nor shall any act or use be permitted which could cause waste to the Property, cause a material increase in insurance rates on the Property, or otherwise cause any unusual liability, health or safety risk, or expense, for the Association or any Owner or Occupant.

8.15 Improvements. Except for Improvements made by the Developer, or by a Builder that is approved by the Developer, in connection with the sale of a Unit or construction of the first Dwelling thereon, no Improvement of any type, temporary or permanent, structural, decorative, or otherwise, shall be made, or caused or allowed to be made, by any Owner or Occupant, or their guests, in any part of the Common Elements, or in any part of the Unit which affects the Common Elements or another Unit, or which is visible from the exterior of the Unit, or which is within the Preservation Area, without the prior written authorization of the Board, or a committee appointed by it, as provided in Section 9. The Board, or the appointed committee if so authorized by the Board, shall have authority to establish reasonable criteria and requirements for Improvements, and shall be the sole judge of whether the criteria are satisfied. Notwithstanding anything to the contrary in this Section 8.15 or in other provisions of this Declaration, the Association has the authority to establish Rules governing the type, style, manufacture, quality, or other characteristics, of all materials used in the maintenance, repair, replacement, or construction of Improvements.

8.16 Time Shares Prohibited. The time share form of ownership, or any comparable form of lease, occupancy rights, ownership, or right-to-use plans, which has the effect of dividing the ownership or occupancy of a Unit into separate time or use periods, is prohibited.

8.17 Access to Units. In case of emergency, the yard areas of all Units are subject to entry, without notice and at any time, by an officer of the Association or member of the Board, by the management agent of the Association, or by any public safety personnel. Reasonable access is also authorized for maintenance purposes under Sections 10 and 13 and for enforcement purposes under Section 14.

8.18 Prohibited Conduct. No Owner or Occupant shall (i) cause or permit any physical changes to their Unit or Dwelling that could jeopardize or impair the weather-tight soundness or safety of the Dwelling or the safety of other improvements located on the Property; or (ii) interfere with any easement on or affecting the Property. No Improvement shall be erected or maintained, no excavation, grading, or reshaping shall be undertaken, and no refuse, fill, or other material shall be placed, on the Property, which may impede access on, about, or through the

Property, cause damage to the Property or interfere with the installation, use, or maintenance of the Improvements to the Property, or which may change or impede the flow of water through any natural, designed, improved, or graded drainage area on or within the Property.

SECTION 9

ARCHITECTURAL STANDARDS

9.1 Restrictions on Alterations. One of the purposes of this Declaration is to ensure that those parts of the Dwelling and of the Units which are visible from the exterior be kept architecturally attractive and uniform in appearance as determined by the Board. Therefore, except as otherwise set forth in this Section 9, the following restrictions and requirements shall apply to Improvements and to alterations on the Property:

9.1.1 Except as expressly provided in this Section 9, and subject to Section 9.5 and to any laws to the contrary, no modifications, Improvements, repairs, or replacements of any type, whether temporary or permanent, structural, aesthetic, or otherwise (collectively referred to in this Section 9 as the "Alterations"), including, but not limited to, any structure, building, addition, deck, patio, fence, wall, enclosure, window, exterior door, antenna or other type of sending or receiving apparatus, sign, flag, display, decoration, color change, shrubbery, topography, or landscaping, or any other Improvements constructed within, or modifications of, any Unit which (i) affects the Common Elements, another Unit, or another Dwelling, (ii) is visible from outside of the Unit, or (iii) is within the Preservation Area, shall be, or caused or allowed to be, commenced, erected, or maintained in any part of the Common Elements or in any Unit unless and until the plans and specifications showing the nature, kind, shape, height, color, materials, and locations of the Alterations shall have been approved in writing by the Board or a committee appointed by it. Notwithstanding the foregoing, and for so long as the Developer owns a Unit for sale, the Developer's prior written consent shall also be required for all Alterations (including, but not limited to, all Improvements and the construction of a Dwelling and Improvements related thereto) on or within any Unit, or any design or color change, modification, or other Alteration described in this Section 9.1.1. Notwithstanding anything in the foregoing to the contrary, the Association has the right and authority to establish Rules regulating the exterior appearance of the Property (including, but not limited to, the exterior appearance of a Dwelling, the exterior appearance of other portions of a Unit, or the appearance of any item or condition that is visible from the exterior of a Dwelling).

9.1.2 The Board may appoint, supervise, and disestablish an architectural committee, and specifically delegate to that committee part or all of the functions which the Board exercises under this Section 9, in which case the references to the Board shall refer to the architectural committee where appropriate. The architectural committee shall be subject to the supervision of the Board.

9.1.3 The Board may, at its discretion, establish the criteria for approval of Alterations, which shall include and require, at a minimum:

9.1.3.1 compatibility of color, location, type, and design in relating to existing Dwellings and topography,

9.1.3.2 comparable or better quality of materials as used in existing improvements on the Property,

9.1.3.3 adequate protection of the Property, the Association, Owners, and Occupants from liability and liens arising out of the proposed Alterations,

9.1.3.4 substantial preservation of other Owners' sight lines, if material, and

9.1.3.5 compliance with governmental laws, codes, and regulations.

9.1.4 The Board, or the appointed architectural committee if so authorized by the Board, shall be the sole judge of whether such criteria are satisfied and its determination shall be binding upon the Owners, the Occupants, and any other person holding or acquiring any interest in the Unit. The Board, or such committee, in its sole discretion, may impose Rules, guidelines, or standards for designs, appearance, or construction, which are greater or more stringent than standards prescribed by the Governing Documents, or by building, zoning, or other governmental laws, codes, or regulations; provided, that such standards shall be consistent with the architectural character and use of the Property as planned and developed by the Developer.

9.2 Review Procedures. The following procedures shall govern requests for Alterations under this Section:

9.2.1 Detailed plans, specifications, and related information regarding any proposed alteration, in form and content acceptable to the Board, shall be submitted to the Board and to the Developer (if applicable) at least 30 days prior to the projected commencement of construction of the Alteration. The Owner shall also provide such additional information relating to the Alterations as the Board, the Developer, or the appointed architectural committee, may request. No Alterations shall be commenced prior to all required approvals.

9.2.2 The Board and the Developer (if applicable) shall give the Owner written notice of approval or disapproval. The Board and the Developer (if applicable) shall have the right and authority to approve, conditionally approve, or deny requests for Alterations in its/their sole absolute discretion. The failure of the Board and the Developer (if applicable) to provide a written approval or disapproval shall not be deemed to be an approval by the Board.

9.2.3 If no request for approval is submitted, approval shall be deemed to be denied.

9.3 Remedies for Violations. The Association may undertake any measures, legal or administrative, to enforce compliance with this Section 9 and shall be entitled to recover from the Owner causing or permitting the violation all attorneys' fees and costs of enforcement incurred by the Association, regardless of the type of action taken or whether or not any action is taken or started. Such attorneys' fees and costs shall be assessed against the Owner's Unit and be the personal obligation of the Owner. In addition, the Association shall have the right to enter the Owner's Unit and shall hereby have an easement on and over said Unit, to restore any part of the Dwelling or the Unit to its prior condition if any Alterations were made in violation of this Section, and the cost of such restoration shall be the personal obligation of the Owner and be assessed against the Owner's Unit.

9.4 Owner Responsibility/Indemnity. The Owner who causes an alteration to be made, regardless of whether the alteration is approved by the Board or the Developer (if applicable), shall be solely responsible for the construction standards and specifications relating to the alteration, and the construction work, and shall be responsible for any and all claims, damages, loses, or liabilities arising out of the Alteration. The Owner, and not the Association or the Developer, is responsible for determining whether any alteration is in violation of any restrictions imposed by any governmental authority having jurisdiction over the Property. The Owner shall hold harmless, defend, and indemnify the Association, and its former, present, and future officers, directors, other Members, and agents from and against any expenses, claims, damages, losses, or other liabilities, including, without limitation, attorneys' fees and costs of litigation, arising out of (i) any alteration which violates any governmental laws, codes, ordinances, or regulations, (ii) the adequacy of the specifications for construction of the Alterations, and (iii) the construction of the Alterations.

9.5 Exemptions. The requirements set forth in this Section 9 (except Section 9.4) shall not apply to the following:

9.5.1 Original construction of the Dwelling within a Unit that is approved or undertaken by the Developer or by any Builder authorized by the Developer, and the construction or installation within a Unit of other Improvements approved or undertaken by the Developer or by any Builder authorized by the Developer in connection with the sale of the Unit. The initial construction of the Dwelling, and of other Improvements of and within the Unit within which that Dwelling is located, shall be reviewed and approved only by the Developer (and need not be, and shall not be, reviewed and approved by the Board or by any architectural committee appointed by the Board or the Association), whether or not the Developer controls the Association, the Board, or said architectural committee.

9.5.2 Antennas that are installed within a Unit, as permitted by applicable federal law. Such installation shall be subject to all governmental laws, codes, and ordinances, including any limit on the height of television broadcast antennas. The Board shall have authority to impose reasonable Rules consistent with law, including, but not limited to, the size and number of antennas that may be installed, the location of an

antenna, and the camouflage of an antenna's appearance. The Owner or Occupant of the Unit shall perform and pay for the installation, maintenance, and repair of the antenna.

9.5.3 The flags of the United States and Minnesota that are displayed within a Unit or within a Limited Common Element allocated to the Unit, as permitted by law. Such display and installation shall be subject to any relevant Rules established by the Association that are consistent with applicable law.

9.6 Fence Structures. Any above ground fencing that may be allowed or approved pursuant to this Section 9 shall, at a minimum, meet the following specifications: (i) all portions of the fence structure must be located entirely within the backyard of the Unit and shall not extend more than five feet beyond any side of the Dwelling located within the Unit, (ii) all portions of the fence structure shall be no more than forty-eight inches above grade (except for minor height variations for decorative post caps, and except that all portions of a fence structure surrounding a pool shall have a maximum height, above grade, of the greater of (i) forty-eight inches or (ii) the height required by law), (iii) all portions of the fence structure shall be of a non-privacy design (which design shall prohibit, for example (but not by limitation) solid fence panels, and the style and design of the fence structure shall be compatible with other fence structures within the Property, and (iv) the material of the fence structure shall be steel, iron, aluminum, or wood and shall be uniformly black or white in color.

SECTION 10 MAINTENANCE

10.1 Maintenance by the Association. The Association shall maintain, repair, and replace (collectively referred to in this Section 10, and in other relevant provisions in this Declaration as "maintain" or "maintenance") the Common Elements and all Improvements thereon. In addition, and as set forth in Section 7, the Association has the qualified obligation to maintain the Preservation Area to the extent set forth in Section 7. The Association shall not, and has no obligation to, maintain any portions of the Dwellings.

10.2 Optional Maintenance by Association. In addition to the maintenance described in Section 10.1, the Association may provide additional maintenance to the Property; provided, that under no circumstances shall the Association have any obligation to provide any maintenance to any portion of a Dwelling. No amendment to this Declaration shall be required to establish the Association's additional maintenance obligations approved pursuant to this Section 10.2. The maintenance performed by the Association pursuant to this Section 10.2 may (as determined by the Association) be funded by annual Assessments, by special Assessments (if approved pursuant to Section 6.3), or by limited Assessments under Section 6.4.

10.3 Maintenance by Owners. The maintenance obligations of the Owners are as follows:

10.3.1 Subject to Sections 10.1 and 10.2, and except as provided in other portions of this Declaration, all maintenance of the Unit, the Dwelling within the Unit, and all other Improvements located within the Unit (including, but not limited to, the Sewage

Treatment System), shall be performed by, and be the sole obligation and expense, of the Owner of the Unit. Exterior maintenance for which the Owner is obligated must be performed in accordance with any procedures, standards, guidelines, and criteria established by any time by the Association at any time.

10.3.2 All drainage easements within a Unit as shown on the Plat or as described in other recorded instruments shall be maintained by the Owner of the Unit in a condition that will continuously permit the free flow of water over the drainage easement without change of direction or impediment.

10.3.3 Notwithstanding anything to the contrary in the Governing Documents, the expense of any maintenance, repair, replacement, or reconstruction of the Property or other areas maintained by the Association necessitated by the acts or omissions of an Owner, or by an Occupant of that Owner's Unit, shall be paid by and be the personal obligation of that Owner to the Association, and shall be an Assessment and a lien against that Owner's Unit and such lien shall be enforceable as any other lien in favor of the Association under this Declaration.

10.3.4 Owners shall keep and maintain their Units in good, clean, sanitary, and maintained and repaired condition, and in compliance with all applicable governmental requirements, the Governing Documents, and the Rules. Owners shall perform all of their obligations under this Section 10.3 in such a manner as not to (i) damage the Property, (ii) unreasonably disturb or cause a hazard to other Persons occupying or using the Property, or (iii) cause waste or unreasonable use of common utilities (if any).

10.4 Preservation of Natural Areas. Ponds, marshes, wetland areas, vegetation, and trees, located on the Property, and whether natural or otherwise, shall be maintained in substantially the same condition as originally established or constructed, subject only to (i) changes authorized by this Declaration or by the Association, but which shall be consistent with all statutes, requirements, rules, and regulations imposed on such areas and items by governmental authorities having jurisdiction over any portion of the Property, and (ii) the prior approval of any such governmental authorities, if required. No cutting, mowing, trimming, draining, dredging, or other alteration of such areas and items shall be permitted by Owners or Occupants, except as authorized by Section 9 and all other relevant provisions of this Declaration, it being the intention that such areas and items remain and be maintained in a substantially natural condition, and subject to natural changes.

10.5 Trash/Recycling Removal. Unless the City provides for the removal of trash and recyclable materials from the Property, the Association has the authority, but not the obligation, to contract with one or more than one provider for the removal and disposal of trash and other solid wastes, and for the removal of recyclable materials, for all of the Units. In that event, the Owners shall, at the earliest possible time, terminate any private contracts that they have with any provider for the removal and disposal of trash and other solid wastes, and for the removal of recyclable materials, from that Owner's Unit. All charges imposed on the Association by each provider with which the Association contracts shall be a Common Expense, whether or not such services are actually utilized by an Owner or an Occupant. In the event that any Owner or

Occupant requests any additional services not covered by the basic costs charged by each such provider, the Association may assess the costs of those additional services to the Unit owned by that Owner or occupied by that Occupant and charge those costs to the Owner of that Unit.

SECTION 11 INSURANCE

11.1 Required Coverage. The Association shall obtain and maintain, at a minimum, a master policy or policies of insurance in accordance with the insurance requirements set forth herein, issued by a reputable insurance company or companies authorized to do business in the state of Minnesota, as follows:

11.1.1 Property insurance in broad form covering all risks of physical loss in an amount equal to one hundred percent (100%) of the insurable "replacement cost" of Improvements (if any) which the Association is obligated to maintain, less deductibles, exclusive of land and other items normally excluded from coverage. The policy or policies shall also cover personal property owned by the Association.

11.1.2 Commercial general liability insurance covering the use, operation and maintenance of the Common Elements, and the use, operation and maintenance of other lands or Improvements which the Association is obligated to maintain against claims for death, bodily injury and property damage, and such other risks as are customarily covered by such policies for projects similar in type, location and use to the Property. The policy shall have minimum limits of One Million Dollars per occurrence. The policy shall, if reasonably available, contain a "severability of interest" endorsement which shall preclude the insurer from denying the claim of an Owner or Occupant because of negligent acts of the Association or other Owners or Occupants.

11.1.3 Insurance coverage against dishonest acts on the part of directors, officers, managers, trustees, employees or other persons responsible for handling funds belonging to or administered by the Association, if deemed to be advisable by the Board or required as a precondition to the purchase, insuring or financing of a mortgage on a Unit. The insurance shall name the Association as insureds, as their interests may appear.

11.1.4 Workers' Compensation insurance as required by law.

11.1.5 Such other insurance as the Board may determine from time to time to be in the best interests of the Association and the Owners.

11.2 Premiums; Improvements; Deductibles. All insurance premiums shall be assessed and paid as annual Assessments, and allocated among the Units as determined by the Board consistent with the Governing Documents. The Association may, in the case of a claim for damage or personal injury with respect to Improvements (if any) which the Association maintains (i) pay the deductible amount as a Common Expense; (ii) assess the deductible amount against the Units affected in any reasonable manner; or (iii) require the Owners of the Units affected to pay the deductible amount directly.

11.3 Loss Payee; Insurance Trustee. All insurance coverage maintained by the Association shall be written in the name of, and the proceeds thereof shall be payable to, the Association (or a qualified insurance trustee selected by it) as trustee for the benefit of the Owners and mortgagees which suffer loss. The Association, or any insurance trustee selected by it, shall have exclusive authority to negotiate, settle and collect upon any claims or losses under any insurance policy maintained by the Association. Subject to Section 12.1.4, the Association, or any insurance trustee selected by it, shall use the proceeds from property insurance on a damaged Improvement solely to repair and reconstruct the damaged Improvement, and not for any other purpose.

11.4 Required Policy Provisions. All policies of property insurance carried by the Association shall, if such provisions are reasonably available, provide that:

11.4.1 Each Owner and Unit mortgagee is an insured Person under the policy with respect to liability arising out of the Owner's interest or membership in the Association.

11.4.2 The insurer waives its right to subrogation under the policy against any Owner or member of the Owner's household and against the Association and members of the Board.

11.4.3 No act or omission by any Owner or mortgagee of a Unit, unless acting within the scope of authority on behalf of the Association, shall void the policy or be a condition to recovery under the policy.

11.4.4 If at the time of a loss under the policy there is other insurance in the name of an Owner covering the same property covered by the policy, the Association's policy is primary insurance.

11.5 Cancellation; Notice of Loss. All policies of property insurance and comprehensive liability insurance maintained by the Association shall provide that the policies shall not be canceled or substantially modified, for any reason, without at least thirty (30) days' prior written notice to the Association, and all of the insureds.

11.6 Restoration in Lieu of Cash Settlement. All policies of property insurance maintained by the Association shall provide that, despite any provisions giving the insurer the right to elect to restore damage in lieu of a cash settlement, such option shall not be exercisable (i) without the prior written approval of the Association (or any insurance trustee), or (ii) when in conflict with provisions of any insurance trust agreement to which the Association may be a party, or any requirement of law.

11.7 Owner's Personal Insurance. It is the obligation of each Owner to obtain personal insurance coverage at his or her own expense covering fire and other casualty to the Owner's Dwelling and other insurable Improvements located within the Owner's Unit, and public liability insurance covering the Owner's Unit. All insurance policies maintained by Owners shall, if

possible, provide that they are without contribution as against any insurance purchased by the Association, except as to deductibles under Section 11.2.

11.8 Notice to Developer. Recognizing that the Developer may be obligated to disclose to prospective purchasers the Association's projected budget, it is important that the Developer be advised of any budget changes following the termination of the Developer Control Period. Accordingly, the Association shall give Developer at least thirty days prior written notice of any change in the Association's insurance policies until the Developer no longer owns any unsold Unit for sale.

SECTION 12 RECONSTRUCTION, CONDEMNATION AND EMINENT DOMAIN

12.1 Reconstruction. In the event of a casualty on or to any portion of the Property, the obligations and procedures for the repair, reconstruction or disposition of the damaged Improvements shall be governed by the following provisions:

12.1.1 All repair and reconstruction of the damaged Improvements shall be commenced promptly following the casualty and shall be carried through diligently to conclusion. The Association shall be responsible for the repair and reconstruction of Common Element Improvements (if any) and the Owners shall be responsible for the repair and reconstruction of Improvements to their respective Units.

12.1.2 All repair and reconstruction shall be approved pursuant to Section 9. The repair and reconstruction shall be in accordance with the requirements of all applicable zoning, subdivision, building, and other governmental regulations.

12.1.3 Notice of substantial damage or destruction to any portion of the Property shall be promptly given to the Association by the Owner of the damaged Improvements.

12.1.4 Notwithstanding the foregoing, repair and reconstruction of a Dwelling need not be undertaken if the Association, the Owner and the Owner's mortgagee agree in writing that the damaged Improvements need not be repaired and reconstructed. If such an agreement is made, the ruins and debris of any damaged Improvements shall promptly be cleared away and the Property shall be left in an orderly, safe, and sightly condition.

12.2 Condemnation and Eminent Domain. In the event of a taking of any part of the Common Elements by condemnation or eminent domain, the Association shall have authority to act on behalf of the Owners in all proceedings, negotiations and settlement of claims. All proceeds shall be payable to the Association to hold and distribute for the benefit of the Owners and their mortgagees, as their interests may appear. With respect to the taking of all or part of a Unit, the Owner of the Unit shall negotiate and settle all claims, subject to the rights of any mortgagee of the Unit.

SECTION 13 EASEMENTS

Each Unit and the Common Elements, the rights of the Owners and Occupants therein, and the Owners and Occupants, shall be subject to or be benefitted by (i) the appurtenant easements and rights granted and reserved in this Section 13; and (ii) other appurtenant easements and rights of record as referenced herein.

13.1 Drainage. The Common Elements and the yard areas of the Units shall be subject to nonexclusive easements in favor of all Units and the Owners and Occupants thereof for storm water drainage over those parts of the Property which are designed, improved, or graded for such purposes.

13.2 Access. Each Unit and the Owners and Occupants thereof are the beneficiaries of a non-exclusive easement for access to a public street or highway on, over, and across those portions of the Common Elements designated for use as streets or trails, as shown on the Plat or otherwise designated by the Association or as designated by the Developer, subject to any restrictions authorized or imposed pursuant to the Governing Documents.

13.3 Use and Enjoyment. Each Unit and the Owners and Occupants thereof are the beneficiaries of a nonexclusive easement for use and enjoyment on, over, and across the Common Elements, subject to any restrictions authorized or imposed pursuant to the Governing Documents.

13.4 Encroachments. If there is a minor encroachment by a Dwelling, or other Improvement, onto another Unit or the Common Elements as a result of the construction, reconstruction, repair, shifting, settlement, or movement of any part of the Property, an appurtenant easement for the encroachment, for the use, enjoyment, and habitation of the encroaching Dwelling or other Improvement, and for the maintenance, repair, and replacement thereof, shall exist; provided, that with respect to Improvements added pursuant to Section 9, no easement shall exist unless the same have been approved in accordance with Section 9, and the proposed Improvements constructed, as required by this Declaration. Such easements shall continue for as long as the encroachment exists and shall not affect the marketability of title.

13.5 Maintenance, Repair, Replacement, and Reconstruction. Each Unit, and the rights of the Owners and Occupants thereof, shall be subject to, and be benefitted by, nonexclusive easements in favor of the Association and its management agents, its employees, and its contractors for the inspection, maintenance, repair, replacement, and reconstruction of the Common Elements, the Dwellings, other portions of the Units, and utilities serving the Units, to the extent necessary to fulfill the Association's obligations and to the extent necessary to allow the Association to exercise its authority under the Governing Documents. Each Owner shall afford to the Association and its management agents and employees, access at reasonable times and upon reasonable notice, to and through the Owner's Unit and its Limited Common Elements for inspection, maintenance, repair, replacement, and reconstruction; provided, that access to the Unit and its Limited Common Elements may be had without notice and at any time in case of emergency.

13.6 Utilities. The Property is subject to and benefited by nonexclusive appurtenant easements in favor of the City, the Association, and all utility companies and other service providers for the installation, use, maintenance, repair, and replacement of all utilities, services, and common operating systems, such as natural gas, electricity, telephone, cable TV, internet and other electronic communications, water, sewer, septic systems, wells, and similar services, irrigation systems, fire control systems, common operating systems, and metering and control devices, which exist, which are constructed as part of the development of the Property, which are approved by the City, which are approved by the Association under authority contained in the Governing Documents, or which are described or referred to in the Plat, this Declaration, or other recorded instruments. Each Unit, and the rights of the Owners and Occupants thereof, shall also be subject to and be benefited by a nonexclusive appurtenant easement in favor of the other Units for all such utilities, services, and systems serving the Unit. Utilities and related services or systems shall be installed, used, maintained, and repaired so as not to interfere with the use and quiet enjoyment of the Units by the Owners and Occupants, nor affect the structural or architectural integrity of the Units or Common Element improvements.

13.7 Municipal Easements; Public Safety and Health Access. The Property is subject to a nonexclusive easement in favor of the City and other applicable governmental authorities or agencies as shall, from time to time, have jurisdiction over the Property, on and across drives, walkways, parking areas, yard areas, and other open space areas of the Property for the purpose of ingress and egress for police, fire, rescue, and other emergency purposes, animal control, health and protective inspection, sanitation, and to provide to the Members and the Association other public services deemed necessary by the City and such other governmental authorities or agencies.

13.8 Developer Rights. The Developer shall have and be the beneficiary of exclusive easements over, on, and through the Property for the exercise of the Developer Rights and to undertake its obligations under this Declaration and any obligations that the Developer has under any agreement with the City that relates to Property and its development.

13.9 Association Access. There is a non-exclusive easement in favor of the Association, including without limitation any management agent, service vendor, or contractor retained by the Association, for access on, over, and across the Common Elements and the yard areas and the driveways of Units, for the purpose of performing the Association's obligations under the Governing Documents. Except in the event of emergencies, this easement shall be exercised only during normal business hours and then, whenever practicable, only upon advance notice by the Association to the Owner or Occupant directly affected.

13.10 Emergency Access to Units. In case of emergency, the yard areas of all Units are subject to an easement for access, without notice and at any time, by officers of the Association and members of the Board, by the Association's management agents, or by any public safety personnel.

13.11 Project Signs. The Developer shall have the right to erect and maintain monument signs and related Improvements identifying Lakeview on the Common Elements or

on Units subject to sign easements. Those parts of the Property on which monument signs or related decorative Improvements are located are subject to appurtenant, exclusive easements in favor of the Association for the continuing use, maintenance, repair, and replacement of said signs and related Improvements. Any Person exercising the rights granted under said easements shall take reasonable care to avoid damaging the Improvements to the Property and shall repair any damage caused by it.

13.12 Standards for Exercising Easement Rights. All Persons exercising easement rights shall (i) do so in a reasonable manner so as not to materially interfere with the operation of the Property, or create safety hazards, or cause damage to the Property; (ii) promptly repair any damage to the Property which they or their family members, invitees, guests, employees, or agents caused; (iii) be financially liable to the Association for all costs incurred by the Association to repair of any part of the Property which is damaged by the Person or by the Person's family members, invitees, employees, or agents; and (iv) hold harmless, indemnify, and defend the Association and other Owners, and the officers and directors of the Association, from and against all claims, damages, losses, and other liabilities arising out of the exercise of the easement rights.

13.13 Other Easements, Declarations, Conditions, and Restrictions. The Property is subject to such other easements, declarations, conditions, and restrictions as may be recorded against it (from time to time) or otherwise shown on the Plat. Such other easements, declarations, conditions, and restrictions include (but may not be limited to) those contained in the following: the Conservation Easement Agreement; Highway Easement recorded in the office of the Registrar of Titles in and for Hennepin County, Minnesota, on June 6, 1957, as Document No. 531256; Highway Easement recorded in said office on June 20, 1957, as Document No. 532323; Hennepin County State Aid Highway Number 19, Plat 50, recorded in said office on October 6, 1982, as Document No. 1484182; City of Orono Resolution No. 2515 recorded in said office on December 5, 1988, as Document No. 1979103; City of Orono Resolution No. 2708 recorded in said office on December 8, 1989, as Document No. 2059155; City of Orono Resolution No. 3592 recorded in said office on October 12, 1995, as Document No. 2643495; Declaration of Easements recorded in said office on November 6, 1996, as Document No. 2758648; City of Orono Resolution No. 3754 recorded in said office on November 6, 1996, as Document No. 2758990; City of Orono Resolution No. 4045 recorded in said office on November 16, 1998, as Document No. 3085736; Closing Agreement recorded in said office on April 9, 2014, as Document No. 5163047; Right of way for North Arm Drive (formerly County Road No. 43) as shown on the half-section map containing the Property, and as laid out and traveled; rights of the United States, the State of Minnesota, Hennepin County, Minnesota, the City, and/or the public in and to that part of the Property which may be within any or all wetlands; Declaration of Restrictive Covenant for Protection of Sewage Treatment Sites and/or Drain Field Sites recorded in said office as Document No. T05284393; Grant of Permanent Flowage and Conservation Easement and Restrictive Covenant for Wetlands recorded in said office as Document No. T05284392; and Declaration of Covenants, Conditions, Restrictions and Private Roadway Easement/Maintenance recorded in said office as Document No. _____.

13.14 Continuation, Scope, and Conflict of Easements. Notwithstanding anything in this Declaration to the contrary, no Owner or Occupant shall be denied reasonable access to the Unit owned or occupied by the Owner or Occupant, or the right to utility services thereto. The easements set forth in this Section shall supplement and not limit any easements described elsewhere in this Declaration, or otherwise recorded, and shall include reasonable access to the easement areas through the yard areas of Units and the Common Elements for purposes of maintenance, repair, replacement, and reconstruction.

13.15 Easements Are Appurtenant. All easements and similar rights burdening or benefiting a Unit or any other part of the Property shall run with the land, and shall be permanent, subject only to termination in accordance with law or the terms of the easement. Any recorded easement benefiting or burdening the Property shall be construed in a manner consistent with, and not in conflict with, the easements created by this Declaration.

13.16 Impairment Prohibited. The Association shall not, and no Person shall, materially restrict or impair, or interfere with, any easement benefiting or burdening the Property, any use of the Property intended by any easement, or any equipment or improvements relating to the easement, subject to this Declaration and the right of the Association to impose reasonable Rules governing the use of the Property. No personal property shall be placed within, or any improvement or alteration of the Property shall be made to, any easement area benefiting or burdening the Property which shall interfere in any manner with the easements described in this Declaration.

13.17 Benefit and Burden of Easements. All easements benefitting or burdening a Unit shall benefit and burden (as the case may be) the Owners and Occupants of the Unit, and their families and guests. However, an Owner who has delegated the right to occupy the Unit to an Occupant or Occupants, whether by a lease or otherwise, does not have the use and other easements rights in the Property during such delegated occupancy, except as a guest of an Owner or Occupant or in connection with the inspection of the Unit or recovery of possession of the Unit from the Occupant pursuant to law.

13.18 Restriction on Third Party Easement Grants. Except for the Board in the exercise of its authority granted by the Governing Documents and except as otherwise specifically set forth in this Declaration, no Person shall create, grant, or convey any easement or comparable rights upon any portion of the Property without the prior written approval of the Board; provided, that the Board may authorize an Owner to grant an easement over the Owner's Unit if (i) the easement will not adversely affect the Common Elements or another Unit and (ii) the easement is consistent with the overall design and plan for the Property as approved by the City.

13.19 No Public Easement Rights. Except as expressly set forth in this Declaration or in the Conservation Easement Agreement, no grant, dedication, or creation of an easement under this Declaration shall constitute a dedication of the easement area or the use thereof to the public, it being the intent of this Declaration that the Common Elements be and remain private property subject to operation and regulation by the Association, and that the Units be and remain private property subject to operation and regulation by the respective Owners and Occupants thereof and/or the Association, as applicable, all in compliance with the Governing Documents.

SECTION 14 COMPLIANCE AND REMEDIES

Each Owner and Occupant, and any other Person owning or acquiring any interest in the Property, shall be governed by and comply with the Governing Documents, the Rules, and such amendments thereto as may be made from time to time, and the decisions of the Association. A failure to comply shall entitle the Association to the relief set forth in this Section 14, in addition to the rights and remedies authorized in the Governing Documents, the Rules, and the Act.

14.1 Entitlement to Relief. The Association may commence legal action to recover sums due, for damages, for injunctive relief, or to foreclose a lien owned by it, or any combination thereof, or an action for any other relief authorized by the Governing Documents or available at law or in equity. Legal relief may be sought by the Association against any Owner, or by an Owner against the Association or another Owner, to enforce compliance with the Governing Documents, the Rules, or the decisions of the Association. However, no Owner may withhold any Assessments payable to the Association, or take (or omit) other action in violation of the Governing Documents or the Rules, as a measure to enforce such Owner's position, or for any other reason.

14.2 Remedies. In addition to any other remedies or sanctions, expressed or implied, administrative or legal, the Association shall have the right, but not the obligation, to implement any one or more than one of the following remedies against Owners and Occupants and/or the guests of any Owner or Occupant who violate the provisions of the Governing Documents or the Rules:

14.2.1 Commence legal action for damages or equitable relief in any court of competent jurisdiction.

14.2.2 Impose late charges for each late payment of an Assessment or an installment thereof, plus interest at eight percent per annum or any higher rate allowed by law accruing from the first day of the month following the month for which the Assessment installment was due.

14.2.3 In the event any Assessment or installment thereof assessed against a Unit is more than thirty days past due, all remaining installments of the Assessment may be accelerated and shall then be payable in full if all delinquent Assessments, together with all costs of collection, attorneys' fees, and late charges, are not paid in full prior to the effective date of the acceleration. At least ten days advance written notice of the effective date of the acceleration shall be given to the defaulting Owner.

14.2.4 Impose reasonable fines, penalties, or charges for each violation of the Governing Documents or the Rules.

14.2.5 Suspend the rights of any Owner or Occupant and their guests to use any Common Element amenities, provided, that this suspension of use shall not apply to Limited Common Elements or deck, balcony, porch, or patio easements appurtenant to

the Unit, and those portions of the Common Elements providing utilities service and access to the Unit. Such suspensions shall be limited to periods of default by such Owners and Occupants in their obligations under the Governing Documents, and for up to thirty days thereafter in the case of suspension of use rights, for each violation.

14.2.6 Restore any portions of the Common Elements damaged or altered, or allowed to be damaged or altered, by any Owner or Occupant or a guest or invitee of the Owner or the Occupant, in violation of the Governing Documents, and to charge the cost of such restoration against the responsible Owner and assess that cost to the Owner's Unit.

14.2.7 Enter a Unit and undertake any maintenance, repair, or replacement of any exterior portion of the Unit (including, but not limited to, any Dwelling or other Improvement located within the Unit) which affects the exterior of the Unit, or another Unit, or the Common Elements, which the responsible Owner fails to or improperly performs and assess the cost thereof to the Unit and charge the cost thereof to the Owner of the Unit. Such cost shall be a personal obligation of the Owner and be a lien against the Owner's Unit. Owners and Occupants shall promptly notify the Association of defects in, damage to, or needed repairs to, those parts of the Property which the Association is obligated to maintain.

14.2.8 Enter any yard area of a Unit, or Limited Common Element, in which, or as to which, a violation or breach of the Governing Documents or the Rules exists which materially affects, or is likely to materially affect in the near future, the health or safety of the other Owners or Occupants, or their guests, or the safety or soundness of any Dwelling or other part of the Property or the property of the Owners or Occupants, and to summarily abate and remove, or maintain, repair, or replace, at the expense of the Owner or the Occupant of the Unit, any structure, thing, or condition in the Unit or Limited Common Elements which is causing (or which is the subject of) the violation; provided, that any improvements which are a part of a Dwelling may be altered or demolished only pursuant to a court order or with the agreement of the Owner.

14.2.9 Foreclose any lien arising under the provisions of the Governing Documents or under law, in any manner authorized by the Governing Documents.

14.3 Rights to Hearing. In the case of imposition of any of the remedies authorized by Section 8.11.6, 14.2.4, 14.2.5, or 14.2.7, the Board shall, upon written request of the offending Owner, grant the offending Owner a hearing before the Board or a committee of three or more disinterested Owners appointed by the Board. The offending Owner shall be given notice of the nature of the violation and the right to a hearing, and at least ten days within which to request a hearing. The hearing shall be scheduled by the Board/committee and held within thirty days of receipt of the hearing request by the Board/committee, and with at least ten days prior written notice to the offending Owner. If the offending Owner fails to request, or to appear at, the hearing, then the right to a hearing shall be deemed waived by the offending Owner and the Board/committee may take such action as it deems appropriate. Hearings shall be conducted in a fair and equitable manner. The decision of the Board/committee and the rules for the conduct of

hearings established by the Board, shall be final and binding on all parties. The Board's/committee's decision shall be delivered in writing to the offending Owner within ten days following the hearing, if not delivered to the offending Owner at the hearing (the failure of the Board/committee to timely notify the offending Owner of such decision shall not invalidate that decision and the offending Owner shall remain bound by that decision). Any fines to be imposed by the Association may, at the Board's discretion, be retroactive to the date of the violation or offense.

14.4 Lien for Assessments, Charges, Penalties, Etc. All Assessments, charges, fines, penalties, or interest imposed or assessed under this Section 14, other provisions of the Governing Documents and the Rules shall be a lien against the Unit of the Owner or Occupant against whom the same are imposed and be the personal obligation of such Owner in the same manner and with the same priority and effect as Assessments under Section 6. The lien shall attach as of the date of imposition of the remedy, but shall not be final as to violations for which a hearing is actually held (in the event a hearing is required under the Governing Documents) until the Board/committee gives written notice following the hearing. All remedies shall be cumulative, and the exercise of, or failure to exercise, any remedy shall not be deemed a waiver of the Association's right to pursue any other remedy.

14.5 Costs and Fees. With respect to any collection measures, or any other measures or actions, whether legal, administrative, or otherwise, which the Association takes to enforce the provisions of the Governing Documents, the Rules, or any procedures, standards, guidelines, or criteria established by the Association under its authority in the Governing Documents, whether or not finally determined by a court or arbitrator, or otherwise, the Association may charge the relevant Owner and assess that Owner's Unit with any expenses incurred by the Association in connection with such enforcement, including without limitation fines or charges previously imposed by the Association, reasonable attorneys' fees, other legal expenses, and interest (at eight percent per annum or any higher rate allowed by law) on the delinquent amounts owed to the Association. Such expenses shall also include any collection or contingency fees or costs charged to the Association by a collection agency or other Person acting on behalf of the Association in collecting any delinquent amounts owed to the Association by an Owner or Occupant. Such attorney's fees, collection or contingency fees, and other costs shall be the personal obligation of such Owner and shall be assessed against such Owner's Unit.

14.6 Liability for Acts of Owners and Occupants. An Owner shall be liable for the expense of any maintenance, repair, or replacement of the Property rendered necessary by such Owner's acts or omissions, or by the acts or omissions of Occupants or guests in or visiting the Owner's Unit, to the extent that such expense is not covered by the proceeds of insurance carried by the Association or such Owner or Occupant (and such expense shall be assessed by the Association against that Owner's Unit). However, any insurance deductible amount and/or increase in insurance rates, resulting from the Owner's acts or omissions may be charged to the Owner responsible for the condition and be assessed against that Owner's Unit.

14.7 Enforcement by Owners. The provisions of this Section shall not limit or impair the independent rights of other Owners to enforce the provisions of the Governing Documents and the Rules.

14.8 Pre-Litigation Requirement. Any litigation, administrative proceeding, or other legal action instituted or intervened in, by, or in the name of, the Association, exclusive of (i) any action to collect Assessments or foreclose Assessment liens, or (ii) the enforcement the Governing Documents or the Rules, is subject to prior approval by the Owners of Units to which are allocated in excess of fifty percent of the total votes in the Association.

14.9 Recreation Property. The Association may commence legal action to recover sums due, for damages, for injunctive relief, or any combination thereof, or an action for any other relief available at law or in equity, against any Person committing a violation of the Conservation Easement Agreement or violating any rules or restrictions (whether in the Rules or otherwise) established by or to be enforced by the Association, which rules or restrictions in any way relate to activities occurring on and within the Recreation Property. With respect to any such legal action taken by the Association, whether or not finally determined by a court or arbitrator, or otherwise, the Association may charge the violating Person with any expenses incurred by the Association in connection with such legal action, including without limitation reasonable attorneys' fees and other legal expenses. Such attorney's fees and other legal expenses shall be the personal obligation of such Person to the Association. The remedies available to the Association in this Section 14.9 shall be in addition to, and shall not be in limitation of, any and all other remedies available to the Association against the Members and the Units under the Governing Documents and the Rules.

14.10 Charges/Assessments by the City. In the event that the City charges to the Association, or assesses against the Common Elements, any costs, charges, or fees (of whatever type or nature), and if such costs, charges, or fees are the obligation of the Association, then such costs, charges, or fees may then be assessed to and levied against the Units by the Association, on an equal basis, which Assessment by the Association shall (notwithstanding any other provision in the Governing Documents to the contrary) be in addition to any other Assessments assessed to and levied against the Units by the Association and shall be due and payable by the Owners to the Association on a date established by the Board.

SECTION 15 AMENDMENTS

15.1 Approval Requirements. Except for amendments by the Developer authorized by this Declaration, this Declaration may be amended only by the approval of:

15.1.1 The Board;

15.1.2 Owners who have the authority to cast at least sixty-seven percent of the total votes in the Association;

15.1.3 The Developer until the latest to occur of the following: (i) the date when the Developer no longer owns a Unit, (ii) the date when each Builder no longer owns a Unit for initial sale by each Builder, or (iii) the effective date of termination of all of the Developer Rights;

15.1.4 CLP, as to any amendment of (i) Section 5.8, (ii) any other Section of this Declaration that obligates the Association to maintain, repair, and replace the Recreation Property, or (iii) this Section 15.1.4; provided, that any amendment referred to in this Section 15.1.4 need not be approved by CLP if, at the time the amendment is undertaken, CLP is dissolved (whether voluntarily or involuntarily) under Minnesota law; and

15.1.5 The City as to any amendment to Section 7 and any amendment to this Section 15.1.5.

15.2 Procedures. Approval of the Owners may be obtained in writing (by written ballot, written consent, or any other written method), or at a meeting of the Owners duly held in accordance with the Bylaws. Other required approvals shall be in writing. Any amendment shall be subject to any greater requirements imposed by this Declaration. The amendment shall be effective when recorded in the appropriate recording office in Hennepin County, Minnesota. An affidavit by the Secretary or the President of the Association as to the outcome of the vote, or as to the execution of any agreements, approvals, or consents, or other written methods, shall be adequate evidence thereof for all purposes, including, without limitation, the recording of the amendment.

SECTION 16 DEVELOPER RIGHTS

The Developer hereby reserves the exclusive authority to exercise the following rights for as long as it owns a Unit, or for any shorter period indicated:

16.1 Complete Improvements. To complete the Dwellings and other Improvements included in the Developer's development plans or allowed by this Declaration, and to make Improvements in the Units and the Common Elements, to accommodate the exercise of any Developer Rights.

16.2 Relocate Boundaries and Alter Units. To relocate boundaries between Units and to otherwise alter Units (which may include, but not be limited to, subdividing or combining Units) owned by it, to the extent permitted by the City.

16.3 Sales Facilities. To construct, operate, and maintain within the Common Elements, and within any Units owned or leased by the Developer from time to time, a sales office, management office, and model Dwellings, other development, sales, and rental facilities.

16.4 Signs. To erect and maintain signs and other sales displays offering the Units for sale or lease, in or on any Unit owned by the Developer and on the Common Elements.

16.5 Easements. To have and use easements, for the Developer, its employees, contractors, representatives, agents, prospective purchasers, and Builders approved by the Developer, through, on, and over the Common Elements and the yard areas of the Units for the purpose of exercising its rights under this Section.

16.6 Control of the Association. To control the operation and administration of the Association, including without limitation the power to appoint and remove the members of the Board, until voluntary surrender of control by the Developer or until the later to occur of the following: (i) the date when the Developer no longer owns a Unit for sale or (ii) the date when each Builder no longer owns a Unit for initial sale by each Builder.

16.7 Consent to Amendments. To approve or withhold approval of any amendment to the Governing Documents or the Rules for so long as the Developer owns a Unit and for so long as a Builder owns a Unit for initial sale, and to approve or withhold approval of any amendment to the Governing Documents or the Rules which affect or relate to rights or authority granted under or pursuant to the Governing Documents to the Developer or to any Builder approved by the Developer.

16.8 Transfer of Developer Rights. To transfer (which includes, but is not limited to, assignment) some or all of the Developer Rights, temporarily or permanently, by a separate instrument signed by the Developer and the transferee, and recorded against the portions of the Property owned by the Developer or the transferee and affected by the transfer, subject to the following qualifications.

16.8.1 Upon transfer of any of the Developer Rights, the liability of the Developer shall be as follows: (i) the Developer shall be liable for any obligation or liability arising out of its acts or omissions occurring before the transfer; (ii) the Developer shall be liable for any obligation or liability relating to any Developer Rights retained by the Developer; and (iii) the Developer shall not be liable for any act or omission arising from the exercise of Developer Rights by the transferee of the Developer Rights.

16.8.2 Any transferee of the Developer Rights shall be entitled to exercise such Developer Rights from and after the date of recording of the instrument transferring the rights. The transferee shall thereafter be subject to all of the obligations with respect to the rights transferred, except (i) misrepresentations of the Developer; (ii) warranty obligations of the Developer; (iii) breach of fiduciary obligations by the Developer or by any officers or members of the Board appointed by the Developer; (iv) any liability or obligation imposed on the Developer as a result of the Developer's acts or omissions after the transfer; and (v) any liability arising out of any Developer Rights retained by the Developer.

SECTION 17
RIGHTS TO RELOCATE BOUNDARIES AND SUBDIVIDE UNITS

Unit boundaries may be relocated and additional Units may be created by the subdivision of a Unit into two or more Units, by the Developer, subject to approval required by the City. The Developer shall have the right and authority to unilaterally execute and record an amendment to this Declaration for the purpose of relocating the boundaries between Units and/or subdividing Units, and the amendment requirements set forth in Section 15 shall not apply to such amendment.

SECTION 18
MISCELLANEOUS

18.1 Severability. If any term, covenant, or provision of this Declaration or any exhibit attached hereto is held by a court or administrative body to be invalid or unenforceable for any reason whatsoever, such determination shall not be deemed to alter, affect, or impair in any manner whatsoever any other portion of this Declaration or exhibits attached hereto.

18.2 Construction. Where applicable, the masculine gender of any word used herein shall mean the feminine or neutral gender, or vice versa, and the singular of any word used herein shall mean the plural, or vice versa. References to the Act, or any section thereof, shall be deemed to include any statutes amending or replacing the Act, and the comparable sections thereof.

18.3 Notices. Unless specifically provided otherwise in the Governing Documents, the Rules, or the Act, all notices required to be given by or to the Association, the Developer, the Board, the Association officers, or the Owners or Occupants shall be (i) in writing and shall be effective upon hand delivery, or mailing if properly addressed with postage prepaid and deposited in the United States mail, or (ii) by electronic communication and shall be effective when sent, as and if authorized by the Bylaws and the Act; except that registrations pursuant to Section 2.2 of the Bylaws shall be effective upon receipt by the Association.

18.4 Conflicts Among Documents. In the event of any conflict among the provisions of this Declaration, the Bylaws, or the Rules, this Declaration shall control. In the event of any conflict between the provisions of the Bylaws and the Rules, the Bylaws shall control.

18.5 Duration of Covenants. The covenants, conditions, restrictions, easements, liens, and charges contained in this Declaration shall be perpetual, subject only to termination as provided in this Declaration.

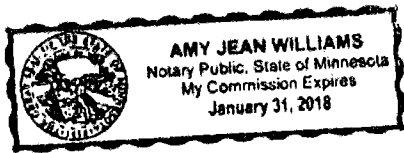
IN WITNESS WHEREOF, the undersigned has executed this Declaration on the day and year set forth below.

SOURCE LAND DEVELOPMENT, INC.

By: [Signature]
Title: President

STATE OF Minnesota)
COUNTY OF Hennepin) ss.

The foregoing instrument was acknowledged before me this 11 day of August, 2015, by Jeffrey Majkrak, the President of Source Land Development, Inc., a South Dakota corporation, on behalf of said corporation.



[Signature]
Notary Public

This instrument was drafted by:
Fredrick R. Krietzman, Esq.
Felhaber Larson
220 South 6th Street, Suite 2200
Minneapolis, Minnesota 55402
(612) 373-8418

LAKEVIEW

**EXHIBIT A TO DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS
AND EASEMENTS**

LEGAL DESCRIPTION OF THE PROPERTY AND THE UNITS

The Property is legally described as follows:

Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, and 21, Block 1, Lots 1, 2, and 3, Block 2, Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, and 22, Block 3, and Outlots A, B, C, D, E, F, G, H, and I, LAKEVIEW OF ORONO, Hennepin County, Minnesota.

The Units are legally described as follows (each of the below described Lots constitutes one Unit):

Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, and 21, Block 1, Lots 1, 2, and 3, Block 2, and Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, and 22, Block 3, LAKEVIEW OF ORONO, Hennepin County, Minnesota.

LAKEVIEW

**EXHIBIT B TO DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS
AND EASEMENTS**

LEGAL DESCRIPTION OF THE COMMON ELEMENTS

The Common Elements are legally described as follows:

Outlots A, B, C, D, E, F, G, H, and I, LAKEVIEW OF ORONO, Hennepin County, Minnesota.

LAKEVIEW

EXHIBIT C TO DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS

LEGAL DESCRIPTION OF THE PRESERVATION AREA

PARCEL A ON THE DEPICTION SET FORTH IN EXHIBIT D TO THIS DECLARATION:

That part of Lots 1, through 8, 11, 12, and 14, Block 1 of LAKEVIEW OF ORONO, according to the recorded plat thereof, Hennepin County, Minnesota described as follows:

Beginning at the Northwesterly corner of said Lot 2; thence easterly on an assumed bearing of North 89 degrees 58 minutes 14 seconds East, along the north line of said Lot 2 and Lot 1 a distance of 637.94 feet; thence South 30 degrees 30 minutes 45 seconds West a distance of 213.85 feet; thence South 68 degrees 10 minutes 31 seconds East a distance of 65.74 feet; thence South 83 degrees 51 minutes 44 seconds East a distance of 331.12 feet to the easterly line of said Lot 1; thence southwesterly a distance of 47.85 feet along the easterly line of said Lot 1 being a non-tangential curve concave to the west having a radius of 315.00 feet, a central angle of 8 degrees 42 minutes 13 seconds and a chord that bears South 34 degrees 53 minutes 55 seconds West to the southeasterly corner of said Lot 1; thence of South 39 degrees 15 minutes 01 seconds West, tangent to said curve, along the easterly line of said Lot 2 a distance of 51.71 feet; thence North 85 degrees 50 minutes 33 seconds West a distance of 291.44 feet; thence North 67 degrees 18 minutes 07 minutes West a distance of 86.69 feet; thence South 20 degrees 50 minutes 58 seconds West a distance of 228.19 feet to the southwesterly line of said Lot 2; thence South 53 degrees 50 minutes 41 seconds West a distance of 264.14 feet; thence South 10 degrees 34 minutes 20 seconds West a distance of 577.03 feet; thence South 40 degrees 28 minutes 55 seconds East a distance of 252.50 feet; thence South 57 degrees 20 minutes 38 seconds East a distance of 243.31 feet to the westerly line of said Lot 8; thence South 81 degrees 29 minutes 25 seconds East a distance of 283.40 feet; thence North 41 degrees 46 minutes 46 seconds East a distance of 119.95 feet; thence North 18 degrees 59 minutes 50 seconds East a distance of 164.38 feet to the northerly line of said Lot 8; thence North 05 degrees 02 minutes 15 seconds East a distance of 211.98 feet; thence North 33 degrees 55 minutes 52 seconds East a distance of 138.22 feet to the northerly line of said Lot 11; thence South 57 degrees 38 minutes 13 seconds East, along the northerly line of said Lot 11 a distance of 169.51 feet to the northeasterly corner of said Lot 11; thence South 32 degrees 21 minutes 47 seconds West, along the easterly line of said Lot 11 a distance of 32.27 feet; thence southwesterly a distance of 110.68 feet along a tangential curve concave to the east having a radius of 200.00 feet and central angle of 31 degrees 42 minutes 29 seconds; thence of South 0 degrees 38 minutes 17 seconds West, tangent to last said curve, along the easterly line of said Lot 11 and Lot 12 a distance of 208.32 feet; thence southerly a distance of 25.72 feet along a tangential curve concave to the east having a radius of 500.01 feet and a central angle of 2 degrees 56 minutes 51 seconds; thence South 54

degrees 41 minutes 15 seconds West a distance of 292.70 feet; thence South 81 degrees 08 minutes 28 seconds West a distance of 354.16 feet to the westerly line of said Lot 14; thence North 0 degrees 39 minutes 19 seconds East, along the westerly line of said Lot 14 a distance of 80.84 feet to the northwesterly corner of said Lot 14; thence North 88 degrees 48 minutes 45 seconds West, along the southerly line of said Lot 7 and Lot 6 a distance of 440.02 feet to the southwesterly corner of said Lot 6; thence North 0 degrees 39 minutes 17 seconds East, along the westerly line of said Block 1 a distance of 1625.67 feet to the point of beginning and there terminating.

Together with:

THE FOLLOWING, WHICH IS PARCEL B ON THE DEPICTION SET FORTH IN EXHIBIT D TO THIS DECLARATION:

That part of Lots 9, 10, and 11, Block 1 of said LAKEVIEW OF ORONO, described as follows:

Beginning at the northeasterly corner of said Lot 10; thence South 2 degrees 41 minutes 04 seconds East, assumed bearing, along the easterly line of said Lot 10 a distance of 67.86 feet; thence continue southerly along said easterly line of Lot 10 and Lot 11 a distance of 215.80 feet along a tangential curve concave to the east having a radius of 225.00 feet and a central angle of 54 degrees 57 minutes 09 seconds; thence South 42 degrees 13 minutes 41 seconds West a distance of 196.10 feet to the easterly line of said Lot 9; thence North 43 degrees 28 minutes 40 seconds West a distance of 146.97 feet to the northerly line of said Lot 9; thence North 12 degrees 30 minutes 52 seconds East a distance of 289.95 feet to the northerly line of said Lot 10; thence North 87 degrees 16 minutes 24 seconds East, along the northerly line of said Lot 10 a distance of 62.41 feet to the point of beginning and there terminating.

Together with:

THE FOLLOWING, WHICH IS PARCEL C ON THE DEPICTION SET FORTH IN EXHIBIT D TO THIS DECLARATION:

That part of Lots 15 through 21, Block 1; Lots 1 through 3, Block 2; and OUTLOT B of said LAKEVIEW OF ORONO, described as follows:

Beginning at the southwest corner of said Lot 15; thence North 0 degrees 22 minutes 54 seconds East, assumed bearing, along the westerly line of said Lot 15 a distance of 203.17 feet; thence South 41 degrees 41 minutes 23 seconds East a distance of 174.44 feet; thence South 81 degrees 38 minutes 48 seconds East a distance of 221.99 feet to the westerly line of said Lot 16; thence North 83 degrees 34 minutes 15 seconds East a distance of 236.00 feet; thence North 62 degrees 35 minutes 36 seconds East a distance of 165.32 feet to the most easterly corner of said Lot 16; thence North 29 degrees 37 minutes 51 seconds East a distance of 316.84 feet to the northerly line of said Lot 17; thence North 20 degrees 55 minutes 39 seconds West a distance of 343.81 feet to the northerly line of said Lot 18; thence North 1 degree 52 minutes 20 seconds West a distance of 99.53 feet; thence North 21 degrees 08 minutes 20 seconds West a distance of 228.29 feet to the northeasterly line of said Lot 19; thence southeasterly a distance of 319.55 feet along

the northeasterly line of said Lot 19 on a non-tangential curve, concave to the South, having a radius of 400.00 feet and a central angle of 45 degrees 46 minutes 14 seconds and a chord that bears South 30 degrees 14 minutes 08 seconds East ; thence southeasterly a distance of 490.54 feet along a tangential reverse curve concave to the east having a radius of 590.00 feet and a central angle of 47 degrees 38 minutes 13 seconds; thence South 19 degrees 02 minutes 42 seconds West a distance of 386.21 feet; thence South 66 degrees 17 minutes 36 seconds East a distance of 195.17 feet to the easterly line of said Lot 20; thence South 89 degrees 19 minutes 07 seconds East a distance of 149.05 feet; thence North 2 degrees 30 minutes 22 seconds East a distance of 58.27 feet; thence South 86 degrees 34 minutes 56 seconds East a distance of 29.91 feet; thence North 22 degrees 06 minutes 18 seconds East a distance of 139.35 feet; thence North 53 degrees 41 minutes 31 seconds East a distance of 132.46 feet to the northerly line of said Lot 21; thence South 63 degrees 33 minutes 32 seconds East, along the northerly line of said Lot 2, said OUTLOT A and said Lot 1, a distance of 164.65 feet; thence southeasterly a distance of 142.38 feet along a tangential curve concave to the south having a radius of 865.00 feet and a central angle of 9 degrees 25 minutes 52 seconds ; thence South 0 degrees 48 minutes 14 seconds West a distance of 361.45 feet; thence North 87 degrees 04 minutes 36 seconds East a distance of 122.59 feet; thence North 45 degrees 16 minutes 26 seconds East a distance of 69.52 feet; thence South 89 degrees 24 minutes 07 seconds East a distance of 540.27 feet; thence South 8 degrees 22 minutes 04 seconds West, along the east line of said Lot 3, a distance of 11.21 feet to a corner of said Lot 3; thence southerly a distance of 36.49 feet along a tangential curve concave to the west having a radius of 189.00 feet and a central angle of 11 degrees 03 minutes 45 seconds; thence South 19 degrees 25 minutes 49 seconds West, along the easterly line of said Lot 3 a distance of 135.57 feet to the southeast corner of said Lot 3 and the northerly right of way line of West Branch Road; thence westerly a distance of 57.06 feet along said right of way line on a non-tangential curve concave to the south having a radius of 1004.93 feet, a central angle of 3 degrees 15 minutes 11 seconds and a chord that bears North 86 degrees 27 minutes 57 seconds West ; thence North 88 degrees 05 minutes 33 seconds West, tangent to said last curve, along said right of way line, a distance of 1107.76 feet to the southwesterly corner of said OUTLOT B; thence North 0 degrees 06 minutes 54 seconds East, along the westerly line of said OUTLOT B a distance of 253.12 feet; thence North 41 degrees 19 minutes 24 seconds East a distance of 67.31 feet to a corner of said Lot 21; thence North 88 degrees 03 minutes 38 seconds West, a distance of 150.07 feet; thence South 41 degrees 19 minutes 24 seconds West, along the easterly line of said Lot 20 a distance of 67.31 feet; thence South 0 degrees 06 minutes 59 seconds West along the easterly line of Lot 20, a distance of 253.12 feet to the southeasterly corner of said Lot 20; thence North 88 degrees 05 minutes 33 seconds West, along the south line of said Lot 20 a distance of 200.10 feet to the southwest corner of said Lot 20; thence North 0 degrees 15 minutes 26 seconds East, along the westerly line of said Lot 20 a distance of 153.07 feet; thence North 88 degrees 05 minutes 33 seconds West, along the south line of said Lot 17 a distance of 200.10 feet to the southwest corner of said Lot 17; thence North 0 degrees 06 minutes 59 seconds East, along the west line of said Lot 17 a distance of 209.32 feet to the southeasterly corner of said Lot 16; thence North 88 degrees 34 minutes 15 seconds West, along the south line of said Lot 16 and Lot 15, a distance of 670.78 feet to the point of beginning and there terminating

Together with:

THE FOLLOWING, WHICH IS PARCEL D ON THE DEPICTION SET FORTH IN EXHIBIT D TO THIS DECLARATION:

That part of Lot 1 through Lot 22, Block 3 and OUTLOT A of said LAKEVIEW OF ORONO, described as follows:

Commencing at the northwest corner of said Lot 19; thence North 89 degrees 58 minutes 14 seconds East, along the northerly line of said Lot 19, a distance of 218.89 feet to the point of beginning; thence North 89 degrees 58 minutes 14 seconds East, along said northerly line of said Lot 19 a distance of 28.29 feet; thence easterly a distance of 240.18 feet along a tangential curve concave to the south having a radius of 281.35 feet and a central angle of 48 degrees 54 minutes 43 seconds; thence South 41 degrees 07 minutes 03 seconds East, tangent to said curve, along the northerly line of said Lot 17 and Lot 20 a distance of 257.697 feet; thence South 49 degrees 56 minutes 49 seconds West a distance of 130.71 feet; thence South 3 degrees 40 minutes 45 seconds East a distance of 363.73 feet; thence South 38 degrees 59 minutes 36 seconds East a distance of 219.29 feet to the easterly line of said Lot 21 ; thence South 60 degrees 08 minutes 28 seconds East a distance of 231.50 feet to the easterly line of said Lot 22; thence South 45 degrees 04 minutes 57 seconds West, along the easterly line of said Lot 22 a distance of 39.13 feet to the most westerly corner OUTLOT I, thence South 50 degrees 08 minutes 07 seconds East along the northerly line of OUTLOT A 84.00 feet; thence South 66 degrees 12 minutes 39 seconds East, along the northerly line of said OUTLOT A, a distance of 32.51 feet; thence South 61 degrees 10 minutes 28 seconds East, along the northerly line of said OUTLOT A, a distance of 205.02 feet; thence South 66 degrees 28 minutes 28 seconds East, along the northerly line of said OUTLOT A, a distance of 191.90 feet; thence South 50 degrees 09 minutes 04 seconds East, along the northerly line of said OUTLOT A e of 86.02 feet; thence North 78 degrees 23 minutes 46 seconds East, along the northerly line of said OUTLOT A 34.87 feet; thence South 63 degrees 05 minutes 34 seconds East, along the northerly line of said OUTLOT A 25.49 feet; thence South 24 degrees 51 minutes 08 seconds East, along the easterly line of said OUTLOT A, a distance of 145.02 feet; thence South 15 degrees 52 minutes 18 seconds East, along the easterly line of said OUTLOT A, a distance of 134.44 feet to the northwest corner of Lot 8; thence North 89 degrees 49 minutes 58 seconds East, along the northerly line of said Lot 8 a distance of 271.08 feet to the northeast corner said Lot 8; thence South 24 degrees 11 minutes 18 seconds West, along the easterly line of said Lot 8 a distance of 124.58 feet to the most northerly corner of said Lot 7; thence South 40 degrees 01 minutes 27 seconds East, along the northerly line of said Lot 7 a distance of 131.63 feet; thence South 78 degrees 06 minutes 25 seconds East, along the northerly line of said Lot 6 a distance of 236.54 feet ; thence North 24 degrees 11 minutes 03 seconds East, along a northwesterly line of said Lot 5 a distance of 109.96 feet; thence South 65 degrees 39 minutes 42 seconds East, along the northerly line of said Lot 5, a distance of 123.30 feet; thence southeasterly a distance of 213.89, along a tangential curve concave to the south having a radius of 297.65 feet and a central angle of 41 degrees 10 minutes 22 seconds; thence South 24 degrees 29 minutes 20 seconds East, along the easterly line of said Lot 4 and Lot 3 a distance of 722.04 feet; thence southerly a distance of 316.26 feet along the easterly line of said Lot 2, on a tangential curve concave to the west having a radius of 253.48 feet and central angle of 71 degrees 29 minutes 08 seconds; thence South 46 degrees 59 minutes 48 seconds West,

along the southeasterly line of said Lot 2 a distance of 57.80 feet to the most southerly corner of said Lot 2; thence northwesterly a distance of 608.14 feet along a non-tangential curve concave to the southwest having a radius of 1004.93 feet, a central angle of 34 degrees 40 minutes 22 seconds and a chord that bears North 62 degrees 27 minutes 45 seconds West, to the southwest corner of Lot 1, Block 3; thence North 4 degrees 58 minutes 44 seconds East, along the west line of said Lot 1, a distance of 150.09 feet; thence North 8 degrees 22 minutes 04 seconds East, along the westerly line of said Lot 1 a distance of 11.72 feet; thence South 57 degrees 39 minutes 27 seconds East a distance of 271.96 feet; thence North 83 degrees 38 minutes 03 seconds East a distance of 130.19 feet; thence North 21 degrees 44 minutes 50 seconds East a distance of 267.77 feet; thence North 27 degrees 08 minutes 03 seconds West a distance of 271.63 feet to the northerly line of said Lot 3; thence North 40 degrees 39 minutes 13 seconds West a distance of 272.83 feet to the westerly line of Lot 4; thence North 77 degrees 13 minutes 19 seconds West a distance of 197.14 feet to the westerly line of said Lot 5; thence North 84 degrees 54 minutes 15 seconds West a distance of 358.64 feet to the westerly line of said Lot 7; thence North 79 degrees 45 minutes 22 seconds West a distance of 403.54 feet; thence South 27 degrees 47 minutes 21 seconds West a distance of 259.89 feet to the southerly line of said Lot 9; thence North 63 degrees 33 minutes 32 seconds West, along the southerly line of said Lot 9 and Lot 10 a distance of 154.56 feet; thence North 20 degrees 50 minutes 55 seconds East a distance of 218.75 feet; thence North 57 degrees 11 minutes 41 seconds West a distance of 229.65 feet to the westerly line of said Lot 10; thence North 73 degrees 09 minutes 07 seconds West a distance of 203.48 feet; thence South 32 degrees 20 minutes 54 seconds West a distance of 198.79 feet to the southerly line of said Lot 11; thence northwesterly a distance of 169.00 feet along a non-tangential curve concave to the northeast having a radius of 540.00 feet, a central angle of 17 degrees 55 minutes 52 seconds and a chord that bears North 35 degrees 07 minutes 36 seconds West; thence North 63 degrees 08 minutes 24 seconds East a distance of 155.28 feet; thence North 0 degrees 22 minutes 00 seconds East a distance of 320.76 feet to the northerly line of Lot 12; thence North 53 degrees 17 minutes 50 seconds West distance of 214.54 feet; thence South 57 degrees 42 minutes 41 seconds West a distance of 171.85 feet to the westerly line of Lot 13; thence northwesterly a distance of 102.49 feet along a non-tangential curve concave to the southwest having a radius of 450.00 feet, a central angle of 13 degrees 02 minutes 59 seconds and a chord that bears North 51 degrees 06 minutes 43 seconds West; thence North 57 degrees 38 minutes 13 seconds West, tangent to last said curve, along the southerly line of said Lot 14 and Lot 15 a distance of 413.68 feet; thence northwesterly a distance of 167.84 feet along a tangential curve concave to the northeast having a radius of 175.00 feet and central angle of 54 degrees 57 minutes 09 seconds; thence North 02 degrees 41 minutes 04 seconds West, along the westerly line of said Lot 15, a distance of 67.86 feet to the northwest corner of said Lot 15; thence North 87 seconds 19 minutes 12 seconds East, along the northerly line of said Lot 15, a distance of 162.06 feet; thence easterly a distance of 8.44 feet along a tangential curve concave to the south having a radius of 190.00 feet and central angle of 2 degrees 32 minutes 37 seconds; thence South 6 degrees 05 minutes 30 seconds West a distance of 198.95 feet; thence South 57 degrees 44 minutes 56 seconds East a distance of 263.72 feet to the easterly line of said Lot 15; thence South 80 degrees 30 minutes 04 seconds East a distance of 175.91 feet ; thence North 46 degrees 14 minutes 18 seconds East a distance of 90.79; thence North 2 degrees 57 minutes 42 seconds East a distance of 375.89 feet; thence North 47 degrees 33 minutes 01 seconds West a distance of 169.21 feet to the westerly line of said Lot 16; thence North 79 degrees 41 minutes 46 seconds West a distance of 481.41 feet to the westerly line of said Lot 18; thence

northeasterly a distance of 19.48 feet along a non-tangential curve concave to the southeast having a radius of 225.00 feet and central angle of 4 degrees 57 minutes 39 seconds and a chord that bears North 36 degrees 46 minutes 12 seconds East; thence North 39 degrees 15 minutes 01 seconds East, tangent to last said curve, along the westerly line of said Lot 18 a distance of 107.80 feet to the northwest corner of said Lot 18; thence northeasterly a distance of 19.23 feet along a tangential curve concave to the west having a radius of 365.00 feet and central angle of 3 degrees 01 minutes 08 seconds; thence South 78 degrees 00 minutes 21 seconds East a distance of 185.02 feet; thence North 17 degrees 45 minutes 55 seconds East a distance of 355.42 feet to the point of beginning and there terminating.

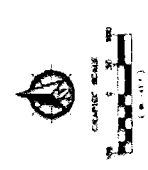
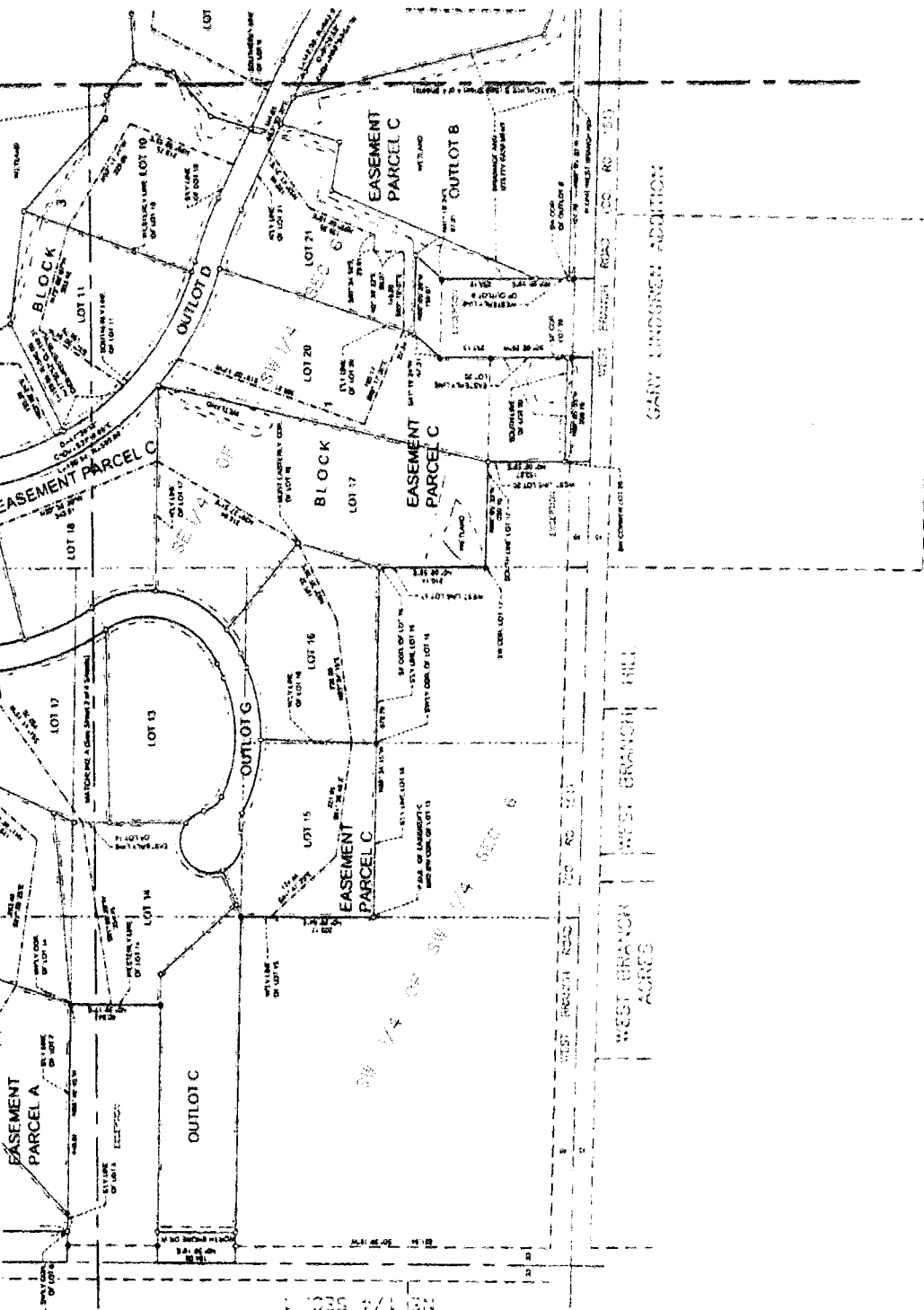
LAKEVIEW

**EXHIBIT D TO DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS
AND EASEMENTS**

DEPICTION OF THE PRESERVATION AREA

**[The Preservation Area is depicted on the immediately following four pages, and consists of
Parcels A, B, C, and D in that depiction.]**

LAKEVIEW OF ORONO - PRESERVATION AREAS (Inset B)



- LEGEND
- EASEMENT PARCEL
 - LOT
 - OUTLOT
 - ROAD
 - WATER
 - WETLAND
 - UNDEVELOPED
 - ROAD OF UNDEVELOPED



LAKEVIEW

**EXHIBIT E TO DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS
AND EASEMENTS**

LEGAL DESCRIPTION OF THE RECREATION AREA

The legal description of the Recreation Area is as follows:

Outlot I, LAKEVIEW OF ORONO, Hennepin County, Minnesota.

LAKEVIEW

DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS

CONSENT AND JOINDER BY MORTGAGEE

The undersigned (the "Mortgagee") is a mortgagee of all or portions of the real property described in Exhibit A to the Declaration of Covenants, Conditions, Restrictions, and Easements of Lakeview (the "Declaration"), to which this Consent and Joinder is attached. The Mortgagee hereby consents to and joins in the Declaration; provided, that by consenting to and joining in the Declaration, (i) the Mortgagee does not in any manner constitute itself or obligate itself as a Developer as defined in the Declaration; and (ii) such Mortgagee's mortgage shall remain as a lien on the property described therein, prior to any liens imposed under the Declaration, until released or satisfied.

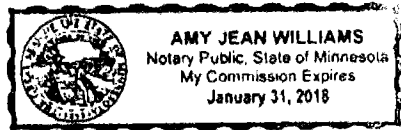
IN WITNESS WHEREOF, the Mortgagee has caused this Consent and Joinder to be executed on the 11th day of August, 2015.

SOURCE LAND CAPITAL, LLC

By: [Signature]
Its: President

STATE OF MINNESOTA)
) ss.
COUNTY OF Hennepin)

The foregoing instrument was acknowledged before me this 11 day of August, 2015, by Jeffrey Majkrak, the President of Source Land Capital, LLC, Minnesota limited liability company, on behalf of said limited liability company.



[Signature]
Notary Public

This instrument was drafted by:
Fredrick R. Krietzman, Esq.
Felhaber Larson
220 South 6th Street, Suite 2200
Minneapolis, Minnesota 55402
(612) 373-8418