

Cook County

Subdivision Ordinance

Ordinance #50

Administrative Subdivisions
Sections 3 & 4

Section 3 – Subdivision of Real Property

3.1 Four types of Land Subdivision are allowed by this ordinance:

1. Administrative Subdivision
2. Standard Plats
3. Open Space Subdivisions
4. Planned Unit Developments

3.2 All subdivisions that contain commonly owned interests in real estate or common elements as defined in Minn. Stat. Ch. 515B must have created a Homeowners Association. Association agreements for the future use and maintenance of individual and common property must at least address the following items:

- A. Road access within and outside the plat boundary;
- B. A method of operating and maintaining all shared systems or common element, if a private central water/sewer system or other utility is to be part of a subdivision;
- C. Membership shall be mandatory for each lot owner and any successive owner;
- D. Each member shall pay a proportionate share of the Associations expenses, and unpaid assessments shall become liens on lots;
- E. The Association shall be responsible for insurance and taxes on commonly owned property and facilities;
- F. Covenants, restrictions, dedications, etc. must follow the policy provided by Minnesota Statutes, Chapter 515B – Minnesota Common Interest Community Ownership Act. Deed restrictions and covenants, and internal easement descriptions also need to accompany the Preliminary Plat. A Plat Manual of Minimum Guidelines to Common Interest Community Plats is available from the Minnesota Society of Professional Surveyors.

3.3 Each lot created by any type of subdivision that is intended for residential use must:

- A. Meet the minimum lot size and dimensions for the zone district it is located in;
- B. Have an area for construction of a home-site that can be accessed and developed meeting all minimum setback requirements;
- C. Avoid, minimize or mitigate wetland impacts in accordance with County, State and Federal wetland rules and laws;

- D. Be capable of supporting two standard septic systems as defined by Minnesota Chapter 7080 and Cook County Environmental Health Code; and
- E. Meet all other pertinent requirements of the Cook County Zoning Ordinance and the Cook County Subdivision Ordinance. Evidence of application for any necessary state or federal permits must be provided.
- F. Have legal access provided that will accommodate the easement standards of a shared driveway. The Cook County Planning Department may administratively waive the requirement of this provision, Section 4.1(D) and Section 9.4(A) if the parcel being subdivided is already being served by an easement for access which was recorded prior to July 11, 2006.

Road right of way within the subdivision cannot be used for calculation of minimum lot size, except for lots within the FAR-1, FAR-2 and FAR-3 zone districts subdivided through the Administrative Process. For more information on requirements refer to the Appendix. The Subdivider shall furnish enough information to the Zoning Office to show that this standard has been met.

Section 4 – Administrative Subdivision

- 4.1 Administrative Subdivisions will allow subdivision of parcels of land with administrative approval, which will not change the use of the land or the character of the area. An administrative subdivision shall only be utilized under the following conditions:
 - A. A parcel is being divided to create up to a maximum of four parcels;
 - B. All the requirements of Section 3.3 of the Subdivision Ordinance can be met;
 - C. The division does not require creation of a new road, and there is a maintenance agreement for existing road access and/or any shared driveway, and appropriate provision is made for future access if necessary to prevent landlocked parcels within the land being subdivided. Alternatively, in lieu of a maintenance agreement, the Subdivider may provide proof to the county that the Subdivider has provided, or will provide a disclosure of the status of road maintenance responsibilities to all prospective purchasers;
 - D. All newly created shared driveways shall have a 50-foot right of way established, the area of which may be included in the minimum lot size calculation; and
 - E. The parcel sought to be subdivided has not been created within the last two years, unless the parcel was created by decree, or pursuant to court order.

- 4.2 The administrative subdivision may be used to correct an encroachment or an addition to correct minimum lot size, provided a Certificate of Survey is filed as an exhibit with the deed of transfer, if a Certificate of Survey is deemed necessary by Planning and Zoning.
- 4.3 An Administrative Subdivision may utilize the design standards and requirements for Open Space Subdivisions.
- 4.4 Administrative Subdivision Procedure
- A. Application will include enough information to document that each lot will meet criteria in Section 3.3. The demonstration of wetland avoidance for an Administrative Subdivision will not require a wetland delineation of the entire parcel if the applicant can show to the Zoning Administrator's satisfaction that the property has a building site, driveway location and drainfield site that will allow an owner to develop the property without impact to wetlands. If the draining or filling of wetlands is unavoidable, then a delineation of the whole lot must be done to show that the building site minimizes encroachment on wetlands. The required information must be submitted to the Zoning Administrator, along with the required fee. The Zoning Administrator may request additional clarifying information.
 - B. Upon submission of all required information, the Zoning Administrator shall notify the applicants in writing whether the subdivision is approved or denied. Administrative Subdivisions do not require a public hearing.
 - C. A survey is not required for an Administrative Subdivision unless the planning department deems a survey necessary to determine compliance with the standards of this ordinance.
 - D. If a completed survey finds a parcel to be smaller than was described, and the difference is 5% or more of the required size, then that in and of itself may be considered a hardship in meeting the standard for granting a variance.
 - E. If a completed survey of parcels within the FAR-1, FAR-2 and FAR-3 zone districts finds a parcel to be smaller than was described, but is within 5% of the required size, it shall be deemed acceptable.
 - F. After approval of the application, the applicant must file the necessary deed(s) and documents with the Cook County Recorder within six months to complete the subdivision process. New administrative subdivision approved lots do not become legal lots of record until the deeds creating said lots are filed with the County Recorder. If the deed(s) are not recorded for the new lot(s) prior to an ordinance revision that makes any of the lot(s) approved through this process nonconforming, your application approval will be null and void, and a new application will have to be processed in accordance with any new ordinance requirements.

**DEVELOPMENT CONTRACT
(Developer Installed Improvements)
Cambridge Cove**

AGREEMENT dated _____, 2022 by and between the **CITY OF CAMBRIDGE**, a Minnesota municipal corporation ("City"), and LGI Homes-Minnesota, LLC, a Minnesota Corporation, (the "Developer").

1. **REQUEST FOR PLAT APPROVAL.** The Developer has asked the City to approve a plat for Cambridge Cove (referred to in this Contract as the "plat"). The land to be platted is legally described on the attached Exhibit A.
2. **CONDITIONS OF PLAT APPROVAL.** The City hereby approves the plat on condition that the Developer enter into this Contract, furnish the fees required by it, and record the plat with the County Recorder or Registrar of Titles within 120 days after the City Council approves the final plat.
3. **RIGHT TO PROCEED.** Following Final Plan Approval and execution of this Agreement the Developer may commence development of the site in conformance with the plans, terms and conditions contained herein. Developer acknowledges that if the Developer fails to satisfy the conditions of this Agreement, the City may withhold issuance of any Building Permit, Certificate of Occupancy or protective inspections necessary for construction and occupancy of the proposed development.
4. **DEVELOPMENT PLANS.** The City hereby approves the Development as shown on the following exhibits. The Developer shall develop the Subject Property in accordance with the general plans shown on the exhibits. If, however, the exhibits vary from the written terms of this Agreement, the written terms of the Agreement

shall control. The exhibits include:

- Exhibit A. Legal Description of Land to be Platted
- Exhibit B. Final PUD Site Plan (preliminary plat) (approved setbacks identified in this Contract)
- Exhibit C. Final Plat approved June 20, 2022;
- Exhibit D. Grading and Drainage Plan dated September 7, 2022;
- Exhibit E. Plans dated August 8, 2022 and Specifications for Public Improvements dated June 13, 2022;
- Exhibit F. Declaration of Covenants and Restrictions, Bylaws, and Articles of Incorporation as approved by the City Attorney.

All of which Exhibits are on file with the City Engineer.

5. **PHASED DEVELOPMENT.** The Developer intends to develop the project in two or more phases. The Developer shall commence construction on Phase 1 within one year of date of this agreement. Phase I development involves primarily the development lying outside of the parcel to be platted as Outlot A on the Final Plat, Exhibit C. Phase I includes 108 lots. Except as otherwise provided herein, development of Outlot A, in one or more phases, will be subject to a development agreement/contract to be negotiated by the parties in the future and may not proceed prior to execution of such a development agreement/contract.
6. **PLANNED UNIT DEVELOPMENT DESIGNATION.** The City agrees to designate the Subject Property as a PUD, subject to the Developer's strict compliance with the approved plans referred to in paragraph 4 hereof, and the terms and conditions of this agreement.

Minor variations from the approved plans may be approved by the City's Site Plan Review Committee, under the direction of the Community Development Director. Substantial departures from the approved plans will require an amendment to the Planned Unit Development. In the event of failure by the Developer to commence development activity, in accordance with the final development Plans, within one year following the final approval of this Planned Unit Development, no building permits or certificates of occupancy will be issued unless Developer first secures approval of an extension of the development schedule by the City Council.

As part of this PUD the following setbacks are established for all lots including the 42' wide lots with Detached Townhomes, the 51' and 61' wide lots with Villa homes, and the 66' and wider lots with single family homes:

Front: 25 ft.

Side	7.5' for 65'+ wide lots
Side	6' for 42' wide lots
Side	5' for 50'60' wide lots
Side Corner	15 ft.
Rear	30 ft.

As part of this PUD the following improvements are allowed. Since most of the lots in this development are undersized due to the PUD designation, they will likely exceed the city's 30% total impervious lot coverage regulation (which is acceptable under the terms of the PUD).

When considering impervious lot coverage for future improvements to the home after initial construction, the lot size calculation does not include larger than normal drainage and utility easements. If the lot with improvements is less than 30% coverage, then the standard city code shall apply. The following shall be allowed regardless of lot coverage percent:

Detached Townhomes:

- One patio or deck poured/built in line with the existing primary structure. The patio may not extend beyond the walls of the primary structure.

Villa Lots:

- One patio or deck poured/built in line with the existing primary structure. The patio may not extend beyond the walls of the primary structure.

Single Family Lots:

- One deck if house plans provide a patio door.
- One patio in line with the existing primary structure. The patio may not extend beyond the walls of the primary structure.

Additional patio area and accessory structures are only allowed if the lot coverage does not exceed impervious surface requirements of city code.

7. IMPROVEMENTS. The Developer shall install and/or pay for the following:

- A. Sanitary Sewer System
- B. Water System
- C. Storm Sewer
- D. Streets, Sidewalks and Trails
- E. Concrete Curb and Gutter
- F. Street Lights
- G. Site Grading and Ponding

- H. Private Utilities
- I. Setting of Iron Monuments
- J. Surveying and Staking
- K. Street name signs and other traffic control signs on County Road 14, and pavement markings at all locations deemed necessary by City.

The improvements shall be installed in accordance with the City Subdivision Ordinance; City standard specifications for utilities and street construction; and any other applicable Ordinances or Codes. The Developer shall submit plans and specifications for utilities and street construction, prepared by a competent, duly registered professional engineer under the laws of the State of Minnesota. The Developer shall obtain all necessary permits from the Minnesota Pollution Control Agency, Minnesota Department of Health, and other agencies before proceeding with construction.

The Developer shall instruct its engineer to provide adequate field inspection personnel to assure an acceptable level of quality control so that the Developer's engineer will be able to certify that the construction work meets the approved City standards as a condition of City acceptance. In addition, the City may, at the City's discretion and at the Developer's expense, have one or more City inspectors inspect the work on a full or part-time basis.

The Developer, its contractors and subcontractors, shall follow all instructions received from the City's inspectors. Prior to construction, the Developer or its engineer shall schedule a preconstruction meeting at a mutually agreeable time at the City Council Chambers, located at 300 3rd Avenue NE, Cambridge, Minnesota with all parties concerned, including City staff, to review the program for the construction work.

Within thirty (30) days after the completion of the improvements the Developer shall supply the City with a complete set of digital "as constructed" plans prepared in accordance with City standards. Iron monuments must be installed in accordance with Minn. Stat. Sec. 505. The Developer's surveyor shall submit a written notice to the City certifying that the monuments have been installed.

- 8. **TIME OF PERFORMANCE.** The Developer shall install all required public improvements as shown on the approved Plans and Specifications for infrastructure improvements, Exhibit E, by September 1, 2023. The final wear cover on streets must be installed the first summer after the base layer of asphalt has been in place one freeze thaw cycle, no later than September 1, 2024, unless otherwise approved by the City.
- 9. **LICENSE.** The Developer hereby grants the City, its agents, employees, officers and contractors a license to enter the plat to perform all work and inspections

deemed appropriate by the City in conjunction with plat development.

10. **GRADING AND EROSION CONTROL.** The plat shall be graded in accordance with the approved Grading and Drainage Plan, Exhibit D, and shall conform to City of Cambridge specifications. Individual lots within the plat shall be graded in accordance with an approved Drainage and Grading Plan for each lot. The individual lot grading and drainage plans shall conform to City of Cambridge specifications and shall identify such things as lowest floor, lowest opening, and existing and proposed grades at two foot or less intervals. The grading and drainage plan shall be reviewed and approved by the City Engineer prior to commencement of grading operations. The City may impose additional erosion control requirements if the City determines they would be beneficial. All areas disturbed by the excavation and backfilling operations shall be reseeded after the completion of the work in that area in accordance with the Storm Water Pollution Prevention Plan (SWPPP). Except as otherwise provided in the erosion control plan, seed shall be certified oat seed to provide a temporary ground cover as rapidly as possible. All seeded areas shall be fertilized, mulched, and disc anchored as necessary for seed retention. The parties recognize that time is of the essence in controlling erosion. If the Developer does not comply with the erosion control plan and schedule or supplementary instructions received from the City, the City may take such action as it deems appropriate to control erosion. The City will endeavor to notify the Developer in advance of any proposed action, but failure of the City to do so will not affect the Developer's and City's rights or obligations hereunder. Developer will reimburse all expenses incurred by the City in connection with such actions. No development utility or street construction will be allowed and no building permits will be issued unless the plat is in full compliance with the erosion control requirements.

Within thirty (30) days after completion of the grading the Developer shall provide the City with an "as constructed" grading plan and a certification by a registered land surveyor or engineer that all ponds, swales, and ditches have been constructed on public easements or land owned by the City. The "as constructed" plan shall also include field-verified elevations of the following: a) location and elevations along all swales and ditches, and b) lot corners and house pads. The City will withhold issuance of building permits until the approved certified grading plan is on file with the City and all erosion control measures are in place as determined by the City Engineer.

11. **CLEAN UP.** The Developer shall daily clean dirt and debris from streets that have resulted from construction work by the Developer, its agents or assigns. The Developer shall also be responsible for the clean up of all construction debris and refuse that have resulted from construction activities, including all building improvements, by the Developer, its agents or assigns. Prior to any construction in the plat, the Developer shall identify in writing a responsible party for erosion

control, street cleaning, and street sweeping.

- 12. OWNERSHIP OF IMPROVEMENTS.** Upon completion of the work and construction required by this Contract, the improvements lying within public right-of-way and easements shall become City property following final inspection and formal acceptance by the Cambridge City Council. All other improvements shall be the sole responsibility of the Developer.

- 13. MODEL HOME(S).** For the purposes of marketing the development the Developer may construct, prior to the provisions set forth in Section 26 (e), one (1) home on a lot to be determined. A temporary off-street parking lot will also be allowed on a lot adjacent to the model home to minimize parking on the street. The temporary parking lot will be removed once the lot is sold to a private homeowner or no longer needed.

Subject to the following provisions:

1. The plat of the subject property has been recorded; and
 2. An access roadway has been brought to grade suitable for emergency vehicle access to the construction site.
 3. A Certificate of Occupancy shall not be issued until such time that the public improvements consisting of sanitary sewer and water main have been connected to said home and the roadway has been completed adjacent to said lot(s).
- 14. CITY LEGAL.** The developer shall pay a fee to cover the City's legal expenses. Before the City signs the final plat, the Developer shall pay to the City \$1,000 for legal services as follows:
1. Developer shall deposit this sum as per Table 1 into an account with the City, which shall receive and hold such funds solely under the terms of this agreement.
 2. The City will provide the Developer with an invoice for such work upon completion. If any funds held under this agreement remain after payment of the above, such funds shall be returned to Developer.
 3. If the actual costs incurred exceed the estimate, the Developer shall reimburse the City for any additional costs.
- 15. CITY ENGINEERING, ADMINISTRATION AND CONSTRUCTION OBSERVATION.**
- A.** The Developer shall pay a fee for engineering, planning and administration.

City engineering, planning and administration will include plan review, consultation with Developer and his engineer on status or problems regarding the project, coordination for final inspection and acceptance, and project monitoring during the warranty period. Fees for this service shall be one percent (1%) of the estimated construction cost, assuming normal construction and project scheduling.

B. The Developer shall pay a fee for City construction observation. City construction observation will include monitoring of construction, and observation. Construction observation shall include part or full time inspection (at the City's discretion) of proposed public utilities and street construction. Fees for this service are estimated to be \$282,950 (6%) of total estimated construction costs).

1. Developer shall deposit this sum as per Table 1 with the City, which shall receive and hold such funds solely under the terms of this Agreement.
2. The City will pay its Engineer from the deposit as billed for actual time spent. Engineer shall submit monthly invoices to the City certifying the work completed and amount of fees earned. A copy of the invoice shall also be given to the Developer. If any funds held under this Agreement remain after payment of the above, such funds shall be returned to Developer.
3. If it appears that the actual costs incurred will exceed the estimate, then Developer shall reimburse the City for any additional costs.

16. PARKLAND CONVEYANCE AND MONUMENTATION.

The Preliminary Plat of Cambridge Cove approved by City Council on August 16, 2021 included 206 single family residential lots. The cash in lieu park dedication requirement for 206 lots at \$1,600 per lot is \$329,600. Developer is dedicating 0.67 acres of park land. This land is valued at \$30,000 per lot for a total value of \$90,000. Developer is also proposing to construct an eight foot (8') trail on Outlot E and continue the trail along the west side of County Road 14 to the southerly property line of Cambridge Cove at cost of \$200,000. Total improved contribution is equivalent to \$290,000. Developer shall pay the difference of \$39,600 cash in lieu of land. The Developer shall pay for 108 lots with this phase (\$192.23 per lot), for a total of \$20,761. The remainder of payment for 98 future lots is \$18,839 and shall be paid with future phases.

17. OWNERSHIP OF OUTLOTS

Prior to commencement of work, Developer shall convey to the City in fee simple marketable title, Outlot B (parkland) and Outlot E (trail and utility easement) in partial satisfaction of its obligation for parkland dedication. For the purposes of delineating the dedicated parkland the Developer shall install permanent

monuments (post and sign) along the rear property lines of lots adjacent to the parkland. Said monuments shall consist of treated 4 x 4 posts. The posts shall be secured at a minimum of three (3) feet in depth with three (3) feet exposed above grade. The posts shall be located a minimum of one post at each property corner or as directed by the City.

Prior to commencement of work Developer shall convey Outlot C to Michael Hockert, or the current owner, for the purposes of allowing the existing driveway.

Prior to commencement of work Developer shall convey Outlot F to Daniel Mulder, or the current owner, for the purposes of allowing the existing driveway easement.

- 18. STREET NAME AND TRAFFIC CONTROL SIGNS.** The City shall install street name and traffic control signs. Before the City signs the final plat, the Developer shall pay to the City \$750 for purchase and installation of Street, and traffic control signs as follows:

1. Developer shall deposit this sum as per Table 1 into an account with the City, which shall receive and hold such funds solely under the terms of this Agreement.
2. The City will provide the Developer with an invoice for such work upon completion. If any funds held under this Agreement remain after payment of the above, such funds shall be returned to Developer.
3. If the actual costs incurred exceed the estimate, the Developer shall reimburse the City for any additional costs.

- 19. SANITARY SEWER AND WATER AREA CHARGES.** In accordance with City policy, and to uniformly distribute the costs of public utility infrastructure, including but not limited to, trunk lines, lift stations, water towers, and wells, the Developer herewith pays the following area charges:

Phase 1=43.75 acres

Sanitary Sewer: 43.75 acres @ \$2,240.00 per acre = \$98,000

Water: 43.75 acres @ \$2,314.00 per acre = \$101,237

Phase 1 Trunk Sanitary Sewer and Water Oversizing Credits. In accordance with City practices on past similar projects, an oversizing credit is providing for installing larger sanitary sewer and water main pipes that will serve future development beyond this site. Based on the Contractor bid dated August 18, 2022 and the Developer's Engineer's Cost Summary dated August 22, 2022, the following credits are provided:

Sanitary Sewer Oversizing = \$269,908

Water Main Oversizing = \$113,750

20. **BONDS.** Developer may not commence work on any street or public utility work pursuant to this Agreement until it has provided to the City for each construction contract a performance bond and a payment bond, each in the full amount of said construction contract (\$4,715,843), assuring the City of the full and faithful performance by the contractor of the work of the contract and the payment of all mechanics, laborers, materialmen and subcontractors. Appropriate letters of credit may be proposed in lieu of said performance and payment bonds.
21. **LANDSCAPING AND SITE IMPROVEMENTS.** The Developer or builder shall be responsible for the following landscaping and site improvements.

The Developer or builder shall plant sufficient trees so that there are at least two (2) trees in accordance with the city's landscape requirements on every lot in the plat. Trees which can cause a public nuisance/ such as cotton producing trees, or can be a public hazard, such as bug infestation or weak bark, are prohibited. The minimum tree size shall be two (2) inches caliper, either bare root in season, or balled and burlapped. The trees shall be planted in the front yard but shall not be planted in the right-of-way. Exceptions may occur in Planned Unit Developments where the front yard is too small for two full grown trees, then one of the trees may be placed in the rear yard.

Each lot shall have a minimum of three (3) inches of topsoil graded in accordance with the approved grading and erosion control plan. In addition to topsoil, the entire lot shall be sodded, including the boulevard. Professional hydroseeding and in-ground sprinkler installation may be proposed as an acceptable alternative to sod. All drainage swales, steep slopes and other areas prone to erosion shall be sodded.

In addition to the principal structure, each lot shall have site improvements including but not limited to an impervious surface (asphalt or concrete) driveway, impervious surface driveway apron, front entry steps, impervious surface front entry sidewalk, impervious surface garage floor and garage floor steps.

Weather permitting, all landscaping and site improvements shall be installed, graded and/or planted prior to issuance of a Certificate of Occupancy. A certificate of occupancy will not be issued until such time as the landscaping and site improvements are completed.

Once grading, landscaping and site improvements inspections are not able to occur due to frost in the ground, the city will automatically escrow for required improvements.

Items that may be escrowed include, but are not limited to:

Grading & Erosion Control
Top Soil & Sod/Seed
Trees
Driveway
Driveway Apron
Front Entry Steps
Front Entry Sidewalk
Garage Floor
Garage Steps

22. SPECIAL PROVISIONS. The following special provisions shall apply to plat development:

- A. Implementation of the recommendations listed in the reports of any State regulating authority.
- B. Implementation of the City Engineer's recommendations.
- C. The Developer pays herewith a pavement management cash fee for the first pavement management and crack sealing of the project streets. The fee is \$150 per lot on a city street for a total charge of \$16,200.
- D. The Developer pays herewith a cash fee for one year's operating costs for 20 street lights. The fee is \$150 dollars per light for a total charge of \$3000.
- E. The Developer shall submit the final plat and "as constructed" grading and street and utility plans" in electronic format. The electronic format shall be AutoCAD.DWG file and PDF file.

The amount of escrow deposits, and cash fees were calculated as follows:

Table 1
Name of Development

Developer: LGI Homes-Minnesota, LLC
Lots: 108
Acres: 43.75

A. CONSTRUCTION COSTS

Streets/Sidewalks	\$ 906,715
Turn Lanes	\$ 347,895
Sanitary Sewer	\$ 1,128,291
Water Main	\$ 796,327
Storm Sewer	\$ 1,536,615

Total Construction Costs	\$ 4,715,843
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B. DEPOSIT ITEMS

City Construction Observation and Admin.(6% Total Const. Cost)	\$ 282,950
Street Signs and Traffic Control Devices	\$ 750
Legal	\$ 1,000

Total Escrow Deposit	\$ 284,700
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C. CITY FEES

Engineering & Admin (1% of Construction)	\$ 47,158
Pavement Management (108lots @ \$150 per lot)	\$ 16,200

One Year Street Lighting Operation (20 lights @ \$150/light)	\$ 3,000
Parkland Dedication (108 lots)	\$ 20,761

Total City Fees	\$ 87,119
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D. AREA CHARGES

Sanitary Sewer Area Charge (43.75 Acres @ \$2,240/acre)	\$ 98,000
Less sewer oversizing credit	\$(269,908)

Water Area Charge (43.75 Acres @ \$2,314/acre)	\$ 101,237
Less water main oversizing credit	\$(113,750)

Total Owed to Developer for oversizing credit	\$184,421
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Total Net Due (B+C-D)	<u>\$187,398</u>
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23. WARRANTY. The Developer warrants all improvements required to be constructed by it pursuant to this Contract against poor material and faulty workmanship. The warranty period for all improvements is one year and shall commence after the final wear course has been completed and improvements have been accepted by the City. The Developer shall post maintenance bonds or suitable letters of credit to secure the warranties.

24. RESPONSIBILITY FOR COSTS.

- A. Except as otherwise specified herein, the Developer shall pay all costs incurred by it or the City in conjunction with the development of the plat, including but not limited to, legal, planning, engineering and inspection expenses incurred in connection with approval and acceptance of the plat, the preparation of this Contract, any taxes levied on lands dedicated to the public in the plat and all costs and expenses incurred by the City in monitoring and inspecting development of the plat. No interest will be credited or paid to Developer on funds held by the City as deposits for payment of expenses.
- B. The Developer shall hold the City and its officers, employees, and agents harmless from claims made by itself and third parties for damages sustained or costs incurred resulting from plat approval and development. The Developer shall indemnify the City and its officers, employees, and agents for all costs, damages, or expenses which the City may pay or incur in consequence of such claims, including attorneys' fees.
- C. The Developer shall reimburse the City for costs incurred in the enforcement of this Contract, including engineering and attorneys' fees.
- D. The Developer shall pay, or cause to be paid when due, and in any event before any penalty is attached, all special assessments referred to in this Contract. This is a personal obligation of the Developer, in addition to a lien against the Subject Property, and shall continue in full force and effect even if the Developer sells one or more lots, the entire plat, or any part of it.
- E. The Developer shall pay in full all bills submitted to it by the City for obligations incurred under this Contract within thirty (30) days after receipt. If the bills are not paid on time, the City may halt plat development and construction until the bills are paid in full. Bills not paid within thirty (30) days shall accrue interest at the rate of eighteen percent (18%) per year or the highest rate permitted by law, which ever is lower.
- F. In addition to the charges referred to herein, other charges as may be required by Ordinance or state law may be imposed including but not limited

to sewer access charges, water access charges, Water Treatment Plant charges, and building permit fees.

25. DEVELOPER'S DEFAULT. In the event of default by the Developer as to any of the work to be performed by it hereunder, the City may, at its option, perform the work and the Developer shall promptly reimburse the City for any expense incurred by the City, provided the Developer, except in an emergency as determined by the City, is first given notice of the work in default, not less than 48 hours in advance of performance of the work by the City. This Contract is a license for the City to act, and it shall not be necessary for the City to seek a Court order for permission to enter the land. When the City does any such work, the City may, in addition to its other remedies, assess the cost in whole or in part against all or any part of the subject property. For this purpose, the Developer expressly waives any and all procedural and substantive objections to the special assessments, including but not limited to, hearing requirements and any claim that the assessments exceed the benefit to the property. The Developer waives any appeal rights otherwise available pursuant to Minnesota Statutes, Chapter 429.

26. MISCELLANEOUS.

- A. The Developer represents to the City that the plat complies with all local, state, and federal laws, ordinance, codes and regulations, including but not limited to: subdivision ordinances, zoning ordinances, and environmental regulations. If the City determines that the plat does not comply, the City may, at its option, refuse to allow construction or development work in the plat until the Developer does comply. Upon the City's demand, the Developer shall cease work until there is compliance.
- B. Third parties shall have no recourse against the City under this Contract.
- C. Breach of the terms of this Contract by the Developer shall be grounds for denial of building permits, including permits for lots sold to third parties.
- D. If any portion, section, subsection, sentence, clause, paragraph, or phrase of this Contract is for any reason held invalid, such decision shall not affect the validity of the remaining portion of this Contract.
- E. All public improvements except the final lift of asphalt shall be installed prior to issuance of building permits except as otherwise specified in Section 12 of this agreement.
- F. If building permits are issued prior to the completion and acceptance of public improvements, the Developer assumes all liability and costs resulting in delays in completion of public improvements and damage to public

improvements caused by the City, Developer, its contractors, subcontractors, materialmen, employees, agents, or third parties. No sewer and water connection permits may be issued and no one may occupy a building for which a building permit is issued on either a temporary or permanent basis until the streets needed for access have been paved with a bituminous surface and the utilities are accepted by the City Engineer.

- G. The action or inaction of the City shall not constitute a waiver or amendment to the provisions of this Contract. To be binding, amendments or waivers shall be in writing, signed by the parties and approved by the City Council. The City's failure to promptly take legal action to enforce this Contract shall not be a waiver or release.
- H. This Contract shall run with the land and shall be recorded against the title to the property. The Developer covenants with the City, its successors and assigns, that the Developer is well seized in fee title of the property being final platted and/or has obtained consents to this Contract, in the form attached hereto, from all parties who have an interest in the property; that there are no unrecorded interests in the property being final platted; and that the Developer will indemnify and hold the City harmless for any breach of the foregoing covenants.
- I. Developer shall take out and maintain or cause to be taken out and maintained until six (6) months after the City has accepted the public improvements, public liability and property damage insurance covering personal injury, including death, and claims for property damage which may arise out of Developer's work or the work of its subcontractors or by one directly or indirectly employed by any of them. Limits for bodily injury and death shall be not less than \$500,000 for one person and \$1,000,000 for each occurrence; limits for property damage shall be not less than \$200,000 for each occurrence; or a combination single limit policy of \$1,000,000 or more. The City shall be named as an additional insured on the policy, and the Developer shall file with the City a certificate evidencing coverage prior to the City signing the plat. The certificate shall provide that the City must be given thirty (30) days advance written notice of the cancellation of the insurance.
- J. Each right, power or remedy herein conferred upon the City is cumulative and in addition to every other right, power or remedy, express or implied, now or hereafter arising, available to City, at law or in equity, or under any other agreement, and each and every right, power and remedy herein set forth or otherwise so existing may be exercised from time to time as often and in such order as may be deemed expedient by the City and shall not be a waiver of the right to exercise at any time thereafter any other right, power

or remedy.

- K. The Developer may not assign this Contract without the written consent of the City Council. The Developer's obligation hereunder shall continue in full force and effect even if the Developer sells one or more lots, the entire plat, or any part of it.

- 26. NOTICES.** Required notices to the Developer shall be in writing, and shall be either hand delivered to the Developer, its employees or agents, or mailed to the Developer by certified mail at the following address:

LGI Homes-Minnesota, LLC
2850 Cutters Grove Ave, Suite 207
Anoka, MN 55303

Notices to the City shall be in writing and shall be either hand delivered to the City Administrator, or mailed to the City by certified mail in care of the City Administrator at the following address:

Cambridge City Hall, 300 3rd Avenue NE, Cambridge, Minnesota 55008.

CITY OF CAMBRIDGE

BY:

(SEAL)

James Godfrey, Mayor

AND _____

Evan Vogel, City Administrator

DEVELOPER:

BY:

Its
STATE OF MINNESOTA)
(ss.
COUNTY OF ISANTI)

The foregoing instrument was acknowledged before me this ____ day
of _____, 20____, by James Godfrey, Mayor, and by Evan Vogel, City

Administrator, of the City of Cambridge, a Minnesota municipal corporation, on behalf of the corporation and pursuant to the authority granted by its City Council.

NOTARY PUBLIC

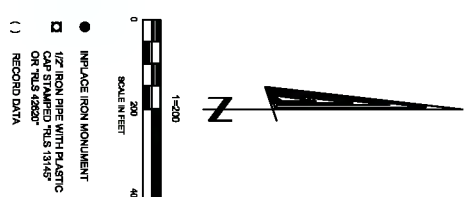
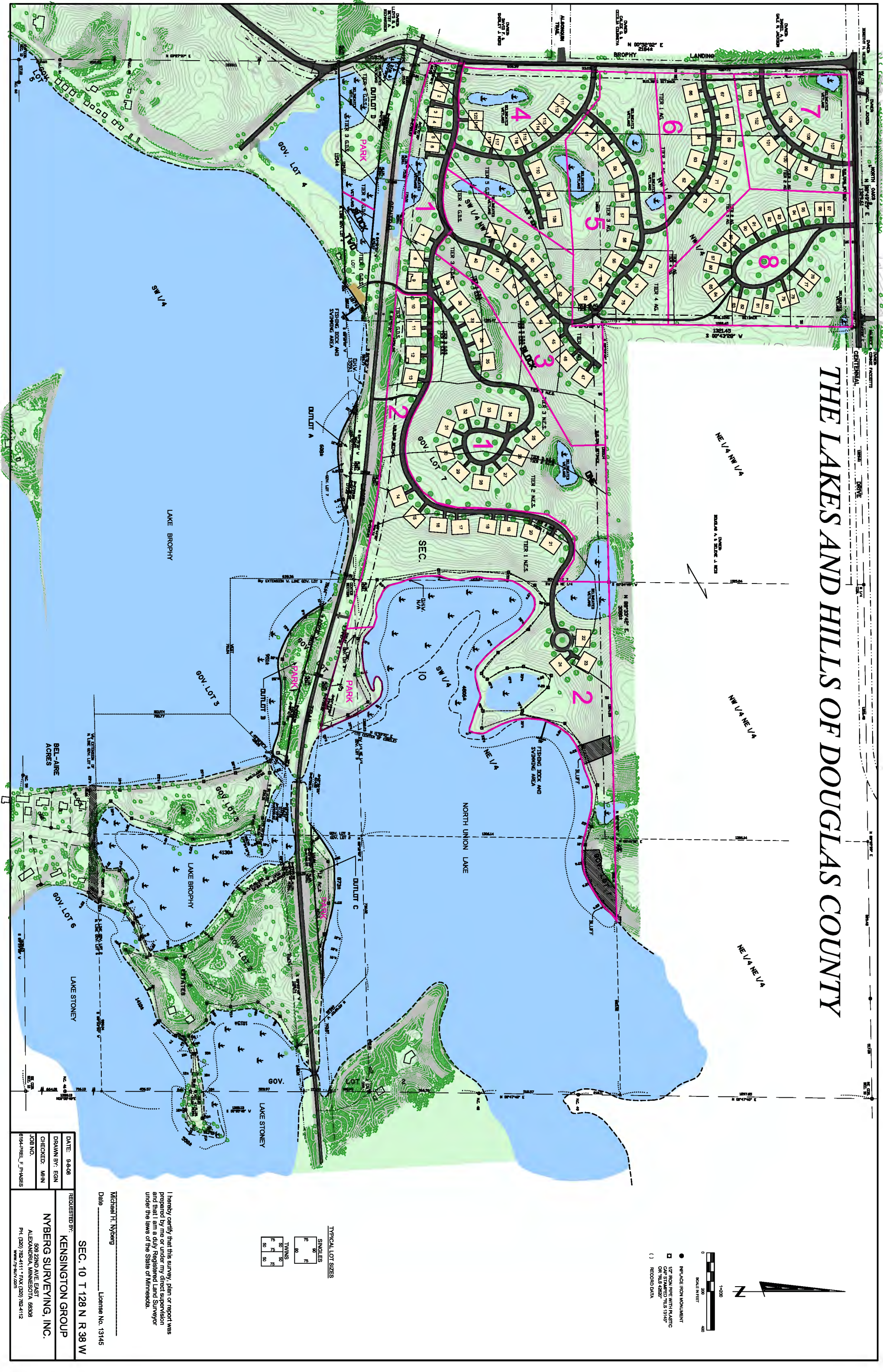
STATE OF MINNESOTA)
(ss,
COUNTY OF ISANTI)

The foregoing instrument was acknowledged before me this day of _____, 20____, by _____ the _____, of LGI Homes-Minnesota, LLC, a Minnesota Corporation, on behalf of the Corporation.

NOTARY PUBLIC

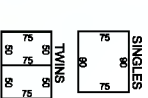
This Agreement was Drafted By:
The City of Cambridge
300 3rd Avenue NE
Cambridge, MN 55008

THE LAKES AND HILLS OF DOUGLAS COUNTY



- REPLACEMENT IRON MONUMENT
- 1/2" IRON PIPE WITH PLASTIC CAP (STAMPED) "RIS 1845"
- () RECORD DATA

TYPICAL LOT SIZES



I hereby certify that this survey, plan or report was prepared by me or under my direct supervision and that I am a duly Registered Land Surveyor under the laws of the State of Minnesota.

Michael H. Nyberg
Date _____ License No. 13145

DATE: 9-9-08	REQUESTED BY: KENSINGTON GROUP
DRAWN BY: ESN	
CHECKED: MNH	
JOB NO. 6104-PREL_5_PHASES	
NYBERG SURVEYING, INC. 509 22ND AVE EAST ALEXANDRIA, MINNESOTA 56308 PH: (320) 762-4111 • FAX: (320) 762-4112 WWW.NY-SURV.COM	

Recorded
March 24, 2017 3:03 PMTRANSFER ENDED AND DEED TAX
OF \$ 0
PAID TO DOUGLAS COUNTY
THIS 24 DAY OF March 2017
Julio T. Hill
DEPUTY AUDITOR/TREAS.Dawn M. CrouseOFFICE OF COUNTY RECORDER
Douglas County Minnesota
Dawn M Crouse Recorder
Fee \$46.00

COMMON INTEREST COMMUNITY NO. 256
A Planned Community
LAKE DARLING RESORT
DECLARATION

This Declaration is made in the County of Douglas, State of Minnesota, on this 1st day of March, 2017 by Lake Darling Resort, LLC, a Minnesota limited liability company (the "Declarant"), pursuant to the provisions of Minnesota Statutes Chapter 515B, known as the Minnesota Common Interest Ownership Act (the "Act"), for the purpose of creating a planned community under the Act.

WHEREAS, Declarant is the owner of certain real property located in Douglas County, Minnesota, legally described on **Exhibit A** attached hereto, and Declarant desires to submit such real property and all improvements thereon (collectively the "Property") to the Act as a planned community, and

WHEREAS, the Property is subject to ordinances of Douglas County referred to in Section 515B.1-106 of the Act, governing conversions to common interest ownership which ordinances have been complied with, and is not subject to a master association as defined in the Act, and

WHEREAS, Declarant desires to establish on the Property a common interest community to be owned, occupied and operated for the use, health, safety and welfare of its Owners, Guests and Occupants, and for the purpose of preserving the value and resort character of the Property, and

THEREFORE, Declarant makes this Declaration and submits the Property to the Act as a planned community under the name "Lake Darling Resort," 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 shall be owned, used, occupied and conveyed subject to the covenants, restrictions, easements, charges and liens set forth herein, all of which shall be binding upon all Persons owning or acquiring any right, title or interest therein, and their heirs, personal representatives, successors 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" shall mean the Minnesota Common Interest Ownership Act, Minnesota Statutes Chapter 515B, as amended.

1.2 "Assessments" shall mean and refer to all assessments levied by the Association pursuant to Section 6 of this Declaration, including annual assessments, special assessments and limited allocation assessments.

1.3 "Association" shall mean the Lake Darling Resort Homeowners' Association, Inc., a nonprofit corporation which has been created pursuant to Chapter 317A of the laws of the state of Minnesota and Section 515B.3-101 of the Act, whose members consist of all Owners.

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

1.5 "Building" shall mean a structure which is or becomes a part of the Property.

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

1.7 "CIC Plat" shall mean the recorded plat depicting the Property pursuant to the requirements of Section 515B.2-110(c) of the Act, including any amended or supplemental Plat recorded from time to time in accordance with the Act.

1.8 "Clubhouse" shall mean the building that may be constructed on Lot 23 containing an indoor pool, fitness center and sauna facilities to be operated by the Managing Agent for Resort guests and Owners. No use of the Clubhouse as a lodging facility shall be permitted.

1.9 "Common Elements" shall mean all parts of the Property except the Units.

1.10 "Common Element Lot" shall be Lot 25.

1.11 "Common Expenses" shall mean and include all expenditures made or liabilities incurred by or on behalf of the Association and incident to its operation, including Assessments and items otherwise identified as Common Expenses in the Declaration or Bylaws.

1.12 "County" shall mean Douglas County.

1.13 "Dwelling" shall mean a building or part of a building consisting of one or more floors, designed and intended for occupancy as a single resort cottage or twinhome cottage, and located within the boundaries of a Unit.

1.14 "Eligible Mortgagee" shall mean any Person owning a mortgage on any Unit, which

mortgage is first in priority upon foreclosure to all other mortgages that encumber such Unit, and which has requested the Association, in writing, to notify it regarding any proposed action which requires approval by a specified percentage of Eligible Mortgagees.

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

1.16 "Limited Common Elements" shall mean a portion of the Common Elements allocated by the Declaration or by operation of Section 515B.2-102(d) or (f) of the Act for the exclusive use of one or more but fewer than all of the Units.

1.17 "Lodge Property" or "Lodge" shall mean Lot 11 which includes the Resort's front desk/reception area and the resort owner/manager/employee living quarters.

1.18 "Lot" shall mean a separately designated parcel of real property as shown upon a plat of the properties upon which it is situated, or intended to be situated on a lot. A "Lot" shall not be construed to mean Common Elements even though the Common Element Lot is identified as a lot on the plat.

1.19 "Maintenance Building" shall mean the structure(s) to be built on Lot 24 containing one or more garage/storage facilities to be used by the Managing Agent exclusively for the storage of Resort vehicles, watercraft and equipment.

1.20 "Management Agreement" shall mean any agreement entered into by the Association providing for the management of the Property, the Units or any portions thereof on behalf of the Association and its Managing Agent.

1.21 "Managing Agent" shall mean such agent as the Declarant or the Association shall engage to manage the Property and the Units, or any portions thereof on behalf of the Association and its Owners.

1.22 "Member" shall mean all persons who are members of the Association by virtue of being Owners as defined in this Declaration. The words "Owner" and "Member" may be used interchangeably in the Governing Documents.

1.23 "Occupant" shall mean any person or persons, other than an Owner, in possession of or staying in a Unit.

1.24 "Owner" shall mean a Person who owns a Unit or a Lot, but excluding contract for deed vendors, mortgagees and other secured parties within the meaning of Section 515B.1-103(29) of the Act. The term "Owner" includes, without limitation, contract for deed vendees and holders of a life estate.

1.25 "Party Wall" shall mean the shared wall between two adjoining Units.

1.26 "Person" shall mean a natural individual, corporation, limited liability company, partnership, trustee, or other legal entity capable of holding title to real property.

1.27 "Property" shall mean all of the real property submitted to this Declaration, now or in the future, including the Dwellings, and all other structures and improvements located thereon. The Property is legally described in **Exhibit A** attached hereto.

1.28 "Resort" shall mean Lake Darling Resort.

1.29 "Rules and Regulations" shall mean the Rules and Regulations of the Association as approved from time to time pursuant to Section 5.6.

1.30 "Unit" shall mean any of Units 1 through 24, as shown on the CIC Plat. The terms "Unit" and "Lot" may be used interchangeably in the Governing Documents to describe the Units.

Any terms used in the Governing Documents, and defined in the Act and not in this Section, shall have the meaning set forth in the Act.

SECTION 2

DESCRIPTION OF UNITS, SUBDIVISION, BOUNDARIES AND RELATED EASEMENTS

2.1 **Units.** There are twenty-four (24) Units or Lots (exclusive of Lot 25, the Common Element Lot). All Units are restricted exclusively for guest or owner occupancy, except for the Lodge and Managing Agent living quarters located on Lot 11, the Clubhouse located on Lot 23, and the Maintenance Buildings located on Lot 24, and except as provided in Section 7.4.

2.2 **Subdivision of Units.** Each Unit constitutes a separate parcel of real estate. No additional Units may be created by the subdivision or conversion of Units pursuant to Section 515B.2-112 of the Act.

2.3 **Unit Identifiers.** The Unit identifiers and locations of the Units are as shown on the CIC Plat, which is incorporated herein by reference, and a schedule of Units is set forth on **Exhibit B** attached hereto.

2.4 **Unit Boundaries.** The boundaries and dimensions of each Unit shall be as shown on the CIC Plat.

2.5 **Access Easements.** Each Unit shall be the beneficiary of a perpetual appurtenant easement for access to a public street or highway on or across those portions of the Common Elements improved for use as streets or roads, as shown on the CIC Plat, subject to any restrictions set forth in the Governing Documents or the Rules and Regulations.

2.6 **Use and Enjoyment Easements.** Each Unit shall be the beneficiary of perpetual appurtenant easements for use and enjoyment on and across the Common Elements, and for use and enjoyment of any Limited Common Elements allocated to the Unit, subject to any restrictions authorized by the Governing Documents.

2.7 **Utility and Maintenance Easements.** Each Unit shall be subject to and shall be the beneficiary of perpetual appurtenant easements for all services and utilities servicing the Units and the Common Elements, and for maintenance, repair and replacement as described in Section 13.

2.8 **Encroachment Easements.** Each Unit shall be subject to and shall be the beneficiary of perpetual appurtenant easements for encroachments as described in Section 13.

2.9 **Declarant's Easements.** Declarant shall have and be the beneficiary of easements for construction and sales activities as described in Section 17.

2.10 **Declarant's Roadway Access.** The Common Elements shall be subject to an appurtenant easement for access to boat docks and the Lake Darling Resort beach in favor of the Declarant, as described in Section 13.

2.11 **Recorded Easements.** The Property shall be subject to such other easements as may be recorded against it or otherwise shown on the CIC Plat.

2.12 **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 the Act 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.

2.13 **Impairment Prohibited.** No person shall materially restrict or impair any easement benefiting or burdening the Property, subject to the Declaration and the right of the Association to establish and enforce reasonable Rules and Regulations governing the use of the Property.

2.14 **Benefit of Easements.** All easements benefiting a Unit shall benefit the Owners and Occupants of the Unit, and their families and resort 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.

SECTION 3

COMMON ELEMENTS, LIMITED COMMON ELEMENTS AND OTHER PROPERTY

3.1 **Common Elements.** The Common Elements and their characteristics are as follows:

- (a) All of the Property not included within the Units constitutes Common Elements. The Common Elements include, but are not limited to all areas and items listed in this Section 3, and those parts of the Property designated as Common Elements on the CIC Plat or in the Act.
- (b) The Common Elements shall be subject to (i) certain easements as described in Sections 2, 13 and 17; (ii) the rights of Owners, Occupants and guests in Limited Common Elements appurtenant to their respective Units; (iii) the right of the Managing Agent and the Association to establish reasonable Rules and Regulations governing the use of the Property and (iv) the use restrictions set forth in Section 7.4.
- (c) Except as otherwise expressly provided in the Governing Documents, all maintenance, repair, replacement, management and operation of the Common Elements shall be the

responsibility of the Association.

- (d) 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.

3.2 **Annexation of Other Property.** Real property may be added to the common interest community Common Elements, and subjected to this Declaration, in accordance with Minn. Stat. §515B.2-125 of the Act.

3.3 **Docking Spaces.** The use of the docks and docking spaces shall be managed by the Managing Agent for the benefit of the Owners and Occupants, the Association and the Declarant. One dock space may be assigned to each Owner of a Lot. The initial assignment of docking spaces may be made by the Declarant on a first come first served basis. A docking space may be reassigned to another Unit Owner or to the Association, but only by first delivering to the Association a written assignment, signed by the assignor and the assignee. Any unassigned dock space shall be reserved for the use of the Managing Agent and Resort guests.

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 by virtue of ownership of a Unit, and the membership shall be transferred with the conveyance of the Owner's interest in the Unit. An Owner's membership shall terminate when the Owner's ownership terminates. When more than one Person is an Owner of a Unit, all such Persons shall be members of the Association, 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 and Common Expense obligations are allocated among the Units as set forth in **Exhibit B**, subject to Section 6.

4.3 **Appurtenant Rights and Obligations.** The ownership of a Unit shall include the voting rights and Common Expense obligations described in Section 4.2. Said rights, obligations and interests, and the title to the Units, shall not be separated or conveyed separately, except as permitted under Section 2, and any conveyance, encumbrance, judicial sale or other transfer of any allocated interest in a Unit, separate from the title to the Unit shall be void. The allocation of the rights, obligations and interests described in this Section may not be changed, except in accordance with the Governing Documents and the Act.

4.4 **Authority to Vote.** The Owner, or some natural person designated to act as proxy on behalf of the Owner and who need not be an Owner, may cast the vote allocated to such Unit at meetings of the Association. However, 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.

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 shall be governed by the Governing Documents, the Rules and Regulations, and the Act. The Association shall, subject to the rights of the Owners set forth in the Governing Documents and the Act, be responsible for the operation, management and control of the Property. The Association shall have all powers described in the Governing Documents, the Act and the statute under which the Association is incorporated. All power and authority of 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 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 and Regulations, (ii) maintaining, repairing and replacing those portions of the Property for which it is responsible and (iii) preserving the value, and the architectural uniformity and character, of the Property.

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

5.4 **Bylaws.** The Association shall have Bylaws. The Bylaws shall govern the operation and administration of the Association, and shall be binding on 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. However, such delegation shall not relieve the officers and directors of the ultimate responsibility for the performance of their duties as prescribed by the Governing Documents and Bylaws.

5.6 **Rules and Regulations.** The Board shall have exclusive authority to approve and implement such reasonable Rules and Regulations as it deems necessary from time to time for the purpose of operating and administering the affairs of the Association and regulating the use of the Property; provided that the Rules and Regulations may be added to, amended or replaced only by approval of 67% of the votes in the Association and further provided that the Rules and Regulations shall not be inconsistent with the Governing Documents or the Act. The inclusion in other parts of the Governing Documents of authority to approve Rules and Regulations shall be deemed to be in furtherance, and not in limitation, of the authority granted by this Section. New or amended Rules and Regulations shall be effective not less than thirty (30) 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 **Resale Disclosure Certificates.** Pursuant to Minn. Stat. §515B.4-107 of the Act, in the event of a resale of a Unit by an Owner other than a Declarant, that Owner shall furnish to the purchaser a resale disclosure certificate containing the information required by Minn. Stat. §515B.4-107(b) of the Act. Pursuant to Minn. Stat. §515B.4-107(d) of the Act, the Association shall, within ten days after a request by an Owner or the Owner's authorized representative, furnish the resale disclosure certificate and any documents related thereto.

SECTION 6 ASSESSMENTS

6.1 **General.** Assessments shall be determined and assessed against the Units by the Board, in its discretion; subject to the requirements and procedures set forth in this Section 6, and the requirements of the Bylaws. Assessments shall include annual assessments under Section 6.2, and may include special assessments under Section 6.3 and limited allocation assessments under Section 6.4. Annual and special assessments shall be allocated in accordance with the allocation formula set forth in Section 4.2. Limited allocation assessments under Section 6.4 shall be allocated to Units as set forth in that Section.

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 allocated among the Units in accordance with the allocation set forth in Section 4.2. Annual assessments shall be payable in equal monthly installments. Annual assessments shall provide, among other things, for an adequate reserve fund for the maintenance, repair and replacement of the Common Elements and those parts of the Units for which the Association is responsible.

6.3 **Special Assessments.** In addition to annual assessments, and subject to the limitations set forth hereafter, the Board may levy in any assessment year a special assessment against all Units in accordance with the allocation formula set forth in Section 4.2. Special assessments shall be used for the purpose of defraying in whole or in part the cost of any unforeseen and unbudgeted Common Expense.

6.4 **Limited Assessments.** In addition to annual assessments and special Assessments, the Board may, at its discretion, levy and allocate limited allocation assessments among only certain Units in accordance with the following requirements and procedures:

- (a) Any Assessment or portion thereof benefiting fewer than all of the Units may be assessed exclusively against the Unit or Units benefited.
- (b) 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, the Act, or the Rules and Regulations, against an Owner or Occupant or their guests, may be assessed against the Owner's Unit.

- (c) Late charges, fines and interest may be assessed as provided in Section 14.
- (d) Assessments levied under Section 515B.3-116(a) of the Act 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.
- (e) If any damage to the Common Elements or another Unit is caused by the act or omission of any Owner, the Association may assess the costs of repairing the damage exclusively against the Owner's Unit to the extent not covered by insurance.
- (f) If any Assessment or installment of an Assessment becomes more than thirty (30) days past due, then the Association may, upon ten (10) days written notice to the Owner, declare the entire amount of the Assessment immediately due and payable in full.
- (g) If Common Expense liabilities are reallocated for any purpose authorized by the Act, Assessments and any installment thereof not yet due shall be recalculated in accordance with the reallocated Common Expense liabilities.

Assessments levied under Sections 6.4 (a) through (g) may, at the Board's discretion, be assessed as a part of, or in addition to, the assessments levied under Section 6.

6.5 Working Capital Fund. The Declarant has the authority, but not the obligation, to establish a working capital fund to meet unforeseen expenditures or to purchase additional equipment or services during the Association's beginning years of operation. The Board may include in each subsequent annual budget a reasonable amount of working capital, based upon the anticipated needs of the Association for the year in question. If the fund is established, there shall be contributed on a one-time basis for each Unit sold an amount equal to two months installments of the estimated Common Expense Assessment for the Unit. The contribution shall be paid at the time of closing of sale of the Unit. The contributions to this fund are in addition to the regular monthly installments of assessments, and shall be deposited into a segregated Association account. Declarant may not use the funds to defray any of its expenses, reserve contributions or construction costs, or to make up any budget deficit during the Declarant control period. However, upon the closing of the sale of an unsold Unit, Declarant may reimburse itself from funds collected from the purchaser at the closing for any contribution made by Declarant to the working capital fund with respect to that Unit.

6.6 Liability of Owners for Assessments. The obligation of an Owner to pay assessments shall commence at the later of (i) the time at which the Owner acquires title to the Unit, or (ii) the due date of the first Assessment levied by the Board. The Owner at the time an assessment is payable with respect to the Unit shall be personally liable for the share of the Common Expenses assessed against such Unit. Such liability shall be joint and several where there are multiple Owners of the Unit. The liability is absolute and unconditional. 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 Association or its officers, directors or agents, or for their failure to fulfill any duties under the

Governing Documents or the Act. The Association may invoke the charges, sanctions and remedies set forth in Section 14, in addition to any remedies provided elsewhere in the Governing Documents, the Rules and Regulations, or Bylaws, for the purpose of enforcing its rights hereunder.

6.7 **Declarant's Liability for Assessments.** Pursuant to Section 515B.3-1151 of the Act, the Declarant's liability for Assessments shall be subject to the following limitations:

- (a) Notwithstanding anything to the contrary in the Governing Documents, if a Common Expense Assessment has not been levied by the Association, the Declarant shall pay all common expenses, including the payment of the replacement reserve component of the Common Expenses for all Units in compliance with 515B.3-1151(a)(1).
- (b) Notwithstanding anything to the contrary in the Governing Documents, if a Common Expense Assessment has been levied by the Association, the Declarant's Common Expense Assessment liability, and the corresponding assessment lien against the Units owned by the Declarant, is limited to:
 - (i) Paying when due an amount equal to the full share of the replacement reserves allocated to Units owned by the Declarant, as set forth in the Association Budget; and
 - (ii) Paying when due all accrued expenses of the Association in excess of the aggregate assessments payable with respect to Units owned by persons other than Declarant.

However, the Common Expense plan described above shall not affect Declarant's obligation to make up any operating deficit pursuant to 515B.3-1151(2)(iv).

- (c) The Declarant's reduced Assessment obligation shall apply to each Unit owned by Declarant at the time that any Assessment is levied against the Unit, and shall terminate upon termination of the Declarant control period unless terminated earlier pursuant to 515B.3-1151(2)(iii).

6.8 **Assessment Lien.** The Association has a lien on a Unit for any Assessment 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 pursuant to Section 515B.3-102(a)(10), (11) and (12) of the Act are liens, and are enforceable as Assessments under this Section 6. Recording of the Declaration constitutes record notice and perfection of any lien under this Section 6, 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.

6.9 **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 a like manner as a mortgage containing a power of sale. The Association, or its authorized representative, shall have the power to bid in 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. 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.

6.10 **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 Declaration, (ii) any first mortgage encumbering the fee simple interest in the Unit, and (iii) liens for real estate taxes and other governmental assessments or charges against the Unit. Notwithstanding the foregoing, if (1) a first mortgage on a Unit is foreclosed, (2) the first mortgage was recorded on or after the date of recording of this Declaration, and (3) no Owner redeems during the Owner's period of redemption provided by Minnesota Statutes Chapters 580, 581, or 582, then the holder of the sheriff's certificate of sale from the foreclosure of the first mortgage shall take title to the Unit subject to unpaid assessments for Common Expenses levied pursuant to Sections 515B.3-115(a), (e)(1) to (3), (f), and (i) of the Act which became due, without acceleration, during the six (6) months immediately preceding the first day following the end of the Owner's period of redemption.

6.11 **Voluntary Conveyances, Statement of Assessments.** In a voluntary conveyance of a Unit, the buyer shall not be personally liable for any unpaid assessments and other charges made by the Association against the seller or the seller's Unit prior to the time of conveyance to the buyer, unless expressly assumed by the buyer. However, the lien of such assessments shall remain against the Unit until released. Any seller or buyer 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, seller and buyer.

SECTION 7 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 Act or the Governing Documents, the occupancy, use, operation, alienation and conveyance of the Property shall be subject to the following restrictions:

7.1 **General.** The Property shall be owned, conveyed, encumbered, leased, used and occupied subject to the Governing Documents and the Act, as amended from time to time. All covenants, restrictions and obligations 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.

7.2 **Subdivision Prohibited.** Except as permitted by the Act, no Unit nor any part of the Common Elements may be subdivided or partitioned without the prior written approval of Douglas County, all Owners and the requisite percentage of secured parties holding first mortgages on the Units.

7.3 **Resort Use; Restrictions.** Lake Darling Resort is a commercially zoned resort and will continue to operate as a resort. No Units may be homesteaded or occupied by Owners on a year around basis. Units shall be offered and utilized as rental Units. Unit Owners must rent their Units only through the designated Managing Agent retained by the Declarant or the Association. Rental agreements shall be subject to all the terms, covenants and conditions of this Declaration, the Articles and Bylaws of the Association, the Rules and Regulations of the Association and the ordinances of Douglas County.

In addition, the use of Resort Units, the Common Elements and the operation of the Resort shall be subject to the following restrictions:

- (a) Personal use or use by family or guests of the Owner of a Unit shall not exceed a total of 49 days or 14 consecutive days during each calendar year.
- (b) No later than January 31 of each year, commencing January 31, 2017, the Resort license holder shall submit to Douglas County for the prior calendar year ending December 31, a written report showing for each Resort Unit the number of days that the Resort Unit was occupied by the Owner, the Owner's family or Owner's guests, during the previous year.
- (c) Douglas County shall be provided with verification of MN DOH Resort License; and for so long as the Resort shall be operated, a valid and effective Resort license shall be continuously maintained.
- (d) No Resort Unit shall be designated as a homestead.
- (e) All Resort Units must be offered for rent through the Resort Managing Agent pursuant to a rental management agreement.
- (f) Resort Units shall be required to be removed or relocated in compliance with Douglas County ordinances should the Property cease to be a licensed Resort.
- (g) Rental of Resort Units shall be subject to regulation by the Association and Managing Agent documents consistent with Douglas County Ordinances.
- (h) The provisions of this Declaration shall not be altered or amended without the review and consent of Douglas County.
- (i) No structures shall be erected or improvements made to the portion of the Common Elements of the Resort to be reserved as Common Open Space without the prior written approval of Douglas County. A minimum of 50% green space shall be maintained and adequately preserved. No garages or storage space dedicated for use by a Unit shall be constructed.

7.4 **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:

- (a) The Association and the Managing Agent may maintain offices on the Property for management and related purposes.
- (b) Declarant and the Managing Agent may maintain offices, sales facilities and other business facilities on the Property in connection with the exercise of its special Declarant rights.
- (c) Unit 11, the Lodge Property or Lodge may be operated as a guest services and front desk/reception facility, provided that no overnight lodging by guests (other than Resort owners, managers or personnel) shall be allowed.

7.5 **Leasing.** No leasing of Units shall be allowed except by the Resort's Managing Agent.

7.6 **Parking.** Parking areas on the Property shall be used only for parking of vehicles owned or leased by Owners, Occupants and guests, and such other incidental uses as may be authorized in writing by the Association. No parking of boat trailers on the Property shall be allowed except in areas that may be identified by the Association. The use of driveways and other parking areas on the Property, and the types of vehicles and personal property permitted thereon, shall be subject to regulation by the Association, including without limitation the right of the Association to tow illegally parked vehicles or to remove unauthorized personal property.

7.7 **Storage.** Outside storage of any items, including but without limiting the generality of the foregoing, boats, trailers, all-terrain vehicles, snowmobiles, sporting equipment, toys, outdoor cooking equipment (except seasonal furniture and one gas or charcoal grill per unit), yard and gardening tools and equipment, and trash and garbage containers shall not be allowed except on areas of the Common Elements approved by the Association.

7.8 **Fencing.** No walls, fences or gates may be erected anywhere on the Property.

7.9 **No Unsightly Uses.** No clothes, sheets, blankets, laundry of any kind, or other articles shall be hung out on any portion of a Unit so as to be visible from outside the Unit, nor shall a clothesline (including retractable clothesline) be installed or maintained on the Common Elements, on a deck, porch or on the exterior of any Dwelling or Unit.

7.10 **Seasonal Decorations.** No device, decorations, or functional or decorative objects shall be attached to or hung on the exterior of any Dwelling or Unit and the common element without the express written approval of the Association, which may be withheld without stated reason, except for holiday decorations during the period of December 1 to January 15 of each year (which shall be subject to reasonable safety regulations by the Association).

7.11 **Pets.** The Board and the Managing Agent shall have the exclusive authority to regulate or prohibit, by Rules and Regulations, the keeping of animals on the Property; provided that the Board may only permit dogs, small birds, small fish, and other animals generally recognized as common domestic house pets (collectively referred to 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 and the Managing Agent to be kept on the Property:

- (a) Rules and Regulations 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.

- (b) Pets shall be kept solely as common domestic house pets and/or as statutorily authorized "service animals" used by handicapped 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.
- (c) Pets shall not be allowed to make an unreasonable amount of noise nor to become a nuisance or a threat to the safety of Owners, occupants and their guests.
- (d) Pets shall be housed only within the Dwellings. No structure, fence or enclosure for the care, housing or confinement of any pet shall be constructed or maintained on any part of the Property.
- (e) Pets shall be under control at all times when outside the Dwelling, and either in a pet carrier or on a leash. In addition, all City/County leash laws and ordinances shall be followed.
- (f) 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 7, (ii) applicable governmental restrictions, laws or ordinances, or (iii) any additional restrictions approved by the Board.
- (g) 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.
- (h) All fines or costs for repair or injury, imposed upon an Owner for a failure to comply with any pet restrictions shall be charged to the Owner and shall be assessed against the Owner's Unit.

7.12 **Quiet Enjoyment; Interference Prohibited.** All Owners and Occupants and their guests shall have a right of quiet enjoyment in their respective Units. The Property shall be occupied and used in such a manner as will not cause a nuisance, nor unduly restrict, interfere with or impede the use and quiet enjoyment of the Property by other Owners and Occupants and their guests.

7.13 **Swimming Area, Docks and Slips.** Use of swimming areas, docks and slips shall be for Owners, Occupants and Guests only, and shall be governed by the provisions of this Declaration, rules and regulations adopted by the Association, ordinances of Douglas County and State of

Minnesota Statutes and regulations.

7.14 **Other Recreational Areas.** Use of those parts of the Common Elements as may be designated for recreational purposes on the CIC Plat or by the Association from time to time, shall be for Owners, Occupants and Guests of the CIC on a first-come, first-serve basis and shall be subject to regulation by the Association and the Managing Agent.

7.15 **Compliance with Law.** No use shall be made of the Property which would violate any then existing municipal 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:

7.16 **Alterations.** Except for those made by Declarant in consideration of its initial sale of a Unit, no alterations (as defined in Section 8) shall be made, or caused or allowed to be made, 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, without the prior written authorization of the Board, or a committee appointed by it, as provided in Section 8.

7.17 **Landscaping.** Disturbance, destruction or damage to the landscaping on the Common Elements is prohibited except where necessary for the replacement or construction of improvements on the Property or for the proper and orderly development of the Property. Except for landscaping included in Declarant's development plans, no existing vegetation may be cut, removed or voluntarily destroyed by any party, without obtaining the prior written approval of the Association. Any such removal must be for aesthetic purposes, to promote safety, to facilitate construction or as a part of a landscape plan. This Section applies to the Common Elements (and not the Units).

7.18 **Shoreland.** This CIC includes shoreland, as defined in Minn. Stat. § 103F.205, and is subject to County, City and State ordinances or rules affecting the development and use of the shoreland area.

7.19 **Time Shares Prohibited.** The time share form of ownership, or any comparable form of lease, occupancy rights or ownership which has the effect of dividing the ownership or occupancy of a Unit into separate time periods, is prohibited in this CIC.

7.20 **No Temporary Structures.** No temporary building or structure of any kind, including tents, trailers, mobile homes or other structures shall be permitted on the Property at any time, except in designated storage areas.

7.21 **Location of Improvements.** All buildings and structures on a Unit including porches, decks and patios, must be contained within the building envelopes as shown on the CIC Plat. The requirements of Section 8 herein shall also apply to all buildings and structures constructed on a Unit.

7.22 **Commercial Planned Unit Development.** The Property is subject to the terms of a Conditional Use Permit for a Commercial Planned Unit Development approved by Douglas County on _____, 2016.

SECTION 8

ARCHITECTURAL STANDARDS

8.1 **Restrictions on Alterations.** One of the purposes of this Declaration is to ensure that those parts of the Units which are visible from the exterior be kept architecturally attractive and compatible with the other Dwellings. Therefore, the following restrictions and requirements shall apply to alterations, additions and improvements on the Property:

- (a) Except as expressly provided in this Section 8, no structure, building, addition, deck, or receiving apparatus, sign, display, decoration, color change, trees, shrubbery, material topographical or landscaping change, nor any other exterior improvements to or alteration of any Dwelling or any other part of a Unit which affects the Common Elements or another Unit, or which is visible from the exterior of the Unit (collectively referred to as "alterations"), shall be commenced, erected or maintained, 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 and the Managing Agent. Notwithstanding the foregoing, Declarant's written consent shall also be required for alterations until the expiration of the Declarant control period described in Section 17.5.
- (b) The Board may appoint, supervise and disestablish an architectural committee, and specifically delegate to it part or all of the functions which the Board exercises under this Section 8, 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.
- (c) The Board shall establish the criteria for approval of alterations, additions and improvements, which shall include and require, at a minimum:
 - (i) Compatibility of color, size, location, type and design in relation to existing Dwellings and topography;
 - (ii) Comparable or better quality of materials as used in existing Dwellings,
 - (iii) Ease of maintenance and repair;
 - (iv) Adequate protection of the Property, the Association, Owners and Occupants from liability and liens arising out of the proposed alterations;
 - (v) Substantial preservation of other Owners' lake views;
 - (vi) Compliance with governmental laws, codes and regulations.
- (d) Approval of alterations, additions or improvements which encroach upon another Unit or the Common Elements shall create an appurtenant easement for such encroachment in favor of the Unit with respect to which the alterations, additions or improvements are approved, notwithstanding any contrary requirement in the Governing Documents or the Act. A file of the resolutions approving all alterations, additions and improvements shall be maintained permanently as a part of the Association's records.

- (e) Construction of any approved alterations or improvements must be completed in accordance with approved plans, including all landscaping, within 12 months after commencement of construction.
- (f) Notwithstanding the foregoing, the installation of a satellite dish for the purpose of receiving direct broadcast/satellite service or video programming services may be installed on a Dwelling, provided, that the satellite dish shall be installed so as to minimize its visibility and otherwise camouflage its appearance, and so as not to impose a greater maintenance burden on the Association or damage any Dwelling. The Board shall have authority to impose further, reasonable requirements with law.
- (g) All additions to any Units and all alterations or additions to nonconforming Units shall require the approval of Douglas County.

The foregoing restrictions and requirements do not apply to the Declarant's rights to complete all the Units and other improvements indicated on the CIC Plat, or otherwise included in the Declarant's development plans or allowed by the Declaration, including the Declarant's rights to make any interior and exterior changes to meet changes in the market, including but not limited to changes in size and design.

8.2 **Review Procedures.** The following procedures shall govern requests for alterations under this Section:

- (a) Detailed plans, specifications and related information regarding any proposed alteration, in form and content acceptable to the Board, shall be submitted to the Board at least sixty (60) days prior to the projected commencement of construction. No alterations shall be commenced prior to approval.
- (b) The Board shall give the Owner written notice of approval or minimize its visibility and otherwise camouflage its appearance. If the Board fails to approve or disapprove within sixty (60) days after receipt of said plans and specifications and all other information requested by the Board, then approval shall be deemed to be granted; provided that the alterations are done in accordance with the plans, specifications and related information which were submitted.
- (c) If no request for approval is submitted, approval shall be deemed to be denied.

8.3 **Remedies for Violations.** The Association may undertake any measures, legal or administrative, to enforce compliance with this Section 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, whether or not a legal action is started. Such attorneys' fees and costs shall be a lien against the Owner's Unit and a personal obligation of the Owner. In addition, the Association shall have the right to restore any part of the Dwelling or Unit to its prior condition if any alterations were made in violation of this Section, and the cost of such restoration shall be a personal obligation of the Owner and a lien against the Owner's Unit.

8.4. **Hold Harmless.** The Owner who causes an alteration to be made, regardless of whether the alteration is approved by the Board, shall be solely responsible for the construction

standards and specifications relating to the alteration, and the construction work. The Owner, and not the Association, is responsible for determining whether any alternation is in violation of any restrictions imposed by any governmental authority having jurisdiction over the Property. The Owner shall hold the Association harmless and indemnify the Association, and its officers and directors, 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.

SECTION 9 MAINTENANCE

9.1 **Maintenance by Association.** The Association shall provide for all maintenance, repair or replacement (collectively referred to as "maintenance") of the Common Elements, including but not limited to the following:

- (a) Provide for maintenance of all roadways on the Common Elements;
- (b) Provide for lawn, shrub and tree maintenance on the Common Elements, as directed by the Association pursuant to the landscaping plan as developed by the Association;
- (c) Provide for snow removal;
- (d) Provide for maintenance of all recreational amenities and improvements thereon, including but not limited to the well and septic system and dock maintenance.

9.2 **Optional Maintenance by Association.** In addition to the maintenance described in Section 9.1, the Association may, with the approval of a majority of votes cast in person or by proxy at a meeting called for such purposes, undertake to provide additional maintenance to the Units or Dwellings, or maintenance of water and sewer systems serving the Units.

9.3 **Maintenance by Owner.** Except for the exterior maintenance required to be provided by the Association under Section 9.1 or 9.2, all maintenance of the Dwellings and Units (including the interior and exterior of the Units shall be the sole responsibility and expense of the Owners thereof. The Common Elements allocated to a Unit shall be maintained by the Owner of that Unit. However, the Owners and Occupants shall have a duty to promptly notify the Association of defects in or damage to those parts of the Property which the Association is obligated to maintain. The Association may require that any exterior maintenance to be performed by the Owner be accomplished pursuant to specific uniform criteria established by the Association. The Association may also undertake any exterior maintenance which the responsible Owner fails to or improperly performs, and charge and assess the Unit for the cost thereof. Such cost shall be a personal obligation of the Owner and a lien against the Owner's Unit. Landscaping and tree planting shall not be undertaken by any Owner without the express written approval of the Association, which may be withheld without a stated reason.

9.4 **Damage Caused by Owner.** Notwithstanding any provision to the contrary in this Section, if, in the judgment of the Association, the need for maintenance of any part of the Property is caused by the willful or negligent act or omission of an Owner or Occupant, or their guests, or by a condition in a Unit which the Owner or Occupant has willfully or negligently allowed to exist, the

Association may cause such damage or condition to be repaired or corrected (and enter the yard area of upon any Unit to do so), and the cost thereof may be charged and assessed against the Unit of the Owner responsible for the damage. Such cost shall be a personal obligation of the Owner and a lien against the Owner's Unit.

SECTION 10 PARTY WALLS

10.1 **General Rules of Law to Apply.** To the extent not inconsistent with the provisions of this Section, the general rules of law regarding Party Walls and liability for property damage due to negligent or willful acts or omissions shall apply thereto.

10.2 **Repair and Maintenance.** The Owners of twinhome cottage Units which share a Party Wall shall be responsible for the maintenance repair and replacement of the Party Wall in equal proportions; provided (i) that any maintenance, repair or replacement necessary due to the acts or omissions of a certain Owner sharing such Party Wall shall be paid for by such Owner, and (ii) that the Association may, at its discretion, contract for and supervise the repair of damage caused by an Owner or Occupant and assess the Owners for their respective shares of the cost to the extent not covered by insurance. Such cost shall be a personal obligation of each affected Owner(s) and be assessed against that Owner's Unit.

10.3 **Destruction by Fire or Other Casualty.** If a Party Wall is destroyed or damaged by fire or other casualty, any Owner who has use of the Party Wall may, with the consent of the Association, restore it, and the other Owner shall promptly reimburse the Owner who restored the wall for his or her share of the cost of restoration thereof. However, the cost of restoration resulting from destruction or other casualty resulting from the acts or omissions of certain Owners shall be the financial responsibility of such Owners, and the Association may assess the responsible Owners for their share of the costs, without prejudice to the right of an Owner to recover a larger contribution from the other Owner. Insurance claims shall be made promptly following any casualty.

10.4 **Weatherproofing.** Notwithstanding any other provision of this Section, any Owner who, by his or her negligent or willful act, causes or allows a Party Wall to be exposed to the elements shall bear the whole cost of the repairs necessary for protection against such elements.

10.5 **Right to Contribution Runs with Land.** The right of any Owner to contribution from any other Owner under this Section shall be appurtenant to the Unit and shall pass to such Owner's assigns and successors in title.

10.6 **Dispute/Arbitration.** Unless otherwise agreed in writing by the Owners sharing a Party Wall, if a dispute arises concerning the Party Wall, and the dispute is not resolved within thirty days after the event causing the dispute, then the dispute shall promptly be submitted to mediation before a qualified intermediary selected by the Association. If no mediated settlement is reached within ninety days after selection of the mediator, the dispute shall be submitted to binding arbitration under the rules of the American Arbitration Association upon written demand by the Association or any Owner whose Dwelling shares the Party Wall. The decision of the arbitrator or arbitrators shall be final and conclusive of the dispute. The arbitrator(s) and mediator's fees shall be shared equally by the parties, but each party shall pay that party's own attorneys' fees or other costs incurred in the

arbitration.

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 in the Act and the additional requirements set forth herein, issued by a reputable insurance company or companies authorized to do business in the state of Minnesota, as follows:

- (a) 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 the buildings and improvements on the Common Elements, less deductibles, exclusive of land, footings, excavation and other items normally excluded from coverage (but including all building service equipment and machinery). The policy or policies shall cover personal property owned by the Association. The Board may also, on behalf of the Association, enter into binding written agreements with a mortgagee, insurer or servicer, obligating the Association to keep certain specified coverages or endorsements in effect.
- (b) Comprehensive public liability insurance covering the use, operation and maintenance of the Common Elements, with minimum limits of two million dollars (\$2,000,000) per occurrence, against claims for death, bodily injury and property damage, and such other risks as are customarily covered by such policies for projects similar in construction, location and use to the Property. The policy shall 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.
- (c) At the Board's option, fidelity bond or 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. The fidelity bond or insurance shall name the Association as the named insured. An appropriate endorsement to the policy to cover any persons who serve without compensation shall be added if the policy would not otherwise cover volunteers, or a waiver of defense based upon the exclusion of persons serving without compensation shall be added.
- (d) Workers' compensation insurance as required Bylaws.
- (e) Director's and officer's liability insurance with such reasonable limits and coverages as the Board shall determine from time to time, at the option of the Board.
- (f) 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 insurance need not cover improvements and betterments to the

Units installed by Owners, but if improvements and betterments are covered, any increased cost may be assessed against the Units affected. The Association may, in the case of a claim for damage to a Unit or Units, (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 secured parties, including Eligible 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.

11.4 **Required Policy Provisions.** All policies of property insurance carried by the Association shall provide that:

- (a) Each Owner and secured party is an insured Person under the policy with respect to liability arising out of the Owner's interest in the Common Elements or membership in the Association.
- (b) 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.
- (c) No act or omission by any Owner or secured party, 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.
- (d) 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 cancelled or substantially modified, for any reason, without at least thirty (30) days' prior written notice to the Association, all of the insureds and all Eligible Mortgagees.

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 **No Contribution.** All policies of insurance maintained by the Association shall be the primary insurance where there is other insurance in the name of the Owner covering the same property, and may not be brought into contribution with any insurance purchased by Owners or their Eligible Mortgagees.

11.8 **Effect of Acts Not Within Association's Control.** All policies of insurance maintained by the Association shall provide that the coverage shall not be voided by or conditioned upon (i) any act or omission of an Owner or Eligible Mortgagee, unless acting within the scope of authority on behalf of the Association, or (ii) any failure of the Association to comply with any warranty or condition regarding any portion of the Property over which the Association has no control.

11.9 **Owner's Personal Insurance.** The policies of insurance maintained by the Association do not cover the individual Dwellings. Each Owner shall obtain additional personal insurance coverage at his or her own expense covering fire and other casualty to the Owner's Unit, personal property and personal liability. All insurance policies maintained by Owners shall provide that they are without contribution as against the insurance purchased by the Association.

SECTION 12

RECONSTRUCTION, CONDEMNATION AND EMINENT DOMAIN

12.1 **Reconstruction.** The obligations and procedures for the repair, reconstruction or disposition of the Property following damage or destruction shall be governed by the Act. Any repair or reconstruction shall be substantially in accordance with the plans and specifications of the Property as initially constructed and subsequently improved. Notice of substantial damage or destruction shall be given as provided in Section 16.9.

12.2 **Condemnation and Eminent Domain.** In the event of a taking of any part of the Property by condemnation or eminent domain, the provisions of the Act shall govern; provided, (i) that notice shall be given as provided in Section 16.9, (ii) that the Association shall be the attorney-in-fact to represent the Owners in any related proceedings, negotiations, settlements or agreements and (iii) that any awards or proceeds shall be payable to the Association for the benefit of the Owners and the mortgagees of their Units. Eligible Mortgagees shall be entitled to priority for condemnation awards in accordance with the priorities established by the Act and the Governing Documents, as their interests may appear.

12.3 **Termination and Liquidation.** The termination of the common interest community and the distribution of any proceeds therefrom, shall be governed by the Act. Any distribution of funds shall be based upon the value of the Units as determined by their relative value for property insurance purposes, and shall be made to Owners and their mortgage holders, as their interests may appear, as provided in the Act.

12.4 **Notice.** The Association shall give written notice of any condemnation proceedings or substantial destruction of the Property to the Eligible Mortgagees entitled to notice under Section 16.10.

12.5 **Association's Authority.** In all cases involving reconstruction, condemnation, eminent domain, termination or liquidation of the common interest community, 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 mortgage holders, as their interests may appear, in accordance with the Act.

SECTION 13

EASEMENTS

13.1 **Easement for Encroachments.** Each of the Common Elements, and the rights of the Owners and occupants therein, shall be subject to an exclusive easement for encroachments in favor of the adjoining Units for utility installations and other appurtenances (i) which are part of the original construction of the Unit of the Property or (ii) which are added in compliance with Section 8. This easement includes but is not limited to the electrical meters and gas meters that service the Units. If there is an encroachment by a Unit upon 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 any encroaching Unit and for the maintenance thereof, shall exist. Such easements shall continue for as long as the encroachment exists and shall not affect the marketability of title.

13.2 **Easement for Maintenance, Repair, Replacement and Reconstruction.** Each Unit, and the rights of the Owners and Occupants thereof, shall be subject to the rights of the Association to an exclusive, appurtenant easement on and over the Units for the purposes of maintenance, repair, replacement and reconstruction of the Dwellings and other improvements located within the Units, and utilities serving the Units, which rights shall be strictly limited to the extent necessary to fulfill the Association's obligations under the Governing Documents.

13.3 **Utility Easements.** The Property shall be subject to non-exclusive, appurtenant easements in favor of all public utility companies and other utility providers for the installation, use, maintenance, repair and replacement of all utilities, such as electricity, gas, electronic communications, water, sewer, septic systems, wells, and similar services, and metering and control devices, which exist or are constructed as part of the development of the Property or the Additional Real Estate, or which are referred to in the CIC Plat or otherwise described in this Declaration or any other duly recorded instrument. Each Unit, and the rights of the Owners and Occupants thereof, shall also be subject to a non-exclusive, appurtenant easement in favor of the other Units for all such utilities and services; provided, that the utilities and services 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 Dwellings.

13.4 **Project Sign Easements.** The Association and Declarant shall have the right to erect and maintain monument signs identifying the common interest community and related decorative improvements on the Common Elements. Those parts of the Property on which monument signs or related decorative improvements are located shall be subject to appurtenant, exclusive easements in favor of the Association for the continuing use, maintenance, repair and replacement of said signs and improvements. In exercising its rights under said easements, the Association shall take reasonable care to avoid damaging the improvements to the Property.

13.5 **Continuation and Scope of Easements.** Notwithstanding anything in this Declaration to the contrary, in no event shall an Owner or Occupant be denied reasonable access to his or her Unit or the right to utility services thereto. The easements set forth in this Section 13 shall supplement and not limit any easements described elsewhere in this Declaration or recorded, and shall include reasonable access to the easement areas through the Units and the Common Elements for purposes of

maintenance, repair, replacement and reconstruction. All easement rights shall include a right of reasonable access to maintain, repair and replace the utility lines and related equipment.

13.6 Reservation of Roadway Access, Docking System, Boat Launch and Beach Area Easements. Declarant, for itself and for the Managing Agent, reserves the right to use those parts of the Common Elements designated as roadways, parking areas and driveways, and further reserves the right to control the use and maintenance of the docking system, boat launch and beach areas.

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 provisions of the Act, the Governing Documents, the Rules and Regulations, 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, in addition to the rights and remedies authorized elsewhere by the Governing Documents 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 to enforce compliance with the Governing Documents, the Rules and Regulations, the Act or the decisions of the Association. Owners may also enforce compliance with the Governing Documents, the Rules and Regulations, or the Act by a private legal action, independent of this Section. No Owner may withhold any Assessments payable to the Association, or take or omit other action in violation of the Governing Documents, the Rules and Regulations or the Act, as a measure to enforce such Owner's position, or for any other reason.

14.2 Sanctions and 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 of the following actions against Owners and Occupants and/or their guests, who violate the provisions of the Governing Documents, the Rules and Regulations or the Act:

- (a) Commence legal action for damages or equitable relief in any court of competent jurisdiction.
- (b) Impose late charges of twenty-five dollars (\$25), or such other amount as may from time to time be determined by the Association, for each past due Assessment or installment thereof, and impose interest at the highest rate permitted Bylaws accruing beginning on the first day of the month after the Assessment or installment was due.
- (c) In the event of default of more than thirty (30) days in the payment of any Assessment or installment thereof, all remaining installments of Assessments assessed against the Unit owned by the defaulting Owner may be accelerated and shall then be payable in full if all delinquent Assessments or installments thereof, together with all attorneys' fees, costs of collection and late charges, are not paid in full prior to the effective date

of the acceleration. Not less than ten (10) days advance written notice of the effective date of the acceleration shall be given to the defaulting Owner.

- (d) Impose reasonable fines, penalties or charges for each violation of the Act, the Governing Documents or the Rules and Regulations of the Association.
- (e) Suspend the rights of any Owner to vote when the Assessments due with respect to the Owner's Unit are past due, and suspend the rights of any Owner or Occupant and their guests to use any Common Element amenities; provided, that the suspension of use rights 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 (30) days thereafter, for each violation.
- (f) Restore any portions of the Common Elements or Limited Common Elements damaged or altered, or allowed to be damaged or altered, by any Owner or Occupant or their guests in violation of the Governing Documents, and to assess the cost of such restoration against the responsible Owners and their Units.
- (g) Foreclose any lien arising under the provisions of the Governing Documents or under law, in the manner provided by the Act.

14.3 Rights to Hearing. Before the imposition of any of the remedies authorized by Section 14.2 (d), (e) or (f), the Board shall, upon written request of the offender, grant to the offender an opportunity for a fair and equitable hearing as contemplated by the Act. The offender shall be given notice of the nature of the violation and the right to a hearing, and at least ten (10) days within which to request a hearing. The hearing shall be scheduled by the Board and held within thirty (30) days of receipt of the hearing request by the Board, and with at least ten (10) days prior written notice to the offender. If the offender fails to timely request a hearing or to appear at the hearing, then the right to a hearing shall be deemed waived and the Board may take such action as it deems appropriate. The decision of the Board and the rules for the conduct of hearings established by the Board shall be final and binding on all parties. The Board's decision shall be delivered in writing to the offender within ten (10) days following the hearing, if not delivered to the offender at the hearing. The Board may delegate the foregoing hearing authority to a committee of three or more disinterested Owners, who shall conduct the hearing and make a recommendation to the Board regarding the disposition of the matter.

14.4 Lien for Charges, Penalties, Etc. Any assessments, charges, fines, expenses, penalties or interest imposed under this Section shall be a lien against the Unit of the Owner or Occupant against whom the same are imposed and 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 held until the Board makes a written decision at or 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 others.

14.5 **Costs of Proceeding and Attorneys' Fees.** With respect to any collection measures, or any measures or action, legal, administrative, or otherwise, which the Association takes to enforce the provisions of the Act, Governing Documents or Rules and Regulations, whether or not finally determined by a court or arbitrator, the Association may assess the violator and his or her Unit with any expenses incurred in connection with such enforcement, including without limitation fines or charges previously imposed by the Association, reasonable attorneys' fees, and interest (at the highest rate allowed Bylaws) 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 collection or contingency fees or costs shall be the personal obligation of such Owner and shall be a lien against such Owner's Unit.

14.6 **Liability for Owners' and Occupants' Acts.** 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 that of Occupants or guests in 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. However, any insurance deductible amount and/or increase in insurance rates, resulting from the Owner's acts or omissions may be assessed against the Owner responsible for the condition and against his or her 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, the Rules and Regulations, and the Act as provided therein.

SECTION 15 AMENDMENTS

15.1 **Approval Requirements.** Except for amendments by Declarant pursuant to Sections 515B.2-111 and 515B.2-112(c) of the Act, this Declaration may be amended only by the approval of:

- (a) Owners of Units to which are allocated at least sixty-seven percent (67%) of the total votes in the Association.
- (b) The percentage of Eligible Mortgagees (based upon one vote per Unit financed) required by Section 16 as to matters prescribed by said Section.
- (c) Declarant as to certain amendments as provided in Section 17.5.

15.2 **Douglas County Approval.** All amendments to the Declaration shall require the prior approval of Douglas County.

15.3 **Procedures.** Approval of the Owners may be obtained in writing or at a meeting of the Association duly held in accordance with the Bylaws. Consents of Eligible Mortgagees, and Declarant shall be in writing. Any amendment shall be subject to any greater requirements imposed by the Act. The amendment shall be effective when recorded as provided in the Act. An affidavit by the Secretary of the Association as to the outcome of the vote, or the execution of the foregoing agreements or consents, shall be adequate evidence thereof for all purposes, including without limitation, the recording of the amendment.

SECTION 16

RIGHTS OF ELIGIBLE MORTGAGEES

Notwithstanding anything to the contrary in the Governing Documents, and subject to any greater requirements of the Act or other laws, Eligible Mortgagees shall have the following rights and protections:

16.1 **Consent to Certain Amendments.** The written consent of Eligible Mortgagees representing at least fifty-one percent (51%) of the Units that are subject to first mortgages held by Eligible Mortgagees (based upon one (1) vote per Unit financed) shall be required for any amendment to the Governing Documents which causes any change in provisions including the following: (i) voting rights; (ii) increases in Assessments over twenty-five percent (25%), Assessment liens, or priority of Assessment liens; (iii) reductions in reserves for maintenance, repair and replacement of Common Elements; (iv) responsibility for maintenance and repairs; (v) reallocation of interests in the Common Elements or Limited Common Elements, or rights to their use; (vi) redefinition of any Unit boundaries; (vii) convertibility of Units into Common Elements or vice versa; (viii) expansion or contraction of the Property or the addition, annexation or withdrawal of property to or from the Property; (ix) hazard or fidelity insurance requirements; (x) imposition of restrictions on the leasing of Units; (xi) imposition of any restrictions on an Owner's right to sell or transfer his or her Unit; (xii) a decision by the Association (if the project involves fifty (50) or more Units) to establish self-management when professional management is in effect as required previously by the Governing Documents or an Eligible Mortgagee; (xiii) restoration or repair of the Property (after a hazard damage or partial condemnation) in a manner other than that specified in the Governing Documents; (xiv) any action to terminate the legal status of the common interest community after substantial destruction or condemnation occurs; or (xv) any provisions that expressly benefit Eligible Mortgagees, or insurers or guarantors of mortgages.

16.2 **Consent to Certain Actions.** The written consent of Eligible Mortgagees representing at least fifty-one percent (51%) of the Units that are subject to first mortgages held by Eligible Mortgagees (based upon (1) one vote per Unit financed) shall be required to (i) abandon or terminate the common interest community; (ii) change the allocations of voting rights, Common Expense obligations or interests in the Common Elements; (iii) partition or subdivide a Unit except as permitted by statute; (iv) abandon, partition, subdivide, encumber or sell the Common Elements; or (v) use hazard insurance proceeds for other than the repair, replacement or reconstruction of the Property, except as otherwise provided Bylaws.

16.3 **Consent to Subdivision.** Except as provided in Section 2.4, no Unit may be partitioned or subdivided without the prior written approval of the Owner and Eligible Mortgagee thereof, and the Association.

16.4 **No Right of First Refusal.** The right of an Owner to sell, transfer or otherwise convey his or her Unit shall not be subject to any right of first refusal or similar restrictions.

16.5 **Priority of Lien.** Any holder of a first mortgage on a Unit or any purchaser of a first mortgage at a foreclosure sale, that comes into possession of a Unit by foreclosure of the first mortgage or by deed or assignment in lieu of foreclosure, takes the Unit free of any claims for unpaid Assessments or any other charges or liens imposed against the Unit by the Association which have accrued against such Unit prior to the acquisition of possession of the Unit by said first mortgage holder or purchaser; (i) except as provided in Section 6.10 and the Act and (ii) except that any

unreimbursed Assessments or charges may be reallocated among all Units in accordance with their interests in the Common Elements.

16.6 **Priority of Taxes and Other Charges.** All taxes, Assessments and charges which may become liens prior to the first mortgage under state law shall relate only to the individual Units and not to the Property as a whole.

16.7 **Priority for Condemnation Awards.** No provision of the Governing Documents shall give an Owner, or any other party, priority over any rights of the Eligible Mortgagee of the Unit pursuant to its mortgage in the case of a distribution to such Owner of insurance proceeds or condemnation awards for losses to or a taking of the Unit and/or the Common Elements. The Association shall give written notice to all Eligible Mortgagees of any condemnation or eminent domain proceeding affecting the Property promptly upon receipt of notice from the condemning authority.

16.8 **Access to Books and Records/Audit.** Eligible Mortgagees shall have the right to examine the books and records of the Association upon reasonable notice during normal business hours, and to receive free of charge, upon written request, copies of the Association's annual reports and other financial statements. Financial statements, including those which are audited, shall be available within one hundred twenty (120) days of the end of the Association's fiscal year. If the common interest community consists of fewer than fifty (50) Units, or any institutional guarantor or insurer of a mortgage loan against a Unit, may require that, at its own expense, an audit of the Association's financial statements be made for the preceding year, in which case the Association shall cooperate in having an audit made and a copy given to the requesting party. If the common interest community consists of fifty (50) or more Units, the Association shall provide the requested audit at its expense.

16.9 **Notice Requirements.** Upon written request to the Association, identifying the name and address of the holder, insurer or guarantor of a mortgage on a Unit, and the Unit number or address, the holder, insurer or guarantor shall be entitled to timely written notice of:

- (a) A condemnation loss or any casualty loss which affects a material portion of the Property or the Unit securing the mortgage;
- (b) A sixty (60) day delinquency in the payment of Assessments or charges owed by the Owner of a Unit on which it holds a mortgage;
- (c) A lapse, cancellation or material modification of any insurance policy maintained by the Association; and
- (d) A proposed action which requires the consent of a specified percentage of Eligible Mortgagees.

SECTION 17 SPECIAL DECLARANT RIGHTS

Declarant hereby reserves exclusive and unconditional authority to exercise the following special Declarant rights within the meaning of Section 515B.1-103 (31) of the Act for as long as it

owns a Unit, or for such shorter period as may be specifically indicated:

17.1 **Complete Improvements.** To complete all the Units and other improvements indicated on the CIC Plat, or otherwise included in Declarant's development plans or allowed by the Declaration, and to make alterations in the Units and Common Elements to accommodate the exercise of any special Declarant rights.

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

17.3 **Easements.** To have and use easements, for itself, its employees, contractors, representatives, agents and prospective purchasers through and over the Common Elements and the yard areas of the Units for the purpose of exercising its special Declarant rights.

17.4 **Control of Association:** To control the operation and administration of the Association, including without limitation the power to appoint and remove the members of the Board pursuant to Section 515B.3-103 of the Act, until the earliest of: (i) voluntary surrender of control by Declarant, (ii) an Association meeting which shall be held within sixty (60) days after conveyance to Owners other than a Declarant of seventy-five percent (75%) of the Units included in the Property or (iii) the date three (3) years following the date of the first conveyance of a Unit to an Owner other than a Declarant. Notwithstanding the foregoing, the Owners other than a Declarant shall have the right to nominate and elect not less than thirty-three and one-third percent (33 1/3%) of the directors at a meeting of the Owners which shall be held within sixty (60) days following the conveyance by Declarant of fifty percent (50%) of the total number of Units authorized to be included in the Property.

17.5 **Consent to Certain Amendments.** Until such time as Declarant no longer owns any Unit for initial sale, Declarant's written consent shall be required for any amendment to the Governing Documents or Rules and Regulations which directly or indirectly affects Declarant's rights under the Governing Documents or the Act.

SECTION 18 MISCELLANEOUS

18.1 **Severability.** If any term, covenant, or provision of this instrument or any exhibit attached hereto is held 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 **Tender of Claims.** In the event that any incident occurs which could reasonably give rise to a demand by the Association against Declarant for indemnification pursuant to the Act, the Association shall promptly tender the defense of the action to its insurance carrier, and give Declarant written notice of such tender, the specific nature of the action and an opportunity to defend against the

action.

18.4 **Notices.** Unless specifically provided otherwise in the Governing Documents or the Act, all notices required to be given by or to the Association, the Board, the Association officers or the Owners or Occupants shall be in writing and shall be effective upon hand delivery, or mailing if properly addressed with postage prepaid and deposited in the United States mail.

18.5 **Conflicts Among Documents.** In the event of any conflict among the provisions of the Act, the Declaration, the Bylaws or any Rules or Regulations approved by the Association, the Act shall control unless it permits the documents to control. As among the Declaration, Bylaws and Rules and Regulations, the Declaration shall control, and as between the Bylaws and the Rules and Regulations, the Bylaws shall control.

18.6 **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 and the Act.

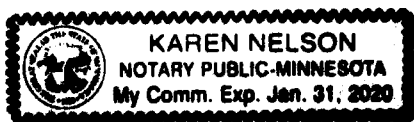
IN WITNESS WHEREOF, the undersigned has executed this instrument the day and year first set forth in accordance with the requirements of the Act.

LAKE DARLING RESORT, LLC

By: Theodore Justice
Its: Ted Justice (President)

STATE OF MINNESOTA)
) ss.
COUNTY OF Douglas)

The foregoing instrument was acknowledged before me this 8th day of March, 2017, by Theodore J. Justice, the Manager of Lake Darling Resort, LLC, a Minnesota limited liability company, on behalf of the limited liability company.



Karen Nelson
Notary Public

THIS INSTRUMENT WAS DRAFTED BY:

✓ STEFFENS & RASMUSSEN
1472 White Oak Drive
Chaska MN 55318

COMMON INTEREST COMMUNITY NO. 256

LAKE DARLING RESORT

EXHIBIT A TO DECLARATION

LEGAL DESCRIPTION OF PROPERTY

Lots 1-25, Block One, LAKE DARLING RESORT

COMMON INTEREST COMMUNITY NO. 256**LAKE DARLING RESORT****EXHIBIT B TO DECLARATION****SCHEDULE OF UNITS AND ALLOCATION OF VOTING RIGHTS
AND OF THE COMMON EXPENSES**

<u>Resort Units</u>		<u>Percentage Common Expenses</u>
Unit 1	Lot 1, Block 1	4.167%
Unit 2	Lot 2, Block 1	4.167%
Unit 3	Lot 3, Block 1	4.167%
Unit 4	Lot 4, Block 1	4.167%
Unit 5	Lot 5, Block 1	4.167%
Unit 6	Lot 6, Block 1	4.167%
Unit 7	Lot 7, Block 1	4.167%
Unit 8	Lot 8, Block 1	4.167%
Unit 9	Lot 9, Block 1	4.167%
Unit 10	Lot 10, Block 1	4.167%
Unit 11	Lot 11, Block 1	4.167%
Unit 12	Lot 12, Block 1	4.167%
Unit 13	Lot 13, Block 1	4.167%
Unit 14	Lot 14, Block 1	4.167%
Unit 15	Lot 15, Block 1	4.167%
Unit 16	Lot 16, Block 1	4.167%
Unit 17	Lot 17, Block 1	4.167%
Unit 18	Lot 18, Block 1	4.167%
Unit 19	Lot 19, Block 1	4.167%
Unit 20	Lot 20, Block 1	4.167%
Unit 21	Lot 21, Block 1	4.167%
Unit 22	Lot 22, Block 1	4.167%
Unit 23	Lot 23, Block 1	4.167%
Unit 24	Lot 24, Block 1	4.167%

Name of Plat: Lake Darling Resort Parcel Number: 27-0347-000
27-0348-000
27-0349-000
Names of Developer: Ted Justice / Tom Steffens Phone Number: 815-0856-Ted
612-991-2299-Tom
320-815-6198-James

FINAL PLAT

Before a final plat can be placed on the County Commissioners agenda for approval. The following items must be completed:

/ Surveyor completing the plat must sign off on the plat

/ Owners need their signatures notarized

/ Signature of County Surveyor (title opinion)

N/A If developer of the property is responsible for constructing a road. A road report must be submitted to Land and Resource Mgmt. along with developers agreement. Bond or Letter of Credit for remaining road work and warranty period must be submitted to Public Works.

N/A ALASD report submitted to Land and Resource Mgmt. indicating acceptance, if plat is located within the ALASD district or perc test information

 Bond or Letter of Credit for ALASD work along with estimate. Amount to be 25% more than estimate.

/ Name of attorney preparing the title opinion Alex Title Co

/ Consent to Plat form from bank

N/A Ida Township signature if applicable

N/A Park Dedication Fees Paid

/ A recordable copy of the restrictive covenants must be submitted to Land and Resource Mgmt.

N/A Easement Turn-around Dedicated

/ Conditions placed on preliminary plat:

L Additional right of way for CSAH 22 shall be dedicated to the public as shown on the preliminary plat drawing.

L Not more than 14 units may be located within the residential setback (50 ft) to the OTW of Lake Darling. All other units must meet the PLID setback to the OTW for a general development lake (115 ft)

L The resort shall have only one access to CSAH 22. An alternative easement must be provided to the owners of the lots within the plat of Lakewood 1st Add.

L Structures on Lot 1, Block 2 must meet the required setbacks and the impervious surface limit (25%) must not be exceeded unless a variance is granted.

After approval of final plat taxes for the year must be paid to the Auditor/Treasurers Office.

Recording fees must be paid after recording, each lot is then assigned its own parcel number.

dlb
Checked By:

DSR
Verified by (Director)

Preliminary Plat	Final Plat
Perc test Road name Wetland form Grading Plan	Ida Township Signature Road Report - Bond/Letter of Credit ALASD Report Developers Agreement Title Opinion/Title Insurance Conditions on Preliminary Plat Consent to Plat Covenants/Declaration Signatures
	Plat Name/Parcel Number: <u>Lake Darling Resort</u> 27-0347-000 27-0347-000 Developer/Phone: <u>Ted-320-815-0856; Tom-612-991-2279; James 320-815-6198</u> Title Opinion By/Phone: <u>Alex Title Co</u> 763-6858 Surveyor/Phone: <u>Brad Nyberg</u> 762-4111 Other Notes: <u>PUD with a lot & Block</u>
6/17/16	Planning Advisory Commission reviewed the application and preliminary plat
6/28/16	Planning Advisory Commission recommended approval to the County Board of Commissioners with the following conditions: 1- Additional R-O-W for CSAA 22 shall be dedicated to the public as shown on the preliminary plat drawing. 2- Not more than 14 units may be located within the residential setback (50ft) to the OHW of Lake Darling. All other units must meet the PUD setback to the OHW for a general development lake (115ft) 3- The resort shall have only one access to CSAA 22, an alternative easement must be provided to the owners of the lots within the plat of <u>Leewood 1st Addn</u> 4- Structures on lot 1, Block 2, must meet the required setbacks and the impervious surface limit (25%) must not be exceeded unless a variance is granted.

7/15/16	County Board of Commissioners approved the preliminary plat with the above stated conditions.
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19123116	Planning Advisory Commission heard revised preliminary plat. It was recommended to County Board of Commissioners with the above 4 stated conditions.
----------	--

11/11/16	County Board of Commissioners approved revised preliminary plat with the 4 previous stated conditions.
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LAKE ANDREW ESTATES THIRD ADDITION



PRELIMINARY PLAT OF
LAKE ANDREW ESTATES THIRD ADDITION

DATE OF PREPARATION
DECEMBER 28TH, 2020

ZONING
RDS & RESIDENTIAL

PROPOSED USE OF PARCEL'S
RESIDENTIAL & STORAGE UNITS

DEVELOPER
ADAM & ALICIA BERTRAM
1288 CO. RD. 86 SE
ALEXANDRIA, MN 56308
PH# (320) 808-5451

OWNER
ERIC & KRISTEN NELSON
1514 BIRCHMAN LODGE RD SW
ALEXANDRIA, MN 56308

SURVEYOR
BRAD M. NYBERG
NYBERG SURVEYING INC.
509 22ND AVE. E. SUITE 101
ALEXANDRIA, MN 56308
PH# (320) 762-4111

VEGETATION
TILLABLE

PARCEL NUMBER
30-0276-800

TOWNSHIP
LAKE MARY

TOTAL PLATTED AREA
20.98 ACRES ±

WATER SUPPLY
PRIVATE INDIVIDUAL WELLS

SEWER
ALSO

PROPERTY ADDRESS
NOT YET ASSIGNED

COVENANTS
WILL BE DRAFTED AS PART OF FINAL PLAT

LEGAL DESCRIPTION (FROM TAX STATEMENT)
PT OF LOTS A B D E & H GLADES SUBD OF SWA SEC 12TH LYING NW
OF CL CSAH #28 EXPLATTED PTS & 1.21 AC. AC 20.98

WETLANDS
SEE PLAT

NOTES
THE STORAGE UNITS (LOTS 1-24) WILL BE INDIVIDUALLY OWNED
AND WILL BE ACCESSED OFF OF AN EXISTING APPROACH OFF OF
CSAH NO. 28

LOTS 1-7 WILL BE ACCESSED FROM TROUSIL DRIVE

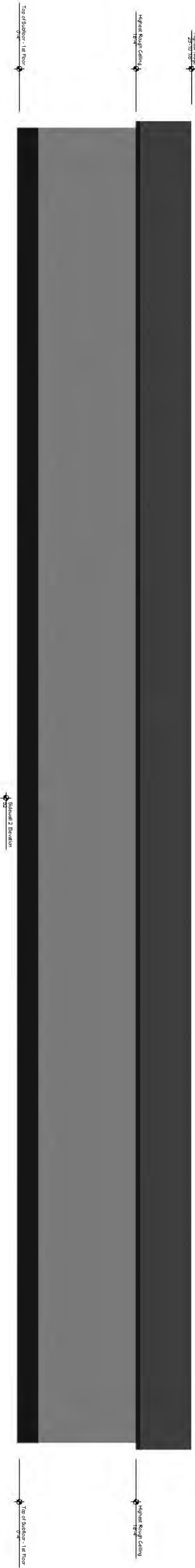
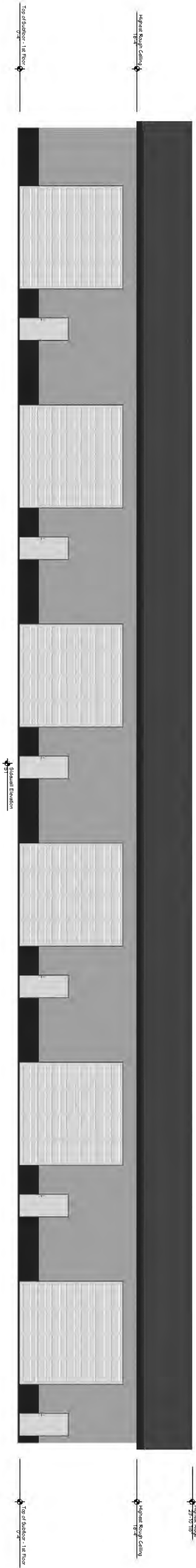
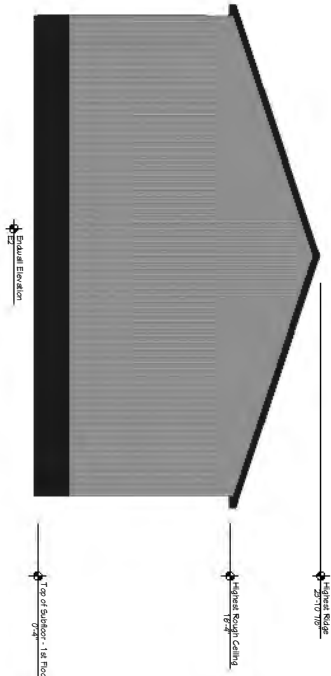
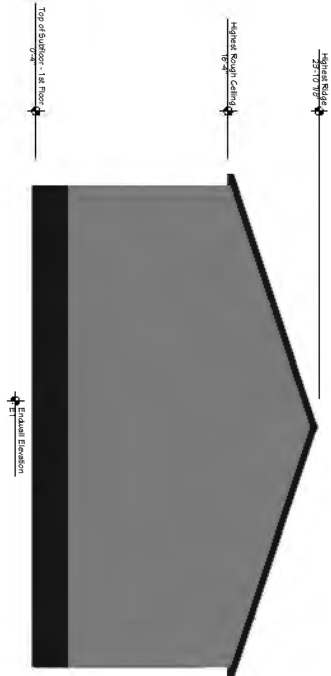
I hereby certify that this survey, plan or report was
prepared by me or under my direct supervision and
that I am a duly Registered Land Surveyor under
the laws of the State of Minnesota.

Brad M. Nyberg
Date _____ License No. 42820

REQUESTED BY: **ADAM & ALICIA BERTRAM**
509 22ND AVE. EAST, SUITE 101
ALEXANDRIA, MINNESOTA 56308
PH. (320) 762-4111
www.nybergsurveying.com

SEC. 12 T 127 N R 38 W

Bertram 30-0276-800



PROJECT DESCRIPTION:

Caliber Buildings LLC
Adam & Alicia Bertram

Alexandria, MN 56308
(320) 808-5451

This drawing and associated material is the property of Caliber Buildings LLC. Coping of this drawing, portions of this drawing and/ or associated material is not allowed without permission from Caliber Buildings LLC.

Office #: (888) 585-3561 Cell #:(320) 760-1717
email: alan@caliberbuildings.com
website: www.caliberbuildings.com

DRAWINGS PROVIDED BY:



Caliber Buildings, LLC
5705 West Mill Lake Road SW
Farwell, MN 56327

Drawn By:

Alan

DATE:

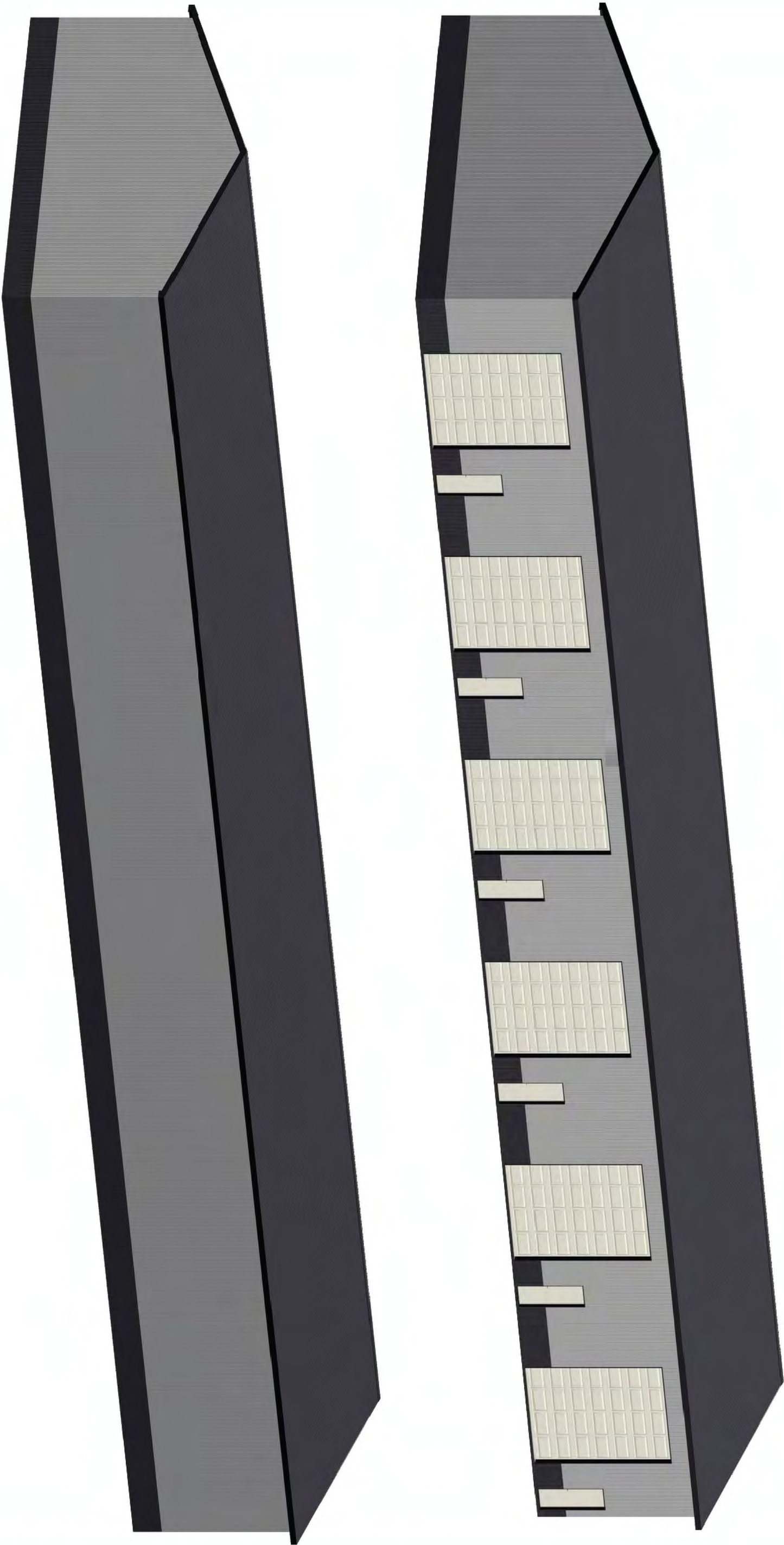
10/30/2020

SCALE:

1/16"=1'-0"

SHEET:

2



DRAWINGS PROVIDED BY:



Caliber Buildings, LLC
5705 West Mill Lake Road SW
Farwell, MN 56327

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Office #: (888) 585-3561 Cell #:(320) 760-1717
email: alan@caliberbuildings.com
website: www.caliberbuildings.com

PROJECT DESCRIPTION:

Caliber Buildings LLC
Adam & Alicia Bertram

Alexandria, MN 56308
(320) 808-5451

Drawn By:

Alan

DATE:

10/30/2020

SCALE:

3/32"=1'-0"

SHEET:

**PROTECTIVE COVENANTS
FOR
BLOCKS ONE AND THREE
OF
LAKE ANDREW ESTATES THIRD ADDITION**

Alicia M. Bertram and Adam L. Bertram, wife and husband (collectively, the “**Declarants**”), hereby make and declare these Protective Covenants for Blocks One and Three of Lake Andrew Estates Third Addition (these “**Covenants**”) effective as of June ____, 2021 (the “**Effective Date**”).

RECITALS

- A. Declarants are the record owners of that certain real property located in Douglas County, Minnesota, legally described as Lot 1, Block One, and Lots 1 through 6, Block Three, Lake Andrew Estates Third Addition (the “**Property**”).
- B. The Declarants desire to restrict the use of the Property and to ensure that undesirable and offensive uses will not be made of the Property, or any part thereof.

NOW, THEREFORE, the Declarants hereby make the following declarations as to limitations, restrictions, and uses to which the Property may be put, and further specifies that said declarations shall constitute covenants to run with all of the land as provided by law, and shall be binding on all parties and all persons claiming under them and for the benefit of and limitations upon all future owners of any portion of the Property:

1. DEFINITIONS. The following words when used in these Covenants shall have the following meanings (unless the context indicates otherwise:

- a. “Dwelling” shall mean a building consisting of one or more floors, designed and intended for use and occupancy as a single family residence, and located within the boundaries of a Lot, affixed to a permanent foundation. The Dwelling includes any garage attached to the single family residence. For purposes of these Covenants, Dwelling shall not mean a mobile home, trailer, recreational vehicle,

camper, motor home, manufactured home, modular home, shed/house combination, and/or any other structure not affixed to a permanent foundation. Dwellings shall contain at least an attached double garage.

- b. “Lot” shall mean any platted lot within the Property, including all structures and improvements located thereon now or in the future.
- c. “Occupant” shall mean any person or persons, other than an Owner, in possession of or residing upon a Lot.
- d. “Owner” shall mean a Person who owns a Lot, but excluding contract for deed vendors, mortgagees, and other secured parties and also excluding lessees under any lease with the Owner. The term “Owner” includes, without limitation, contract for deed vendees and holders of a life estate.
- e. “Person” shall mean a natural individual, corporation, limited liability company, partnership, trustee, or other legal entity capable of holding title to real property.
- f. “Plat” shall mean the Plat of Lake Andrew Estates Third Addition.

2. BUILDING RESTRICTIONS. No building shall be constructed or placed upon any Lot within the Property that fails to comply with the following:

- a. All buildings and outbuildings erected upon said Lot shall be constructed of new and good grade, quality and appearance and shall be constructed in a proper, workmanlike manner. Any and all exposed basement or foundation areas are to be finished by paint, stucco, brick, landscaping, stone, cement, or similar product.

The exterior of all homes and other structures must be completed within twelve (12) months after the commencement of construction, except where such completion is impossible due to strikes, fires, family emergency, or natural calamities.

Prior to commencement of any construction on any Lot, all proposed building plans and specifications (showing the location of the Dwelling and any outbuilding or structure, exterior color or finish, plot plans, landscaping, fences, drives, parking areas, and landscaping plans and the construction schedule) shall be subject to approval in writing by the Declarants or Declarants’ nominee(s). Upon written notice by an Owner for approval of building plans, the Declarant shall have thirty (30) days after receipt to approve or disapprove the plans. If such plans are not disapproved by Declarant within said thirty (30) day period, the plans shall be deemed to have been accepted and approved. Owner must build the improvements on Owner’s Lot in accordance with the plans as approved by Declarants. Declarants shall have the right to approve or disapprove plans, which shall be given in writing. Declarants’ actions, in approving or disapproving any plans, specifications, exterior finish, plot plans, and construction schedule, shall be reasonably made. Permission granted by Declarants for the construction

pursuant to this covenant will not constitute or be construed as an approval or warranty by Declarants of the structural stability or quality of any building or other improvement made to any Lot. All Dwellings constructed on the Lots shall be stick built on the premises. Exteriors shall be of neutral color as to conform with the harmony of the development and the general area. All Lots shall contain driveways or parking lots/area consisting of class 5, concrete, or asphalt, which shall be installed within fifteen (15) months of the Dwelling construction commencement date. No galvanized metal is permitted on any exterior surface.

- b. No trailer home, mobile home, recreational vehicle, camper, motor home, manufactured home, modular home, shed/house combination, and/or any other structure not affixed to a permanent foundation shall be erected or allowed to remain on any Lot.
- c. No unused vehicles, damaged or inoperable vehicles, or parts of vehicles are to remain on the premises and no machinery other than machinery common to garden use or lawn keeping or for the operation of maintenance of a residence shall remain on the premises for a period of more than fifteen (15) days, unless it is kept in an enclosed building. No commercial trucks larger than one (1) ton may be stored or parked on Lots or roads for more than twenty-four (24) consecutive hours.
- d. All electrical wiring, telephone lines and cable lines are to be installed underground from the street or main to the Dwelling or any other building or structure located on a Lot.
- e. Easements for the installation and maintenance of utilities and drainage facilities are reserved as shown on the Plat.
- f. Owners shall be responsible to maintain and to mow that portion of the road right of way that is between the Owner's front line and the edge of the concrete/asphalt paving.
- g. No signs of any kind shall be displayed to the public view on any Lot, except for (i) signs identifying streets, traffic control, and directional purposes, (ii) signs of a temporary nature advertising a Lot or Dwelling for sale, (iii) mailboxes with names and addresses only, (iv) lot/house numbers, (v) holiday decoration, and/or (vi) monument and entrance signs. Notwithstanding the foregoing, Declarants may erect and display professional signs advertising Lots for sale in the subdivision during the development period thereof. All other permitted signs shall be no larger than ten (10) square feet in size.
- h. No one-story Dwelling shall be constructed on any Lot with a fully enclosed first floor area of less than 1,600 square feet, with a minimum width of 24 feet, exclusive of carport, garage and open porches, are permitted. No two-story Dwellings less than 1,000 square feet on the main floor with combined total living space of at least 2,000 square feet, not including the basement, are permitted.

- i. No more than three (3) outbuildings shall be constructed on any Lot, each with a minimum of 100 square feet, without the Declarants' approval. Owners and/or Occupants must construct a Dwelling on their Lot prior to constructing any accessory building, including, but not limited to, outbuildings or sheds. The color of the siding on any accessory building or outbuilding contained upon a Lot shall be substantially similar to the color of the siding on the Dwelling and all other buildings contained upon each such Lot.
- j. Each Owner will be responsible for any damage to Trousil Drive caused by Owner, Owner's contractors, Owner's agents, or other individuals employed by Owner during construction of any Dwelling, building, or other improvement on Owner's Lot.
- k. Silt fencing, hay bales or other erosion/siltation control measures must be installed in a continuous bank across the downhill side of disturbed areas of any Lot. Under no circumstances will silt laden runoff be allowed to leave any Lot.
- l. No fence or wall shall be erected, placed, or altered on any Lot nearer to Trousil Drive than the minimum from setback line. All fences shall be installed in accordance with ordinances in effect and governing the Property. Notwithstanding the foregoing, no snow fences or wire chain link fences shall be permitted.
- m. No structure of a temporary character shall be permitted on any Lot at any time without the written consent of the Declarants.
- n. The Lots shall have access (i.e., ingress and egress) only from Trousil Drive SW. Access to Lots from County State Aid Highway 28 is not permitted.

3. LOT MAINTENANCE: TRASH DISPOSAL. Each Owner shall keep Owner's Lot in a clean and orderly condition and shall keep the improvements thereon in a suitable state of painting and repair, promptly preparing damage thereto by fire or other casualty. No Lot shall be used in whole or in part of storage of trash of any character whatsoever and no trash, rubbish, stored materials or similar unsightly items shall be allowed to remain on said Lot outside of any enclosed structure. All firewood shall be stacked in a neat and orderly fashion. Incinerators (i.e., burning barrels) are prohibited, nor shall any fire pits located on any Lot be used to burn trash.

4. COMMERCIAL USE. A Dwelling may be used for the purpose of maintaining a home occupation to handle matters relating to such home occupation by telecommunications or correspondence therefrom; provided, that such uses are incidental to the residential use, do not involve physical alteration of the Dwelling contained upon the Lot which is visible from the exterior, are in compliance with all governmental laws, ordinances, and regulations, and do not involve any observable business activity such as signs, advertising displays, regular deliveries, or regular pedestrian or vehicular traffic to and from the Lot or Dwelling by customers or employees. Notwithstanding the foregoing, Owner or Occupants may operate a childcare business out of their Dwelling.

5. **SUBDIVISION OF LOTS.** No subdivision shall be made of any Lot, nor may the number of Lots be increased without the prior written approval of all Owners and all secured parties holding first mortgages on such Lot.

6. **AGRICULTURAL USE.** No animals, livestock or poultry of any kind shall be raised, bred, or kept on any Lot except as follows: Cats, dogs or other household pets may be kept provided they are not kept, bred, or maintained for any commercial purpose. Not more than three (3) dogs or cats, or a combined total of four (4) pets are to be kept on any Lot. All dogs are to be contained so as to not infringe on other Owners' Lots. Dog owners shall take reasonable steps to limit barking and to limit any disturbance. Owners and Occupants shall immediately clean all animal waste left by their pets on other Lots or other adjoining properties or thoroughfares.

7. **NUISANCES.** No noxious or offensive trade or activity shall be carried on upon said Lot or in any Dwelling or outbuilding, nor shall anything be done thereon which may become an annoyance or nuisance to the neighborhood. No substance, thing or chemical shall be kept upon said Lot that will emit foul or obnoxious odors, or that will cause noise that will or might disturb the peace and quiet of the Owners and/or Occupants on the Property. Gun ranges and/or the discharge of ammunition is prohibited. Any exterior lighting will be located in a reasonable manner so as not to invade the privacy of other Owners and Occupants in the subdivision. No weeds, underbrush, or other unsightly growth shall be permitted to grow or remain upon any Lot, and no refuse pile or unsightly objects shall be allowed to be placed or suffered to remain upon any Lot. All grass and foliage shall be mowed and maintained in such manner as not to become unsightly. Owners and/or Occupants shall establish a lawn upon their Lot within twelve (12) months following the commencement of construction of any Dwelling or building. No outside toilet shall be permitted on any Lot, except during the construction of a Dwelling or other building.

8. **WATER AND SEWAGE SYSTEM.** No individual water supply system or sewage disposal system shall be permitted on any Lot unless such system is located, constructed, and equipped in accordance with standards and requirements which meet the State or County health laws pertaining thereto.

9. **STORMWATER MANAGEMENT.** Declarants have developed, and the Douglas County Land & Resource Management office has approved, plans for the installation and maintenance of a permanent stormwater management system for the Property, which shall address runoff from all newly created impervious surfaces associated with the development of the Property. Said plan shall be designed to capture and treat runoff from Lots so long as the surface area of each Lot is covered by up to fifteen percent (15%) of impervious surface.

In the event any Lot exceeds 15% impervious surface coverage, the Owner of said Lot shall be responsible for the collection and treatment of runoff from impervious cover that exceeds 15% of the Lot area, subject to the treatment standards set forth herein. Any plan for the design, installation, and maintenance of a private system relating to a Lot that would exceed 15% impervious surface coverage shall be submitted to and approved by the Douglas County Land & Resource Management Director prior to the issuance of any permit.

Stormwater best management practices for water quality shall be selected to reduce sediment and nutrients to pre-development levels prior to discharge to surface waters of the state of Minnesota. Runoff generated by a two (2) year/24-hour storm event shall be collected, treated for water quality, and the discharge rate shall be controlled using established stormwater best management practices prior to discharge into protected waters of the state of Minnesota or off of any Lot. The discharge rate of stormwater shall be controlled for the two (2) and ten (10) year events at a pre-development discharge rate and designed to safely pass the 100-year stormwater event.

Any maintenance specified for the stormwater conveyance and treatment system shall be either (i) completed by the Owners of all Lots within the Property, or (ii) assigned to Lake Mary Township as part of the public infrastructure so long as Lake Mary Township agrees to accept such responsibility via Town Board Resolution.

10. ENFORCEMENT BY DOUGLAS COUNTY. Douglas County (the “County”) shall be a party to Sections 2(n) and 9 of these Covenants, and the County shall have the right and ability to enforce the terms and conditions contained in said Sections, and no deletion or modification thereof may be made without the prior written approval of the Douglas County Board of Commissioners.

11. EFFECT; TERM; AMENDMENT. These Covenants shall run with the land and shall be binding on all parties hereto, their heirs, representatives, agents, successors, and assigns. These Covenants shall be effective for ten (10) years from the date hereof, at which time said Covenants shall automatically be extended for successive periods of ten (10) years. These Covenants may be amended in whole or in part at any time by the approval of the then Owners of at least 51% percent of the Lots within the Property. Each Lot shall be entitled to one vote. For example, if an Owner owns two Lots, said Owner is entitled to two votes.

12. NOTICE. Any Person or Persons claiming a violation of these Covenants shall make such claim in writing by Certified Mail to the alleged violator. Alleged violator will then have fourteen (14) days to correct such violation. If not corrected in said time, claimants may proceed with their legal rights, as outlined within these Covenants.

13. REMEDIES FOR VIOLATIONS AND INVALIDATIONS. Any violation or breach of any of these Covenants, or the existence of any condition in violation of or contrary to these Covenants is declared to be a nuisance and the same shall be abated, removed, or otherwise corrected by the Owner and/or Occupant of the Lot upon which such breach or violation exists. In the event of such breach or violation, any Owner or Occupant of any other Lot within the Property shall be entitled to prosecute any such breach or violation at law or in equity to seek an injunction preventing such breach or violation or to recover damages for such breach or violation, or both. In any event, the Owner or Occupant seeking to abate the breach or violation shall be entitled to recover attorneys’ fees, costs, and disbursements from the violating party. The failure to enforce any of the Covenants promptly shall not bar their enforcement. The invalidation of any one or more of the Covenants by any court of competent jurisdiction in no way shall affect any of the other Covenants, and they shall remain in full force and effect.

IN WITNESS WHEREOF, Alicia M. Bertram and Adam L. Bertram, wife and husband, have caused these presents to be executed this _____ day of June, 2021.

Alicia M. Bertram

Adam L. Bertram

STATE OF MINNESOTA)
) ss
COUNTY OF DOUGLAS)

On this _____ day of June, 2021, before me, a notary public within and for said County and State, personally appeared Alicia M. Bertram and Adam L. Bertram, wife and husband, to me known to be the same persons described in and who executed the foregoing instrument and acknowledged that they executed the same as their free act and deed.

Notary Public

This instrument was drafted by:
PEMBERTON LAW, P.L.L.P.
203 22nd Avenue West | Alexandria, Minnesota 56308
Telephone: 320-759-3143 | www.pemlaw.com

2021-7601.333

PETITION FOR SUBORDINATE SERVICE DISTRICT

WE, the undersigned property owners of the land herein described below, hereby petition the Board of Supervisors of the Township of Lake Mary of Douglas County, Minnesota, to consider the creation of a Subordinate Service District for the PUD maintenance, of the wastewater piping, pursuant to Minnesota Statutes, 365A.

THE PROPOSED SUBORDINATE SERVICE DISTRICT is described as follows:
Township 127 North, Range 38 West, Section 11 and 12: described as the community of
Lake Andrew Third Addition, including the following parcel code numbers:

LIST PARCEL CODES HERE
See attached map.

THE PURPOSE of said Subordinate Service District will be to:
Identify the long-term maintenance of wastewater piping in order to provide for
accountability and continuity for the benefit of all of the property owners in the Service
District area identified above.

WE, the undersigned property owners, understand that the services provided by this Service District will be financed by the property owners benefited within this said district.

DATED: XX/XX/2021

SIGNATURES

MAILING ADDRESS

PARCEL CODE #

VILLAGE TOWNHOMES IN ST. ANTHONY 2ND ADDITION

NOTED BY REC'D. 1/14/90

KNOW ALL MEN BY THESE PRESENTS: That Brighton Development Corporation, a Minnesota Corporation, fee owner and Union Bank and Trust Company, a Minnesota Corporation, mortgagee of the following described property situated in the County of Hennepin and in the State of Minnesota to wit:

OUTLOT A, VILLAGE TOWNHOMES IN ST. ANTHONY, according to the recorded plat thereof.

have caused the same to be surveyed and platted as VILLAGE TOWNHOMES IN ST. ANTHONY 2ND ADDITION and do hereby donate and dedicate to the public for public use forever the drainage and utility easements as shown on the plat.

In witness whereof said Brighton Development Corporation has caused these presents to be signed by its proper officers this 19th day of December, 1986.

By R. A. R. R. R., its President

By David R. R. R., its Vice President

STATE OF MINNESOTA
COUNTY OF HENNEPIN

The foregoing instrument was acknowledged before me this 19th day of December, 1986, by David R. R. R., its Vice President, of Brighton Development Corporation, a Minnesota Corporation, on behalf of said Corporation.



LINDA R. BARTOLETTI
Notary Public, Hennepin County, Minnesota
My Commission Expires December 30, 1990

In witness whereof said Union Bank and Trust Company has caused these presents to be signed by its proper officers and it corporate seal to be hereunto affixed this 20th day of December, 1986.

By John B. R. R. R., its Vice President & Cashier

By Carl B. R. R. R., its President

STATE OF MINNESOTA
COUNTY OF HENNEPIN

The foregoing instrument was acknowledged before me this 30th day of December, 1986, by John B. R. R. R., its Vice President & Cashier, of Union Bank and Trust Company, a Minnesota Corporation, on behalf of said Corporation.



Linda R. Bartoletti
Notary Public, Hennepin County, Minnesota
My Commission Expires December 30, 1990

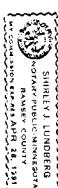
I hereby certify that I have surveyed and platted the land described on this plat as VILLAGE TOWNHOMES IN ST. ANTHONY 2ND ADDITION; that this plat is a correct representation of said survey; that all distances are correctly shown on said plat in feet and hundredths of a foot; that the monuments have been correctly placed in the ground as shown; that the outside boundaries are correctly designated on said plat; and that there are no wet lands or public highways to be designated on said plat.

David E. Torgersen
David E. Torgersen, Land Surveyor
Minnesota License No. 1751

STATE OF MINNESOTA
COUNTY OF HENNEPIN

The foregoing surveyor's certificate was acknowledged before me this 20 day of November, 1986, by David E. Torgersen, Registered Land Surveyor.

Shirley L. Lindberg
Notary Public, Hennepin County, Minnesota
My Commission Expires 11-28-1991



ST. ANTHONY, MINNESOTA

This plat of VILLAGE TOWNHOMES IN ST. ANTHONY 2ND ADDITION, was approved and accepted by the City Council of the City of St. Anthony at a regular meeting thereof held this 25th day of November, 1986. If applicable, the written comments and recommendations of the Commissioner of Transportation and the County Highway Engineer have been received by the City or the prescribed 30 day period has elapsed without receipt of such comments and recommendations, as provided by Minnesota Statutes, Section 500.09, Subdivision 2.

CITY COUNCIL, ST. ANTHONY, MINNESOTA

Robert J. Lundberg, Mayor

Carol B. Lundberg, Clerk



PROPERTY TAX AND PUBLIC RECORDS DEPARTMENT, HENNEPIN COUNTY, MINNESOTA

I hereby certify that taxes payable in 1987 and prior years have been paid for land described on this plat. 6TH day of JANUARY, 1987.

Date G. Folstad, Hennepin County Auditor, by William C. Folstad, Deputy

SURVEY DIVISION
HENNEPIN COUNTY, MINNESOTA

Pursuant to Chapter 810, Minnesota Laws of 1969, this plat has been approved this 7TH day of JANUARY, 1987.

Bernard H. Larson, Hennepin County Surveyor by Michael R. R. R.

REGISTRAR OF TITLES
HENNEPIN COUNTY, MINNESOTA

I hereby certify that the within plat of VILLAGE TOWNHOMES IN ST. ANTHONY 2ND ADDITION was filed for record in this office this 2TH day of JANUARY, 1987, at 2:00 o'clock P.M.

R. Dan Carlson, Registrar of Titles, by R. Dan Carlson, Deputy



VILLAGE TOWNHOMES IN ST. ANTHONY
2ND ADDITION

RECEIVED BY 22897 MAR 68 2115



CIC NUMBER 1929
A PLANNED COMMUNITY
VAN CLEVE HABITAT FOR HUMANITY TOWNHOMES
CIC PLAT

"ELWELL'S THIRD (SRD)
ADDITION TO MINNEAPOLIS"

PUBLIC ALLEY

SURVEYOR'S CERTIFICATE
I, Brent R. Peters, do hereby certify that the work was undertaken by or retained and approved by me for this CIC Plat of CIC NUMBER 1929, A PLANNED COMMUNITY, VAN CLEVE HABITAT FOR HUMANITY TOWNHOMES, being located upon:
Lot 2, Block 1, VC COURT, according to the recorded plat thereof,
Hennepin County, Minnesota.

and that this CIC Plat fully and accurately depicts all information required by Minnesota Statutes, Section 515A.2-10(c), and that I am a duly Licensed Land Surveyor under the laws of the State of Minnesota.
Dated this 15th day of April, 2009.

Brent R. Peters
Brent R. Peters, Licensed Land Surveyor
Minnesota License No. 44123

STATE OF MINNESOTA
COUNTY OF HENNEPIN

The foregoing instrument was acknowledged before me this 12th day of February, 2009, by Brent R. Peters, a Licensed Land Surveyor.

Frederick J. Powell
Frederick J. Powell, County Attorney, Minnesota
My Commission Expires January 17, 2014

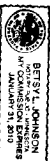


I, Michael Broderick, pursuant to Minnesota Statutes, Section 515A.2-10(c), do hereby certify that the structure, including all mechanical, electrical and plumbing systems serving more than one unit are substantially completed, and that I am a duly Licensed Architect under the laws of the State of Minnesota.
Dated this 20th day of February, 2009.

Michael Broderick
Michael Broderick, Licensed Architect
Minnesota License No. 24410

STATE OF MINNESOTA
COUNTY OF HENNEPIN
The foregoing instrument was acknowledged before me this 22nd day of February, 2009, by Michael Broderick, a Licensed Architect.

Brent R. Peters
Brent R. Peters, Licensed Land Surveyor
My Commission Expires January 17, 2014



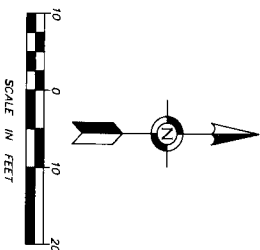
SURVEY DIVISION
HENNEPIN COUNTY, MINNESOTA

This CIC PLAT has been reviewed and is approved this 15th day of April, 2009.
William P. Brown, Hennepin County Surveyor

by: William P. Brown



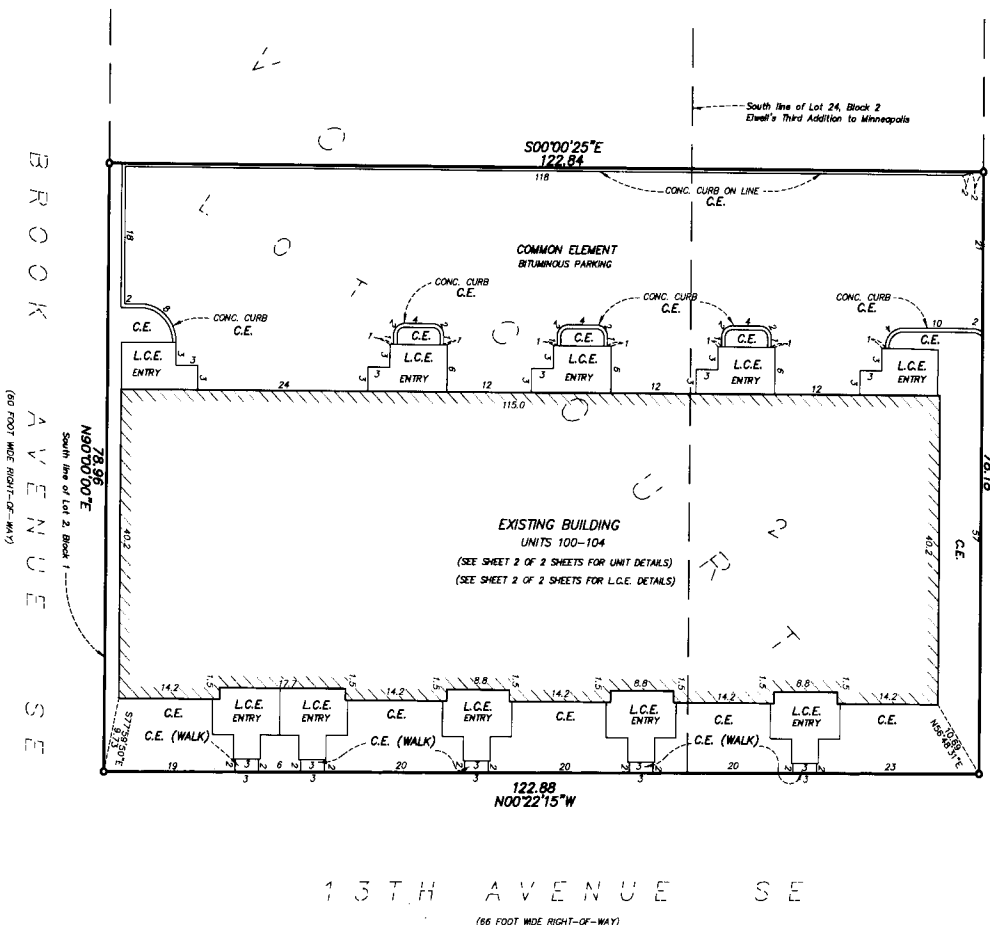
Egan, Field & Nowak, Inc.
Land Surveyors Since 1872



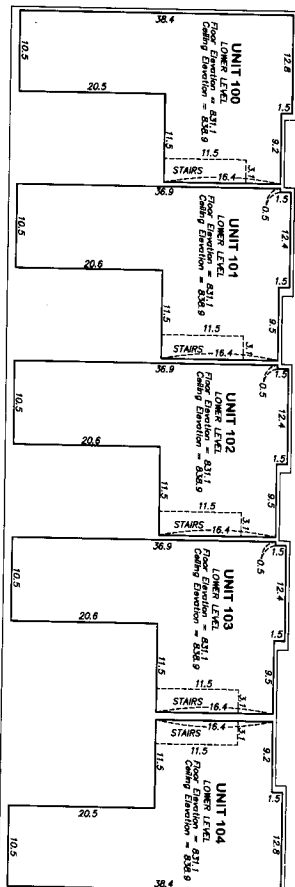
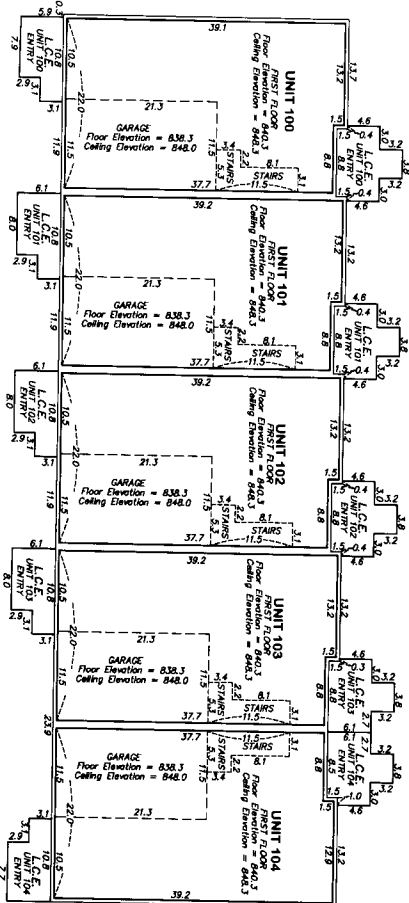
• Denotes 1/2 inch by 14 inch iron monument set and marked with license No. 44123

The orientation of the bearing system for this CIC is based upon the south line of Lot 2, Block 1, VC COURT, which is assumed to have a bearing of N80°00'00"E.

L.C.E. denotes limited common element
C.E. denotes common element

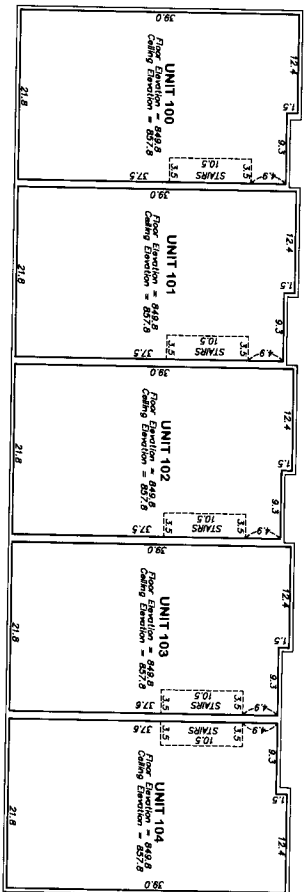
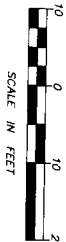


CIC NUMBER 1929
A PLANNED COMMUNITY
VAN CLEVE HABITAT FOR HUMANITY TOWNHOMES
CIC PLAT



UNIT AND LIMITED COMMON ELEMENT DETAILS
FIRST FLOOR
AS-BUILT

UNIT DETAILS
LOWER LEVEL
AS-BUILT



UNIT DETAILS
SECOND FLOOR
AS-BUILT

BENCHMARK: Top Nut of Hydrant at the northeast corner of 10th Avenue and 13th Avenue
Southwest, Elevation = 857.0
(NGVD 1929 - City of Minneapolis Bench Mark)

L.C.E. DENOTES LIMITED COMMON ELEMENT