

1877334

**DECLARATION OF
COVENANTS, CONDITIONS, AND RESTRICTIONS
FOR
ASPEN BAY**

THIS DECLARATION is made in the County of Anoka, State of Minnesota, on this 25th day of November, 2003, by AB, LLC, a Minnesota limited liability company, (the "Declarant"), for the purposes of creating Aspen Bay, a planned community.

WHEREAS, Declarant is the owner of certain real property located in Anoka County, Minnesota, legally described in Exhibit "A" attached hereto (the "Property"), and

WHEREAS, Declarant desires to establish on the Property a plan for a permanent residential community to be owned, occupied and operated for the use, health, safety and welfare of its resident Owners and Occupants, and for the purpose of preserving the value, the structural quality, and the original architectural and aesthetic character of the Property, and

WHEREAS, Aspen Bay is not subject to the Common Interest Ownership Act ("MCIOA"), Chapter 515B of the Minnesota Statutes. Aspen Bay is exempt from MCIOA pursuant to Minn. Stat. §515B 1-102(e)(2), because the units consist solely of separate parcels of real estate designed or utilized for detached single family dwellings, and where the Association has no obligation to maintain any building containing a dwelling, and the Declarant has not elected to subject the Property to MCIOA.

WHEREAS, the Property is not subject to an ordinance referred to in Section 515B.1-106 of MCIOA, governing conversions of common interest ownership, and

WHEREAS, the Property is subject to the Lakes of Radisson Master Association, a "master association" as defined in MCIOA

THEREFORE, Declarant hereby declares that this Declaration shall constitute covenants to run with the Property described herein, and that the Property shall be owned, used, occupied and conveyed subject to the covenants, restrictions, easements, charges and liens set forth herein, which are for the purpose of protecting the value and desirability of and shall run with the Property, and shall be binding upon all persons owning or acquiring any right, title or interest in the Property, and their heirs, personal representatives, successors and assigns, and shall inure to the benefit of each owner thereof

SECTION 1 DEFINITIONS

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

- 1 1 **"Additional Property"** shall mean and refer collectively to the real property described in Exhibit "C" attached hereto and all improvements located thereon now or in the future and all easements or rights appurtenant thereto which property Declarant has the right subject now or in the future to the covenants and restrictions of this Declaration.
- 1.2 **"Assessment"** shall mean and refer to any assessment for Common Expenses, determined by the Board, and levied by the Master Association, pursuant to the Governing Documents and Master Governing Documents
- 1.3 **"Association"** shall mean the Aspen Bay Homeowner's Association, a nonprofit corporation which has been created pursuant to Chapter 317A of the laws of the State of Minnesota
- 1 4 **"Board"** shall mean the Board of Directors of the Association as provided for in the By-Laws
- 1 5 **"By-Laws"** shall mean the By-Laws governing the operation of the Association, as amended from time to time.
- 1.6 **"Common Elements"** shall mean all parts of the Property except the Units owned by the Association for the common benefit of the Owners and Occupants. The Common Elements include that real property described on Exhibit B or designated as Common Elements on the Plat. The Common Elements also include, without limitation, the mail boxes that are installed and owned by the Association, the Monuments that are installed and owned by the Association, the easements in gross which this Declaration grants to the Association, all Improvements and fixtures located on the real property described on Exhibit B, all proceeds paid or payable to the Association as a result of any damage to or condemnation of the Common Elements and all personal property the Association owns.
- 1 7 **"Common Expense"** shall mean and include all expenditures made or liabilities incurred by or on behalf of the Association and incident to its operation, including without limitation allocations to reserves and those items specifically identified as Common Expenses in the Declaration or By-Laws
- 1 8 **"Declarant Control Period"** shall mean and refer to the time period during which Declarant has the exclusive right to appoint and remove the Members of the Board, as provided in Sections 14 6 and 4.5 of this Declaration

- 1 9 **"Dwelling"** shall mean a building or part thereof consisting of one or more floors, designed and intended for occupancy as a single family residence, and located within the boundaries of a Unit. The Dwelling includes any garage attached thereto or otherwise within the boundaries of the Unit in which the Dwelling is located.
- 1.10 **"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.
- 1.11 **"General Assessment"** shall mean and refer to an Assessment levied against all of the Units in accordance with Section 6 1, below, and any Master Assessment levied against all Units in accordance with Article II, Section 2 of the Master Declaration.
- 1 12 **"Governing Documents"** shall mean this Declaration, and the Articles of Incorporation and By-Laws of the Association, as amended from time to time, all of which shall govern the use and operation of the Property.
- 1.13 **"Improvement"** shall mean and refer to all structures or improvements of any kind located on the Property, on or under any lake or wetland bordering the property, including without limitation any building, wall, fence, sign, swimming pool, spa, patio, tennis court, dock, swimming platform, buoy, screen enclosure or screening, utilities system, communications system, security system, driveway, roadway decorative structure, planting, landscape, grading or any other type of structure or physical improvement whether the purpose is decorative or otherwise and any additions or changes thereto.
- 1.14 **"Lake"** shall mean and refer, collectively, to the bodies of water located contiguous to the Shoreline, as defined below.
- 1.15 **"Lease"** shall mean and refer to any lease, sublease or rental contract whether oral or written for any part of the Property.
- 1.16 **"Limited Assessment"** shall mean and refer to an assessment levied by the Association against fewer than all of the Units in the Association pursuant to Section 6 1, below, or a Master Assessment levied by the Master Association against fewer than all of the Units or Lots subject to the Master Declaration, in accordance with Article II, Section 3 of the Master Declaration.
- 1 17 **"Limited Common Elements"** shall mean features such as driveways, porches, patios, or the like which are physically located in the areas outside of a given Unit or Dwelling, but which are nonetheless ascribed to a given Unit or Dwelling for the purpose of usage and maintenance; while the Association may have certain rights to control, improve, maintain, repair or otherwise

influence Limited Common Elements by virtue of the physical location thereof, a given Limited Common Element will generally be under the exclusive dominion and control of a given Unit. At the present time, the only Limited Common Elements are the mail boxes.

- 1.18 **"Master Articles"** shall mean and refer to the articles of incorporation of the Master Association as they may exist from time to time.
- 1.19 **"Master Assessment"** shall mean and refer, collectively, to all assessments levied by the Master Association under Article II of the Master Declaration.
- 1.20 **"Master Association"** shall mean and refer to The Lakes of Radisson Master Association, a Minnesota non-profit corporation, and its successors and assigns. The Master Association is a "master association" as defined in MCIOA.
- 1.21 **"Master Board"** shall mean and refer to the Board of Directors of the Master Association.
- 1.22 **"Master Bylaws"** shall mean and refer to the Bylaws of the Master Association as they may exist from time to time.
- 1.23 **"Master Common Elements"** shall mean and refer to the Common Elements of the Master Association as defined in the Master Declaration.
- 1.24 **"Master Common Expenses"** means all expenditures made and liabilities incurred by or on behalf of the Master Association including, but not limited to, real estate taxes separately assessed and levied against the Master Common Elements, if any, and amounts necessary to fund scheduled deposits in reserve accounts established to provide funds to pay for the repair and replacement of Master Common Elements.
- 1.25 **"Master Declarant"** shall mean and refer to Main Street 1000, LLC, a Minnesota limited liability company, and its successors and assigns, and to any person who, pursuant to the terms of the Master Declaration or MCIOA, succeeds to any Master Declarant rights.
- 1.26 **"Master Declarant Control Period"** The time period during which Master Declarant has the exclusive right to appoint the members of the Master Board and the Officers of the Master Association as described in Article X of the Master Declaration.
- 1.27 **"Master Declaration"** shall mean and refer to the Master Declaration of the Lakes of Radisson Master Association, recorded in the offices of the County Recorder and Registrar of Titles, Anoka County, Minnesota.

- 1.28 **"Master Governing Documents"** shall mean and refer to the Master Declaration, the Master Articles and the Master By-Laws, as amended from time to time, all of which shall govern the use and operation of those parts of the property subject to the Master Declaration.
- 1.29 **"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.
- 1.30 **"Occupant"** shall mean any person or persons, other than an Owner, in possession of or residing in a Unit.
- 1.31 **"Owner"** shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Unit except that if (i) a Unit is being sold in a contract for deed, (ii) the contract vendee is in possession of the Unit and (iii) the contract so provides, then the vendee and not the vendor shall be deemed the "Owner".
- 1.32 **"Person"** shall mean a natural individual, corporation, limited liability company, partnership, trustee, other or legal entity capable of holding title to real property.
- 1.33 **"Plat"** shall mean the plat of The Lakes of Radisson, recorded in the offices of the County Recorder or Registrar of Titles, Anoka County, Minnesota, and any amendments or supplements thereto, and replats thereof.
- 1.34 **"Property"** shall mean all of the real property submitted to this Declaration, including the Dwellings and all other structures and improvements located thereon now or in the future. The Property as of the date of this Declaration is legally described in Exhibit A attached hereto.
- 1.35 **"Rules and Regulations"** shall mean the Rules and Regulations of the Association as approved from time to time pursuant to Section 5.7 and the Rules and Regulations of the Master Association as defined in the Master Declaration.
- 1.36 **"Shoreline"** shall mean and refer to the portion of the property subject to the Master Declaration that surrounds the Lake, and which is legally described on Exhibit D to the Master Declaration.
- 1.37 **"Special Assessment"** shall mean and refer to an assessment levied against the Units in accordance with Article II, Section 4 of the Master Declaration or Section 6.3 of this Declaration.
- 1.38 **"Special Declarant Rights"** means rights reserved in the Declaration for the benefit of a Declarant to: (i) complete improvements indicated on the Plat, (ii) add additional real estate to the planned community, (iii) subdivide Units.

or convert Units into Common Elements, Limited Common Elements and/or Units; (iv) maintain sales offices, management offices, signs advertising the Property, and model homes, (v) use easements through the Common Elements for the purpose of making improvements within the Property or any additional real estate, (vi) merge or consolidate a planned community with another planned community of the same form of ownership; or (vii) appoint or remove any officer or director of the Association where applicable, during any period of Declarant control.

- 1 39 **"Unit"** shall mean any platted lot subject to this Declaration upon which a Dwelling is located or intended to be located, as shown on the Plat, including all improvements thereon, but excluding the Common Elements

SECTION 2 DESCRIPTION OF UNITS AND APPURTENANCES

- 2 1 **Units.** There are sixty-nine (69) single Units, all of which are restricted exclusively to residential use. Each Unit constitutes a separate parcel of real estate. No additional Units may be created by the subdivision or conversion of Units, except as allowed in Section 15 below. The Unit identifiers and locations of the Units are as shown on the Plat, which is incorporated herein by reference, and a schedule of Units is set forth on Exhibit A. The Unit identifier for a Unit shall be its lot and block numbers and the subdivision name.
- 2 2 **Unit Boundaries.** The front, rear and side boundaries of each Unit shall be the boundary lines of the platted lot upon which the Dwelling is located or intended to be located as shown on the Plat. The Units shall have no upper or lower boundaries. Subject to this Section 2 and Section 3.2, all spaces, walls, and other improvements within the boundaries of a Unit are a part of the Unit.
- 2.3 **Access Easements.** Each Unit shall be the beneficiary of an appurtenant easement for access to a public street or highway on or across the Common Elements and Master Common Elements as shown on the Plat, subject to any restrictions set forth in the Declaration.
- 2 4 **Use and Enjoyment Easements.** Each Unit shall be the beneficiary of appurtenant easements for use and enjoyment on and across the Common Elements and Master Common Elements, and for use and enjoyment of any Limited Common Elements allocated to the Unit, subject to any restrictions authorized by the Declaration.
- 2 5 **Utility and Maintenance Easements.** Each Unit shall be subject to and shall be the beneficiary of appurtenant easements for all services and utilities servicing the Units and the Common Elements, and Master Common Elements and for maintenance, repair and replacement as described in Section 12.

- 2 6 **Encroachment Easements.** Each Unit shall be subject to and shall be the beneficiary of the appurtenant easements for encroachments as described in Section 12.
- 2 7 **Declarant's and Master Declarant's Easements.** Declarant shall have and be the beneficiary of easements for construction and sales activities as described in Section 14, and the Master Declarant shall have easements as described in the Master Declaration
- 2.8 **Recorded Easements.** The Property shall be subject to such other easements as may be recorded against it or otherwise shown on the Plat
- 2 9 **Easements are Appurtenant.** All easements and similar rights burdening or benefitting a Unit or any other part of the Property shall be appurtenant thereto, and shall be permanent, subject only to termination in accordance with the terms of the easement. Any recorded easement benefitting or burdening the Property shall be construed in a manner consistent with, and not in conflict with, the easements created by this Declaration.
- 2.10 **Impairment Prohibited.** No person shall materially restrict or impair any easement benefitting or burdening the Property; subject to the Declaration, Master Declaration and the right of the Association and Master Association to impose reasonable Rules and Regulations governing the use of the Property
- 2 11 **Benefit of Easements.** All easements benefitting a Unit shall benefit the Owners and Occupants of the Unit, and their families and guests. However, an Owner who has delegated the right to occupy the Unit to an Occupant or Occupants, whether by a lease or otherwise, does not have the use and other easement 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 AND LIMITED COMMON ELEMENTS

- 3.1 **Common Elements.** The Common Elements and their characteristics are as follows:
- a. All of the Property except the Units shall constitute Common Elements and shall be owned by the Association for the common benefit of the Owners and Occupants. The Common Elements include that real property described on Exhibit B or designated as Common Elements on the Plat. The Common Elements also include, without limitation, the mail boxes that are installed and owned by the Association, the Monuments that are installed and owned by the Association, the easements in gross which this Declaration grants to the Association, all Improvements and fixtures located on the real property described on

Exhibit B, all proceeds paid or payable to the Association as a result of any damage to or condemnation of the Common Elements and all personal property the Association owns.

- b. The Common Elements shall be subject to appurtenant easements for services, public and private utilities and storm sewer, access, use and enjoyment in favor of each Unit and its Owners and Occupants, subject to (i) the right of Owners and Occupants in Limited Common Elements appurtenant to their Units and (ii) the right of the Association and Master Association to establish reasonable Rules and Regulations governing the use of the Property.
- c. Subject to Sections 5, 6 and 9, all maintenance, repair, replacement, management and operation of the Common Elements shall be the responsibility of the Association, unless the Association, through its Board, delegates any such responsibility to the Master Association, and the Master Association accepts said responsibility
- d. Common Expenses for the maintenance, repair, replacement, management and operation of the Common Elements, if any, shall be assessed and collected from the Owners in accordance with Section 6, and in accordance with the Master Declaration

- 3.2 **Limited Common Elements.** This Association shall have no Limited Common Elements other than the mailboxes. Each mailbox is reserved for the exclusive use of the Owners and Occupants of the Unit to which it is allocated, subject to the rights of the U.S. Postal Service. The Association will be responsible for maintaining the mailboxes, and may assess the units for any related maintenance expense, in accordance with Section 6.

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 Unit ownership, 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 equally among the Units; except that special allocations of Common Expenses shall be permitted as provided in Section 6 1
- 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 The allocation of the rights, obligations and interests described in this Section may not be changed, except in accordance with the Governing Documents.
- 4.4 **Authority to Vote.** The Owner, or some natural person designated to act as proxy on behalf of the Owner, and who need not be an Owner, may cast the vote allocated to such Unit at meetings of the Association; provided, that if there are multiple Owners of a Unit, only the Owner or other Person designated pursuant to the provisions of the By-Laws may cast such vote The voting rights of Owners are more fully described in Section 3 of the By-Laws
- 4.5 **Declarant Control.** Notwithstanding the vote of any Unit Owner to the contrary, the Declarant hereby reserves a period of Declarant control of the Association during which the Declarant, or persons designated by the Declarant, may appoint and remove the officers and directors of the Association. Said reservation of Declarant control is subject to the following.
- a. The maximum period of Declarant control may extend from the date of the first conveyance of a Unit to a Unit Owner other than a Declarant for a period not exceeding five (5) years
 - b. Notwithstanding subsection a. above, the period of Declarant control shall terminate upon the earlier of (i) surrender of control by the Declarant or (ii) sixty (60) days after conveyance of seventy-five (75%) percent of the Units to Unit Owners other than Declarant
 - c. Not later than sixty (60) days after conveyance of fifty (50%) percent of the Units that may be created to Unit Owners other than Declarant or any affiliate of Declarant, a meeting of the Unit Owners shall be held at which not less than thirty three and one third (33 1/3%) percent of the members of the Board shall be elected by Unit Owners other than Declarant or an affiliate of Declarant
 - d. Not later than the termination of Declarant control, the Unit Owners shall elect a Board or Directors of at least three members Thereafter, a majority of the directors shall be Unit Owners other than Declarant or an affiliate of Declarant The remaining directors need not be Unit Owners unless required by the Articles of Incorporation or Bylaws All Unit Owners, including the Declarant and its affiliates, may cast the

votes allocated to any Unit owned by them. The Board shall elect the officers. The directors and officers shall take office upon election

- e. In determining whether the period of Declarant control has terminated under subsection b , or whether Unit Owners other than a Declarant are entitled to elect members of the Board of Directors under subsection c , the percentage of the Units which have been conveyed shall be calculated based upon the assumption that all Units which the Declarant has built or reserved the right to build in the Declaration are included in the Property
- f. Except as otherwise provided in this subsection, meetings of the Board of Directors must be open to all Unit Owners To the extent practicable, the Board shall give reasonable notice to the Unit Owners of the date, time and place of a Board meeting If the date, time and place of meetings are provided for in this Declaration, the Articles of Incorporation or Bylaws of the Association, were announced at a previous meeting of the Board, posted in a location accessible to the Unit Owners and designated by the Board from time to time, or if an emergency requires immediate consideration of a matter by the Board, notice is not required "Notice" has the meaning given in Minnesota Statutes Section 317A 011, subdivision 14 Meetings may be closed to discuss the following
 - (1) personal matters;
 - (2) pending or potential litigation, arbitration or other potentially adversarial proceedings, between Unit Owners, between the Board or Association and Unit Owners, or other matters in which any Unit Owner may have an adversarial interest, if the Board determines that closing the meeting is necessary to discuss strategy or to otherwise protect the position of the Board of Association or the privacy of a Unit Owner or occupant of a Unit; or
 - (3) criminal activity arising within the Property if the Board determines that closing the meeting is necessary to protect the privacy of the victim or that opening the meeting would jeopardize the investigation of the activity

Nothing in this subsection imposes a duty upon the Board to provide special facilities for meetings. The failure to give notice as required by this subsection shall not invalidate the Board meeting or any action taken at the meeting

- 4.6 **Membership in Master Association** Membership in the Master Association shall be governed by the following qualifications:

a This Association shall have one membership in the Master Association subject to the qualifications set forth in this section 4.6 and Article III of the Master Declaration. The membership shall attach at the time this Declaration is recorded. Except as expressly provided in the Master Declaration, this membership shall be appurtenant to and shall not be separated from this Association and shall be automatically transferred to any successor Association.

b Rights with respect to this Association's membership in the Master Association shall be exercised by the Board on behalf of the Owners.

4.7 **Representation on Master Board** All power and authority of the Master Association shall be vested in the Master Board, unless action or approval by the Members is specifically required by the Master Governing Documents or MCIOA. All references to the Master Association shall mean the Master Association acting through the Master Board, unless specifically stated to the contrary. Directors shall be elected, serve and exercise their powers as provided in the Master Bylaws. The Board of Directors during the Master Declarant Control Period shall consist of three members. The Master Declarant shall have the right to appoint and remove Directors during the Master Declarant Control Period, as provided in Article X, Section 4 of the Master Declaration. After the Master Declarant Control Period has expired, the Master Board shall consist of 5 Directors, a majority of whom shall be either Members of the Master Association or Members of a Sub-Association, and shall be persons other than the Master Declarant or affiliate of the Master Declarant. After expiration of the Master Declarant Control Period, the Master Declarant shall retain the right to appoint one Director to the Master Board, and the remaining Directors shall be elected by the Members.

4.8 **Master Association Voting Rights.** Master Association voting rights shall be governed by the following qualifications, and are set forth more fully in Article III of the Master Declaration.

a This Association shall have one vote in the Master Association for each Unit containing a Dwelling for which a certificate of occupancy has been issued by the appropriate governmental authorities.

b. The Board must, by resolution, appoint a single individual from the Board to act as the Association's representative for the purpose of attending any meetings of the Members of the Master Association and for casting the membership votes in the Master Association allocated to this Association, as directed by the Board. Said representative may cast the membership votes attributable to each Unit separately. Cumulative voting is not permitted.

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 Association shall, subject to the rights of the Owners set forth in the Governing Documents, be responsible for the operation, management and control of the Property. The Association shall have all powers described in the Governing Documents, and the statute under which it 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. All references to the Association shall mean the Association acting through the Board unless specifically state 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 architectural uniformity and character of the Property.
- 5.3 **Delegation to Master Association** Pursuant to Minn Stat. 515B 2-121(f)(2) and (3), the Association hereby delegates to the Master Association the power to adopt and amend budgets for revenues, expenditures and reserves, to levy and collect assessments for Common Expenses and Master Common Expenses from Owners, and the right to appoint an Architectural Control Committee with all powers set forth in Article V of the Master Declaration. Additionally, the Board is authorized to delegate to the Master Association any of the additional powers described in Minn Stat. §515B.3-102.
- 5 4 **Binding Effect of Actions.** All agreements and determinations made by the Association or Master Association in accordance with the powers and voting rights established by the Governing Documents shall be binding upon all Owners and Occupants, and their lessees, guests, heirs, personal representatives, successors and assigns, and all secured parties.
- 5 5 **Bylaws.** The Association shall have Bylaws. The Bylaws and any amendments thereto shall govern the operation and administration of the Association.
- 5 6 **Management.** The Board and/or the Master Board may delegate to a manager or managing agent the management duties imposed upon the Association's officers and directors by the Governing Documents; provided, however, that such delegation shall not relieve the officers and directors of the ultimate responsibility for the performance of their duties as described by the Governing Documents and by law.
- 5.7 **Rules and Regulations.** The Master Board, and the Board, subject to the Master Board's approval, shall have the power 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 shall not be inconsistent with the Governing Documents or the Master Governing Documents. 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 only after reasonable notice thereof has been given to the Owners.

5.8

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.

SECTION 6 ASSESSMENTS FOR COMMON EXPENSES

6.1

General. Assessments for Common Expenses shall be determined by the Board, in its discretion. The Board shall provide its annual budget and determination of Assessments for Common Expenses to the Master Board by November 1 of each year for the following year subject to the limitations set forth in Sections 6.2 and 6.3, and the requirements of the By-Laws. The Board may delegate to the Master Board the responsibility of establishing the annual budget and determination of Assessments for Common Expenses. Assessments for Common Expenses shall include annual assessments and may include special assessments. Assessments shall be allocated among the Units according to the Common Expense allocations set forth in Section 4.2, subject to the following qualifications:

- a. Any Common Expense associated with the maintenance, repair, or replacement of a Limited Common Element undertaken by the Association may be assessed exclusively against the Unit or Units to which that Limited Common Element is assigned, on the basis of (i) equality, (ii) square footage of the area being maintained, repaired or replaced, or (iii) the actual cost incurred with respect to each Unit.
- b. Any Common Expense or portion thereof benefitting fewer than all of the Units may be assessed exclusively against the Units benefitted, on the basis of (i) equality, (ii) square footage of the areas being maintained, repaired or replaced, or (iii) the actual cost incurred with respect to each Unit.
- c. The costs of insurance obtained by the Association may be assessed in proportion to value, risk or coverage, and the costs of utilities may be assessed in proportion to usage.

- d. Reasonable attorneys fees and other costs incurred by the Association in connection with (i) the collection of assessments and (ii) the enforcement of the Governing Documents, or the Rules and Regulations, against an Owner or Occupant or their guests, may be assessed against the Owner's Unit
- e. Fees, charges, late charges, fines and interest may be assessed for failure to pay assessments when due, as determined by the Board of Directors
- f. Assessments levied under Section 515B 3-116 of MCIOA 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.
- g. If any damage to the Common Elements or another Unit is caused by the act or omission of any Owner or Occupant, or their guests, the Association may assess the costs of repairing the damage exclusively against the Owner's Unit to the extent not covered by insurance.
- h. If any installment of an assessment becomes more than 30 days past due, then the Association or the Master Association may, upon 10 days written notice to the Owner, declare the entire amount of the assessment immediately due and payable in full
- i. If Common Expense liabilities are reallocated for any purpose, Common Expense assessments and any installment thereof not yet due shall be recalculated in accordance with the reallocated Common Expense liabilities
- j. Assessments under Subsections 6 1 a.-h. shall not be considered special assessments as described in Section 6.3.

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Annual Assessments. Annual assessments shall be established by the Board and levied by the Master Board, subject only to the limitations set forth in Section 6 2 and 6.3. The Board may delegate to the Master Board the responsibility for establishing annual assessments. Each annual assessment shall cover all of the anticipated Common Expenses of the Association for that year. Annual assessments shall provide, among other things, for contributions to a separate reserve fund sufficient to cover the periodic cost of maintenance, repair and replacement of the Common Elements and those parts of the Units for which the Association is responsible

- a. Until a Common Expense assessment is levied, Declarant shall pay all accrued expenses of the Association.

- b. After a Common Expense assessment is levied, the annual assessment may be subsequently increased by the Board

6 3 **Special Assessments.** In addition to annual assessments, and subject to the limitations set forth hereafter, the Board may determine and the Board or the Master Board may levy in any assessment year a special assessment against all Units for the purpose of defraying in whole or in part (i) the cost of any unforeseen or unbudgeted Common Expense, (ii) general or specific reserves for maintenance, repair or replacement, and (iii) the maintenance, repair or replacement of any part of the Property, and any fixtures or other property related thereto

6 4 **Master Assessments.** Master Assessments for Master Common Expenses shall be determined and assessed against the Units by the Master Board, in its discretion, subject to the requirements and procedures set forth in Article II of the Master Declaration. Master Assessments for Master Common Expenses shall include General Assessments, Special Assessments, and Limited Assessments, described below. The formula for allocation of Master Assessments is set forth in Article II of the Master Declaration

- a. **General Assessments.** General Assessments shall cover all of the anticipated Master Common Expenses for that year which are to be shared by all of the property that is subject to the Master Declaration. General Assessments shall provide, among other things, for an adequate reserve fund for the maintenance, repair and replacement of the Master Common Elements.

- b. **Special Assessments.** A Special Assessment shall be for the purpose of defraying in whole or in part (i) the cost of any unforeseen or unbudgeted Master Common Expense relating to the operation or administration of the Master Common Elements or the property as a whole (ii) general or specific reserves for maintenance, repair or replacement of the Master Common Elements and other property related thereto

- c. **Limited Assessments.** Limited Assessments shall cover Master Common Expenses related to only certain Units and/or Lots in accordance with the qualifications set forth in 6 1 (a) - (i), above

6.5 **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, provided, that neither Declarant nor any unsold Unit owned by Declarant shall be liable for any Assessment, nor subject to any Assessment lien, for any period before a certificate of occupancy has been issued with respect to such Unit by the City of Blaine. Subject to the foregoing

exemption, 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 his or her share of Common Expenses 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. The Association and the Master Association may invoke the charges, sanctions and remedies set forth in Section 13, in addition to any remedies provided elsewhere in the Governing Documents, Master Governing Documents or by law, for the purpose of enforcing its rights hereunder.

6 6 **Assessment Lien.** The Association and the Master 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 MCIOA are liens, and are enforceable as assessments, under this Section. Recording of the Declaration constitutes record notice and perfection of any lien under this Section, and no further recordation of any notice of or claim for the lien is required.

6 7 **Foreclosure of Liens; Remedies.** A lien for Common Expenses or Master Common Expenses may be foreclosed against a Unit under the laws of the State of Minnesota (i) by action, or (ii) by advertisement as a lien under a mortgage containing a power of sale. The Association, the Master 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 and the Master Association a power of sale and full authority to accomplish the foreclosure. The Association and Master Association shall, in addition, have the right to pursue any other remedy at law or in equity against the Owner who fails to pay any assessment or charge against the Unit.

6 8 **Lien Priority; Foreclosure.** A lien under this Section is prior to all other liens and encumbrances on a Unit except (i) liens and encumbrances recorded before the Declaration, (ii) any first mortgage on the Unit, and (iii) liens for real estate taxes and other governmental assessments or charges against the Unit. Notwithstanding the foregoing, if a first mortgage on a Unit is foreclosed, and the first mortgage was recorded on or after the date hereof, and no Owner redeems during the Owner's period of redemption provided by 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

a lien in favor of the Association for unpaid assessments for Common Expenses levied pursuant to Sections 515B.3-115(a), (e)(1) to (3), (f), and (i) of MCIOA which became due, without acceleration, during the six months immediately preceding the first day following the end of the Owner's period of redemption

- 6.9 **Voluntary conveyance; 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 or the Master 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 satisfied. Any seller or buyer shall be entitled to a statement, in recordable form, from the Association or Master Association setting forth the amount of the unpaid assessments against the Unit, including all assessments payable in the Association/Master Association's current fiscal year, which statement shall be binding on the Association, Master 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 Governing Documents, or the Master 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 Master Governing Documents, as amended from time to time. All covenants, restrictions and obligations set forth in the Governing Documents and Master 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.** No Unit nor any part of the Common Elements may be subdivided or partitioned except as provided in Article XI, Section 2, of the Master Declaration, or Section 15 of this Declaration without the prior written approval of all Owners and all secured parties holding first mortgages on the Units
- 7.3 **Residential Use.** The Units shall be used by Owners and Occupants and their guests exclusively as private, single family residential dwellings, and not for transient hotel, commercial, business or other non-residential purposes, except as provided in Section 7.4 Any lease of a Unit (except for occupancy by guests with the consent of the Owner) for a period of less than 7 days, or any

occupancy which includes services customarily furnished to hotel guests, shall be presumed to be for transient purposes.

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 (i) an Owner or Occupant residing in a Unit may keep and maintain his or her business or professional records in such Unit and handle matters relating to such business by telephone, facsimile computer or correspondence therefrom, provided that such uses are incidental to the residential use, do not involve physical alteration of the Unit and do not involve any observable business activity such as signs, advertising displays, bulk mailings, deliveries, or visitation or use of the Unit by customers or employees; (ii) a homeowner may run a daycare out of a Unit, and (iii) the Association may maintain offices on the Property for management and related purposes

7 5 **Leasing.** Leasing of the Units shall be allowed, subject to reasonable regulation by the Association, and subject to the following conditions: (i) that no Unit shall be leased for transient or hotel purposes, (ii) that all leases are subordinate and subject to the provisions of the Governing Documents, and the Rules and Regulations, and that any failure of the lessee to comply with the terms of such documents shall be a default under the lease. The Association may impose such reasonable Rules and Regulations as may be necessary to implement procedures for the leasing of Units, consistent with this Section

7 6 **Parking.** Garages and parking areas on the Property shall be used only for parking of vehicles owned or leased by Owners and Occupants and their guests, and such other incidental uses as may be authorized in writing by the Association. The use of garages, 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 and Master Association, including, without limitation, the right of the Association and Master Association to tow illegally parked vehicles or to remove unauthorized personal property

7 7 **Animals.** No animal may be bred, or kept or maintained for business or commercial purposes anywhere on the Property. The Master Board and the Board, subject to the Master Board's approval, shall have the exclusive authority to prohibit, or to allow and regulate, by Rules and Regulations, the keeping of animals on the Property for personal use. The word "animal" shall be construed in its broadest sense and shall include all living creatures except humans.

7 8 **Quiet Enjoyment; Interference Prohibited.** All Owners and Occupants and their guests shall have a right of quiet enjoyment in their respective Units, and shall use the Property in such a manner as will not cause a nuisance, nor

unduly restrict, interfere with or impede the use of the Property by other Owners and Occupants and their guests.

7 9 **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, Master Association or any Owner or Occupant

7 10 **Alterations.** Except for those made by Declarant in consideration of its initial sale of a Unit, no alterations, changes, improvements, repairs or replacements of any type, temporary or permanent, structural, aesthetic or otherwise (collectively referred to as "alterations") shall be made, or caused or allowed to be made, by any Owner or Occupant, or their guests, in any part of the Common Elements, or in any part of the Unit which affects the Common Elements or which is visible from the exterior of the Unit, without the prior written authorization of the Architectural Control Committee as set forth in Section 8.

7.11 **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

7 12 **Master Association Restrictions.** The Property shall be subject to the Additional Restrictions contained in Article VI of the Master Declaration

7.13 **Rights of Declarant and Home Builders** Until the last Unit is sold and conveyed to an Owner other than the Declarant or a builder whose business is to construct homes for resale, the following action by said persons will not be deemed violations of the foregoing restrictions

- a. Use of a Dwelling for model and sales office purposes;
- b. Storage of equipment, materials or earth during the construction of new Dwellings on Units owned by the person doing such storage or construction, and
- c Display of signs advertising Units in the Property as allowed by the City of Blaine, Minnesota, and the Master Declarant

SECTION 8 ARCHITECTURAL CONTROL

8.1 **General.** One of the purposes of this Declaration is to subject the Property to a general plan and uniform scheme of development and to create within the

Property a residential community of high quality and harmonious Improvements Accordingly, an Architectural Control Committee (the "ACC") shall be established as a permanent committee of the Master Association to oversee, review and regulate all architectural and design matters involving the Property. The primary mission of the ACC will be to maintain the Master Declarant's initial palate for development of the Property, subject to the Owners' right to quiet enjoyment The ACC shall have the following general powers:

- a. The ACC shall have the exclusive right to approve or disapprove the size, exterior design, color, materials, landscaping and location with respect to all proposed Improvements;
- b. The ACC shall have the exclusive right to approve or disapprove all proposed additions, changes and any other type of remodeling to the exterior of any existing Dwelling or other Improvement, except for any changes to a Dwelling or other Improvement by Master Declarant
- c. The ACC shall impose standards for design, appearance, construction or development that are in general conformity with the architectural character and use of the Property as planned and developed by the Master Declarant
- d. The ACC may, in its sole discretion, impose standards for design, appearance, construction, or development which may be greater or more stringent than standards prescribed in applicable building, zoning, or other governmental laws, ordinances, codes or regulations, The primary procedures and regulations governing the ACC are set forth in Article V of the Master Declaration

8.2 Architectural Control Committee. The ACC shall be a permanent committee of the Master Association, and shall administer and perform the architectural and landscape review and control functions of the Master Association. Membership requirements of the ACC are set forth in Article V, Section 2, of the Master Declaration.

8.3 Application and Approval Required. No Improvements shall be constructed, erected, removed, planted or maintained, nor shall any addition to or any change, replacement or alteration thereof be made, until plans and specifications shall have been submitted to and approved in writing by the ACC. Procedure for application and approval are set forth in Article V, Sections 3 - 11 of the Master Declaration.

8.4 Approval Standards. The ACC shall have the right to refuse to approve any plans and specifications which are not suitable or desirable, in the ACC's sole and absolute discretion. In approving or disapproving such plans and applications, the ACC shall consider, at a minimum, the following criteria:

- a Substantial uniformity of color, size, location, type and design for Dwellings and other Improvements;
- b. Comparable or better quality of materials as used in existing buildings or other Improvements on the Property.
- c Minimum square footage requirements for single family detached Dwellings
- d. Ease of maintenance and repair
- e Adequate protection of the Property, the Association, the Master Association, Owners and Occupants from liability and liens arising out of the proposed alterations
- f. Substantial preservation of other Owners' sight lines, if material.
- g Compliance with governmental laws, codes, ordinances and regulations
- h. Preservation of existing trees and vegetation, and the lakes and wetlands located on or adjacent to the Property.

8.5 Declarant Exemption Notwithstanding anything contained herein to the contrary, the Declarant may obtain a blanket approval from the ACC for its initial plan of development of the Property. This blanket approval may include approval of plans and specifications for various types of Improvements that may be constructed on the Property. The Declarant shall not be required to obtain a Certificate of Compliance from the ACC for Improvements completed by it or its agents or assigns. In the event that the Declarant desires to construct Improvements on the Property that vary from the plans and specifications contained in its existing blanket approval, the Declarant shall submit a new application containing the additional plans and specifications which it would like added to the blanket approval.

8.6 Protection from Liability Neither Master Declarant, the Master Association nor its directors or officers, the members of the ACC, nor any person acting on behalf of any of them, shall be liable for any costs or damages incurred by any person due to any alleged mistakes in judgment, negligence or any action of the ACC in connection with the approval or disapproval of plans and specifications. The Master Association shall indemnify, defend and hold harmless the ACC and each of its members from all costs, expenses and liabilities, including attorneys' fees, of all nature resulting by virtue of the acts of the ACC or its members. Neither Master Declarant, the directors or officers of the Master Association, the members of the ACC, nor any person acting on behalf of any of them, shall be responsible for any defects in any plans or specifications, nor for any defects in any Improvements constructed pursuant thereto. Each person submitting an application for approval shall be solely

responsible for the sufficiency of all plans and specifications submitted and for the quality of construction of the Improvements constructed, and shall hold harmless, indemnify and defend the Master Association and Association, and their respective officers, directors, committee personnel and agents, from and against all claims, damages and liabilities arising out of the approval or construction of the Improvements to which their application relates.

- 8.7 No Representation of Compliance. No approval of plans and specifications and no publication of standards by the ACC shall be construed as representing or implying that such plans, specifications, or standards will, if followed, result in properly designed Improvements. Such approvals and standards shall not be construed as representing or guaranteeing that any Dwelling or other Improvement built in accordance therewith was built in a good and workmanlike manner. Neither Master Declarant, the Master Association, nor the ACC shall be responsible or liable for any defects in any plans or specifications submitted or approved, any loss or damages to any person arising out of the approval or disapproval of any plans or specifications, any loss or damage arising from the noncompliance of such plans and specifications with any governmental ordinances and regulations, nor any defects in construction undertaken pursuant to such plans and specifications.

- 8.8 Additional Standards. The ACC is authorized to promulgate from time to time additional written architectural standards, guidelines and other regulations governing the construction, location, landscaping, and design of Improvements, the contents of plans and specifications, and other information required to evidence compliance with Article V of the Master Declaration, provided such standards, guidelines and/or regulations are in compliance with the architectural character and use of the Property as planned and developed by the Declarant and Master Declarant. Any such publications by the ACC shall be binding and enforceable against all Persons with the respect to all Improvements subject to approval by the ACC.

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 the Limited Common Elements. This includes Maintenance of the mailboxes and Monuments. The Association shall have easements as described in Section 12 to perform its obligations under this Section 9.
- 9.2 Delegation to Master Association. The Board may delegate all or any portion of its maintenance responsibilities hereunder to the Master Association, subject to acceptance of said responsibilities by the Master Board. In the event of any

such delegation, the Master Association shall have the easements described in Section 12 to perform its maintenance obligations.

9.3 **Optional Maintenance by Association.** In addition to the maintenance described in this Section 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 maintenance of water and sewer systems within the Units

9.4 **Maintenance by Owner.** Except for the maintenance required to be provided by the Association under Section 9.1 and 9.3, all maintenance of the Dwellings and Units shall be the sole responsibility and expense of the Owners thereof. 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 assess the Unit and the Owner for the cost thereof

9.5 **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 upon any Unit to do so), and the cost thereof may be assessed against the Unit of the Owner responsible for the damage

9.6 **Garbage Service.** The Association shall have the right, but not the obligation, to hire one garbage hauler to serve the entire Property and to charge a reasonable fee for this service to be included in the Assessments. The Master Association has similar rights, contained in Article IV, Section 1(1) of the Master Declaration. In the event the Association and Master Association elect to not provide garbage service to the Units, the Association retains the right to limit and/or designate the garbage haulers that may be used by the Owners

SECTION 10 INSURANCE

10.1 **Required Insurance.** The Association shall obtain and maintain, at a minimum, a master policy of insurance in accordance with applicable law 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. Since the Association does not own Common Elements of significant value, the Association shall have the option, but not the obligation, to obtain and maintain property insurance covering the Common Elements. The policy or policies may cover personal property owned by the Association. The type and amount of any such coverage shall be determined by the Board
- b. Since the liability risks associated with the Common Elements are minimal, the Association shall have the option, but not the obligation, to obtain and maintain Comprehensive public liability insurance covering the use, operation and maintenance of the Common Elements. The type and amount of any such coverage shall be determined by the Board
- c. Fidelity bond or insurance coverage against dishonest acts on the part of directors, officers, managers, trustees, employees or persons responsible for handling funds belonging to or administered by the Association if deemed to be advisable by the Board or required by the regulations of the FHA or FNMA as a precondition to the purchase or financing of a mortgage on a Unit. The fidelity bond or insurance shall name the Association as the named insured and shall, if required by the regulations of the FHA or FNMA as a precondition to their insuring, purchasing or financing of a mortgage on a Unit, be written in an amount equal to the greater of (i) the estimated maximum of Association funds, including reserves, in the custody of the Association or management agent at any given time while the bond is in force, or (ii) a sum equal to three months aggregate assessments on all Units plus reserves. 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. Worker's Compensation insurance as required by law.
- e. Directors and officers liability insurance with such reasonable limits and coverages as the Board shall determine from time to time
- 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

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Property Insurance for Units Each Owner shall obtain and maintain the Owner's own property and liability insurance coverage relating to the ownership of the Owner's Unit and any structures constructed thereon. However, the Owners, including the Declarant, if applicable, may elect at any time to have the Association provide property and/or liability insurance on all of the Units by majority vote of the Association. Election may be obtained in

writing or at a meeting of the Association duly held in accordance with the By-Laws. In such event, the Association's insurance policy shall have a minimum deductible of \$5,000.00 per claim. Furthermore, each Owner shall retain the right to obtain additional personal insurance coverage at his or her own expense covering fire and other casualty to the Unit, personal property or personal liability. In the event the Association maintains an insurance policy covering all of the Units, then any insurance policy maintained by an Owner must provide that it is without contribution as against the insurance purchased by the Association. An Owner's personal insurance coverage ("HO 6 Policy") must contain an endorsement providing that the difference between an Owner's personal insurance coverage ("HO 6 Policy") deductible and the deductible on the insurance policy provided by the Association shall be paid by the HO 6 Policy.

- 10.3 **Premiums; Improvements; Deductibles.** All premiums for insurance coverage maintained by the Association shall be assessed and paid as a Common Expense.
- 10.4 **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). 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.
- 10.5 **Waivers of Subrogation.** All policies of insurance shall contain waivers of subrogation by the insurer against the Association, or an Owner, members of the Owner's household, officers or directors, as applicable, and, if available, waivers of any defense based on co-insurance or of invalidity from any acts of the insured.
- 10.6 **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, to the FHA or FNMA (if applicable), all of the insureds and all Eligible Mortgagees.
- 10.7 **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.

10 8 **No Contributions.** 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

10.9 **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.

SECTION 11 RECONSTRUCTION, CONDEMNATION AND EMINENT DOMAIN

11 1 **Reconstruction.** Any repair or reconstruction shall be substantially in accordance with the plans and specifications of the Property as initially constructed and subsequently improved upon. Notice of substantial damage or destruction shall be given pursuant to Section 17

11 2 **Condemnation and Eminent Domain.** In the event of a taking of any part of the Property by condemnation or eminent domain, notice shall be given pursuant to Section 17. Eligible Mortgagees shall be entitled to priority for condemnation awards in accordance with the priorities established by the Governing Documents, as their interests may appear

11 3 **Notice.** All Eligible Mortgagees shall be entitled to receive notice of any condemnation proceedings or substantial destruction of the Property, and the Association shall give written notice thereof to an Eligible Mortgagee pursuant to Section 17.

SECTION 12 EASEMENTS

12.1 **Easement for Encroachments.** Each Unit and 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 fireplaces, walls, roof overhangs, air conditioning systems, decks, balconies, patios, utility installations and other appurtenances (i) which are part of the original construction on the adjoining Unit or the Property or (ii) which are added pursuant to Section 8. If there is an encroachment by a Dwelling, or other building or improvement located in a Unit, upon another Unit or Dwelling 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 Dwelling, building or improvement, and for the maintenance thereof, shall exist; provided that with respect to improvements or alterations added pursuant to Section 8, no easement shall exist unless the same have been approved and constructed as required by this Declaration. Such easements shall continue for as long as the encroachment exists and shall not affect the marketability of title.

12.2 **Easement for Maintenance, Repair, Replacement and Reconstruction.** Each Unit, and the rights of the Owner 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 Units or Dwellings, and utilities serving the Units, to the extent necessary to fulfill the Association's obligations under the Governing Documents.

12.3 **Utilities Easements.** The Property shall be subject to non-exclusive appurtenant easements for all utilities, storm sewer, water and sewer, and similar services, which exist from time to time, as constructed or referred to in the Plat, or as otherwise described in this Declaration or any other duly recorded instrument. Each Unit, and the rights of the Owners and Occupants thereof, shall be subject to a non-exclusive easement in favor of the other Units for all such services, including without limitations any sewer or water lines servicing other Units. Each Unit shall also be subject to an exclusive easement in favor of the Association and all utilities companies providing service to the Units for the installation and maintenance of utilities metering devices.

12.4 **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 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.

SECTION 13 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 Governing Documents, the Master Governing Documents, the Rules and Regulations, the decisions of the Association, and such amendments thereto as may be made from time to time. 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 Master Governing Documents.

13.1 **Entitlement to Relief.** The Association or the Master 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, Master Governing Documents, or available at law or in equity. Legal relief may be sought by the Association or Master Association against any Owner, or by an Owner against the Association, Master Association or other Owner, to enforce compliance with the Governing Documents, Master Governing Documents, the Rules and Regulations, or the decisions of the Association or Master Association. However, no Owner may withhold any assessments payable to the Association, or take (or omit) other action in violation of the Governing Documents or the Rules and Regulations, as a measure to enforce such Owner's position, or for any other reason.

13.2 **Sanctions and Remedies.** In addition to any other remedies or sanctions, expressed or implied, administrative or legal, the Association and Master 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, Master Governing Documents, or the Rules and Regulations.

- a. Commence legal action for damages or equitable relief in any court of competent jurisdiction
- b. Impose late charges of up to 15% of each late payment of an assessment or installment thereof.
- c. In the event of default of more than 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, together with all costs of collection and late charges, are not paid in full prior to the effective date of the acceleration. Reasonable 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 Governing Documents, the Master Governing Documents or the Rules and Regulations.
- e. Suspend the rights of any Owner or Occupant and their guests to use any Common Element amenities or Master Common Element amenities; provided, that this limitation shall not apply to Limited Common Elements or deck, balcony or patio easements, appurtenant to the Unit, and those portions of the Common Elements or Master 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 or Master Governing Documents, and for up to 30 days thereafter, for each violation.

- f. Restore any portions of the Master Common Elements, 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 or Master Governing Documents, and to assess the cost of such restoration against the responsible Owners and their Units.
- g. Enter any Unit or Limited Common Element in which, or as to which, a violation or breach of the Governing Documents or Master Governing Documents exists which materially affects, or is likely to materially affect in the near future, the health or safety of the other Owners or Occupants, or their guests, or the safety or soundness of any Dwelling or other party of the Property or the property of the Owners or Occupants, and to summarily abate and remove, at the expense of the offending Owner or Occupant, any structure, thing or condition in the Unit or Limited Common Elements which is causing the violation, provided, that any improvements which are a part of a Unit may be altered or demolished only pursuant to a court order or with the agreement of the Owner
- h. Foreclose any lien arising under the provisions of the Governing Documents, Master Governing Documents or under law, in the manner provided for the foreclosure of mortgages by action or under a power of sale in the state where the property is located

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Rights to Hearing. In the case of imposition of any of the remedies authorized by Section 13.2.d., e , or f. of this Section, the Board or Master Board, as the case may be, shall upon written request of the offender, grant to the offender a fair and equitable hearing. The offender shall be given notice of the nature of the violation and the right to a hearing, and at least 10 days within which to request a hearing. The hearing shall be scheduled by the Board or Master Board and held within thirty (30) days of receipt of the hearing request by the Board or Master Board, and with at least ten (10) days prior written notice to the offender. If the offending Owner fails to appear at the hearing then the right to a hearing shall be waived and the Board or Master Board may take such action as it deems appropriate. The decision of the Board or Master Board and the rules for the conduct of hearings established by the Board or Master Board shall be final and binding on all parties. The Board's or Master 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

- 13.4 **Lien for Charges, Penalties, Etc.** Any assessments, charges, fines, 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 or Master Board gives written notice following the hearing. All remedies shall be cumulative, and the exercise of, or failure to exercise, any remedy shall not be deemed a waiver of the right to pursue any others.
- 13.5 **Costs of Proceeding and Attorneys Fees.** With respect to any collection measures, or any measures or action, legal administration, or otherwise, which the Association or Master Association takes to enforce the provisions of the Governing Documents, Master Governing Documents, or Rules and Regulations, whether or not finally determined by a court or arbitrator, the Association or Master 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 or Master Association, reasonable attorneys' fees, and interest (at the highest rate allowed by law) on the delinquent amounts owed to the Association or Master Association.
- 13.6 **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, Master 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.
- 13.7 **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, Master Governing Documents, the Rules and Regulations, as provided therein.

SECTION 14 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 MCIOA for as long as it owns a Unit, or for such shorter period as may be specifically indicated.

- 14.1 **Complete Improvements.** To complete all the Units and other improvements indicated on the 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 its sales facilities

- 14.2 **Relocate Boundaries and Alter Units** To relocate boundaries between Units and to otherwise alter Units owned by it, to the extent permitted by Section 15.
- 14.3 **Sales Facilities** To construct, operate and maintain a sales office, management office, model Units and other development, sales and rental facilities within the Common Elements and any Units owned by Declarant from time to time, located anywhere on the Property
- 14.4 **Signs** To erect and maintain signs and other sales displays offering the Units for sale or lease, in or on any Unit owned by Declarant and on the Common Elements, and to erect a permanent marker or markers at the entrance to the development
- 14.5 **Easements**. To have and use easements, for itself, its employees, contractors, representatives, agents and prospective purchasers through and over the Common Elements for the purpose of exercising its special declarant rights
- 14.6 **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 MCIOA, until the earlier of (i) voluntary surrender of control by Declarant; (ii) an Association meeting which shall be held within 60 days after conveyance to Owners other than a Declarant of 75% of the total number of Units authorized to be included in the Property, or, (iii) the date five (5) 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 33-1/3% of the directors at a meeting of the Owners which shall be held within 60 days following the conveyance by Declarant of 50% of the total number of Units authorized to be included in the Property.
- 14.7 **Consent to Certain Amendments** As long as Declarant owns any unsold unit, Declarant's written consent shall be required for any amendment to the Governing Documents or Rules and Regulations which directly or indirectly affect or may affect Declarant's rights under the Governing Documents
- 14.8 **Use in Advertising** To photograph the exterior of the Units and use said photographs or reproductions for advertising purposes

SECTION 15
RIGHTS TO ADD ADDITIONAL REAL ESTATE,
RELOCATE UNIT BOUNDARIES AND ALTER UNITS

- 15.1 **Declarant's Rights to Add Additional Real Estate** Until the date ten (10) years following the recording of this Declaration, the Declarant, its successors and assigns, shall have the right, without the consent of the Owners, to bring all or part of the Additional Property within the scheme of this Declaration and any Amended or Supplementary Declaration recorded in connection with such addition. Such addition may contain additional Lots and general plan of development, and the buildings and other improvements constructed thereon shall be compatible in terms of architecture and materials with those constructed on the property. Each addition authorized under this Section shall be made by filing of record with the Anoka County Recorder a Supplementary Declaration of Covenants, Restrictions and Easements with respect to the additional property, which shall extend the scheme of covenants, conditions and restrictions contained in this Declaration to such additional property. Each Supplementary Declaration may contain such additions to this Declaration, but shall not materially alter the Covenants and Restrictions contained herein. The total number of Units created with the Additional Property shall not exceed one hundred forty-five (145) Units. All of such Units shall be restricted to residential use.

The statements contained in this Declaration shall not apply to the Additional Property until and unless it is added as provided in the Declaration.

- 15.2 **Rights to Relocate Boundaries and Alter Units** Existing or future Units may be altered and Unit boundaries may be relocated only in accordance with the following conditions
- a. **Combining Units.** An Owner may make improvements or alterations to such Unit or, may, after acquiring an adjoining Unit, remove or alter any intervening partition or create apertures therein in accordance with Section 515B.2-113 of MCIOA and Subsection (d) of this Section
 - b. **Relocation of Boundaries.** The boundaries between adjoining Units may be relocated in accordance with Section 515B.2-114 of MCIOA and Subsection (d) of this Section
 - c. **Subdivision or Conversion** No additional Units may be created by the subdivision or conversion of a Unit into two or more Units, nor into other Units, Common Elements or Limited Common Elements except as provided herein or in the Master Declaration
 - d. **Requirements.** The alteration, relocation of boundaries or other modification of Units or the Dwellings or other structures located therein (collectively referred to herein as "alteration" or "alterations")

pursuant to this Section, Section 8, and MCIOA may be accomplished only in accordance with the following conditions:

- (1) No Unit may be altered if, thereafter, the Dwelling located therein, or any other Dwelling affected by the alteration, would no longer be habitable or practicably usable for its intended purpose or would violate any law, code or ordinance of any governmental authority having jurisdiction over the Property
- (2) No alteration may be made which adversely affects the structural or functional integrity of any building system or the structural support or weathertight integrity of any portion of any building or other structure.
- (3) The prior written consent of the Association shall be required for any alteration, except alterations by Declarant. Where required, such consent shall be requested in writing by each Owner whose Unit is proposed to be altered, accompanied by such explanation, drawings and specifications relating to the proposed alterations as may be reasonably required by the Association or the first mortgagee of the Unit. The Association shall give such Owner(s) notice in an expeditious manner, granting, denying or qualifying its consent
- (4) As a precondition to consenting to alterations the Association may require, among other things, the following: (i) that all alterations will be done in a workmanlike manner and without impairing the structural, mechanical or weathertight integrity of the Building, (ii) that the Common Elements and altered Units will be repaired and/or restored in the future as required by the Association; (iii) that the construction of the alterations will not create dangerous conditions for any Owners or Occupants, (iv) that the Property, the first mortgagees and the Owners and Occupants will be protected from liens and other liability arising from the alterations, and (v) that the alterations will be done in compliance with the applicable laws, regulations and ordinances of the governmental authorities having jurisdiction over the Property.
- (5) The Association may require that the Owners of the Units to be altered pay all costs of processing and documentation for the request and the preparation and recording of any necessary amendment to the Governing Documents, including without limitation such costs as filing, architects and attorneys fees, incurred by the Association in connection with the alterations.

Declarant may amend this Declaration as provided herein in order to add Additional Property or to subdivide or convert Units without the consent of the Owners

SECTION 16 AMENDMENTS

This Declaration may otherwise be amended by the consent of (i) Owners of Units to which are allocated at least sixty-seven percent (67%) of the votes in the Association; and (ii) the consent of Declarant to certain amendments as provided in Section 14. Consent of the Owners may be obtained in writing or at a meeting of the Association duly held in accordance with the By-Laws. Consent of the Declarant shall be in writing. Any amendment shall be subject to any greater requirements imposed by MCIOA. The Amendment shall be effective when recorded. 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 17 RIGHTS OF ELIGIBLE MORTGAGEES

- 17.1 **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 except for (i) a lien in favor of the association for unpaid assessments for common expenses levied pursuant to section 515B.3-115(a), (e)(1) to (3), (f), and (i) which became due, without acceleration, during the six months immediately preceding the first day following the end of the owner's period of redemption, and (ii) except that any unreimbursed assessments or charges may be reallocated among all Units in accordance with their interests in the Common Elements.
- 17.2 **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.
- 17.3 **Priority for Condemnation Awards** No provision of the Governing Documents shall give an Owner, or any other part, priority over any rights of the Eligible Mortgagee of the Unit pursuant to its mortgage in 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.

17.4 **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 a request is made by FNMA or any institutional guarantor or insurer of a mortgage loan against a Unit, for an audit of the Association's financial statements for the preceding year, the Association shall cause an audit to be made and deliver a copy to the requesting party.

17.5 **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 on the Property or the Unit securing the mortgage,
- b. a 60 day delinquency in the payment of assessments or charges owned 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 specific percentage of Eligible Mortgagees

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 instrument or exhibits.

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 MCIOA, or any section thereof, shall be deemed to include any statutes amending or replacing MCIOA, 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 MCIOA, the Association shall promptly render 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 MCIOA, all notices required to be given by or to the Association, the Board of Directors, the Association officers or the Owners or Occupants shall be in writing and shall be effective upon hand delivery, or mailing if properly addressed with postage prepaid and deposited in the United States mail; except that registrations pursuant to Section 2.2 of the By-Laws shall be effective upon receipt by the Association

18.5 **Conflicts Among Documents** In the event of any conflict among the provisions of MCIOA, the Declaration, the By-Laws or any Rules or Regulations approved by the Association, MCIOA shall control. As among the Declaration, By-Laws and Rules and Regulations, the Declaration shall control, and as between the By-Laws and the Rules and Regulations, the By-Laws shall control

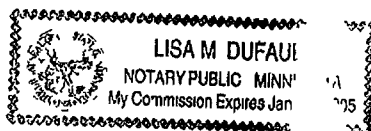
IN WITNESS WHEREOF, the undersigned has executed this instrument the day and year first above set forth.

AB, LLC

By Michael M. Gorham
Michael M Gorham
Its President

STATE OF MINNESOTA))
COUNTY OF Anoka) SS

The foregoing instrument was acknowledged before me this 25th day of November, 2003, by Michael M. Gorham, the President of AB, LLC, a Minnesota limited liability company, on behalf of the company



[Signature]
Notary Public

THIS INSTRUMENT DRAFTED BY
GRIES & LENHARDT, P.L.L.P.
12725 - 43rd Street NE, Suite 201
St Michael, MN 55376
(763) 497-3099

RECORDED & INDEXED
2115 NORTH 3RD AVENUE
ANOKA, MN 55303
913-05040

ASPEN BAY

EXHIBIT A TO DECLARATION

SCHEDULE OF UNITS/LEGAL DESCRIPTION OF PROPERTY

Lots 1 - 11, Block 10

Lots 1 - 4, Block 11

Lots 1 - 37, Block 12

Lots 1 - 17, Block 13

All in The Lakes of Radisson Third Addition, Anoka County, Minnesota

ASPEN BAY
EXHIBIT B TO DECLARATION
LEGAL DESCRIPTION OF COMMON ELEMENTS

None

ASPEN BAY
EXHIBIT C TO DECLARATION
ADDITIONAL PROPERTY

Outlots P and U, The Lakes of Radisson, Anoka County, Minnesota

ABSTRACT

Receipt #	10547/54-	<input type="checkbox"/> Incorrect/No Reference #
Date/Time	11.26.14.40	<input checked="" type="checkbox"/> Non-standard Document
Document Order	1 of 1	<input type="checkbox"/> Certified Copy/
PINs	KJ	39 pages
Recordability	KJ	
Filing Fees	\$20	
Copy/Additional Pg Fees	\$24	
Well Cert Fees	\$	<input type="checkbox"/> Tax Lien/Release
<input type="checkbox"/> Incomplete Form		<input type="checkbox"/> Transfer
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<input type="checkbox"/> Non-existent Legal Description		<input type="checkbox"/> New legal Description
<input type="checkbox"/> Part(s) Illegible		<input type="checkbox"/> GAC
		<input type="checkbox"/> Deferred Specials
		<input checked="" type="checkbox"/> No Change

DOCUMENT NO 1877334.0 ABSTRACT

ANOKA COUNTY MINNESOTA

I HEREBY CERTIFY THAT THE WITHIN INSTRUMENT WAS FILED IN THIS OFFICE

FOR RECORD ON NOV 26 2003

AT 2:40 PM

AND WAS DULY RECORDED

FEES AND TAXES IN THE AMOUNT OF

\$54.00 PAID

RECEIPT NO 2004010547

MAUREEN J DEVINE

ANOKA COUNTY PROPERTY TAX ADMINISTRATOR/RECORDER/REGISTRAR OF TITLES

BY KHJ

DEPUTY PROPERTY TAX ADMINISTRATOR/RECORDER/REGISTRAR OF TITLES

THIS PAGE IS NOT PART OF THE ORIGINAL DOCUMENT
PRESENTED FOR RECORDING

Added by Anoka County Recorder for posting only.

Post to Abstract Document Number 1957098

PIN	Range
1. 15-31-23-21-0003	through 0043
2. ————— 12-0002	through
3. ————— 24-0011	through 0018
4. ————— 0021	through 0045
5. ————— 34-0138	through
6. 10-31-23-33-0044	through 0050
7. ————— 34-0039	through 0051
8.	through
9. ————— 22-0043	through 0081
10.	through
11.	through
12.	through
13.	through
14.	through

1957098

ASPEN BAY

FIRST AMENDMENT TO DECLARATION

THIS FIRST AMENDMENT TO DECLARATION is made in the County of Anoka, State of Minnesota, on this 2nd day of September, 2004, by AB, LLC, a Minnesota limited liability company (the "Declarant")

WHEREAS, Declarant filed for record on November 26, 2003, with the County Recorder in and for Anoka County, Minnesota, as Document No. 1877334 a Declaration of Covenants, Conditions and Restrictions for Aspen Bay (the ADeclaration@), and

WHEREAS, Declarant, Under Section 15 1 of the Declaration, reserved an option to add additional real estate to Aspen Bay pursuant to the terms therein, said additional real estate being legally described as stated on Exhibit A, attached hereto, and

WHEREAS, Declarant desires to subject the real property described on Exhibit B, attached hereto, which has been platted as described on Exhibit C, attached hereto, (hereinafter, AProperty@) to the terms of the Declaration and otherwise add the Property to Aspen Bay

NOW THEREFORE, NOW THEREFORE, Declarant hereby declares that the Property is and hereafter shall be subject to the terms, declarations, covenants, conditions, easements, charges and liens set forth in the Declaration and the By-Laws This Second Amendment is made upon the following further terms and conditions.

1. Definitions All Terms used herein shall have the same meanings as in the Declaration unless the context otherwise requires

2. Additional Information.

- a. Assignment of Unit Identifier to Each Unit Formed in the Property The Units to be formed in the Property (hereinafter, AAdditional Units@) are identified as stated on Exhibit C, attached hereto There are no additional Common Areas to be formed in the Property
- b. Reallocation of Common Element Interests, Votes in the Association, and Common Expense Liabilities in Compliance with the Declaration The Votes in the Association and Common Expenses of the Association shall be reallocated as provided in Section 4 2 of the Declaration Pursuant to Section 4 2 of the Declaration, voting rights and Common Expense obligations shall be allocated equally among the Units, except that special allocations of Common Expenses

c Description of Limited Common Elements Formed out of the Property Limited Common Elements formed out of the Property will be as defined in Section 3.2 of the Declaration

AB, LLC

STATE OF MINNESOTA)) SS
COUNTY OF ANOKA)

 JANET R THOMAS
NOTARY PUBLIC - MINNESOTA
MY COMM EXP 1-31-2008

Notary Public

ST 3-08040
504-07223

ASPEN BAY

EXHIBIT A TO FIRST AMENDMENT TO DECLARATION

Additional Real Estate That May Be Added

Outlots P and U, The Lakes of Radisson, Anoka County, Minnesota

ASPEN BAY

EXHIBIT B TO FIRST AMENDMENT TO DECLARATION

Additional Real Estate Added pursuant to this Amendment

A portion of Outlot P, The Lakes of Radisson, Anoka County, Minnesota

ASPEN BAY

EXHIBIT C TO FIRST AMENDMENT TO DECLARATION

Additional Units

Lots 1 - 24, Block 1,
Lots 1 - 29, Block 2,
Lots 1 - 6, Block 3,
Lots 1 and 2, Block 4,
Lots 1 - 7, Block 5,

All in The Lakes of Radisson Twelfth Addition, Anoka County, Minnesota

ABSTRACT

Receipt #	114751/29.50	<input type="checkbox"/> Incorrect/No Reference #
Date/Time	9/15/15:30	<input checked="" type="checkbox"/> Non standard Document
Document Order	1 of 1	<input type="checkbox"/> Certified Copy/
PINs	JN	
Recordability		
Filing Fees	\$29.50	<input type="checkbox"/> Tax Lien/Release
Copy/Additional Pg Fees	\$	<input type="checkbox"/> Transfer
Well Cert Fees	\$	<input type="checkbox"/> Division
<input type="checkbox"/> Incomplete Form		<input type="checkbox"/> Status
<input type="checkbox"/> Missing Attachment		<input type="checkbox"/> New legal Description
<input type="checkbox"/> No Legal Description		<input type="checkbox"/> GAC
<input type="checkbox"/> Non-existent Legal Description		<input type="checkbox"/> Deferred Specials
<input type="checkbox"/> Part(s) Illegible		

DOCUMENT NO

1957098.0 ABSTRACT

ANOKA COUNTY MINNESOTA

I HEREBY CERTIFY THAT THE WITHIN INSTRUMENT WAS FILED IN THIS OFFICE FOR RECORD ON

SEP 15 2004

AT 3:30 PM

AND WAS DULY RECORDED

FEES AND TAXES IN THE AMOUNT OF

\$29.50 PAID

RECEIPT NO 2004114751

MAUREEN J. DEVINE

ANOKA COUNTY PROPERTY TAX ADMINISTRATOR/RECORDER/REGISTRAR OF TITLES

BY JMH

DEPUTY PROPERTY TAX ADMINISTRATOR/RECORDER/REGISTRAR OF TITLES



Record ID 1861752

1996418.003

**ABSTRACT/TORRENS
DOCUMENT**

**ABSTRACT/TORRENS
DOCUMENT**

493087.001



Record ID 1861753

ASPEN BAY

TRANSFER OF SPECIAL DECLARANT RIGHTS

THIS TRANSFER OF SPECIAL DECLARANT RIGHTS is made in the County of Anoka, State of Minnesota, on this 27 day of September, 2007, by AB, LLC, a Minnesota limited liability company (the "Declarant") pursuant to the provisions of Minnesota Statutes §515B, as amended.

WHEREAS, Declarant filed for record on November 26, 2003, with the County Recorder in and for Anoka County, Minnesota, as Document No. 1877334, a Declaration of Covenants, Conditions and Restrictions for Aspen Bay (the "Declaration"); and

WHEREAS, Declarant filed for record on September 15, 2004, with the County Recorder in and for Anoka County, Minnesota, as Document No. 1957098, a First Amendment to Declaration, adding additional real estate to Aspen Bay; and

WHEREAS, Declarant filed for record on September 1, 2005, with the County Recorder in and for Anoka County, Minnesota, as Document No. 1977935.004, and the Registrar of Titles in and for Anoka County, Minnesota, as Document No. 484322.004, a Supplemental Declaration, adding additional real estate to Aspen Bay; and

WHEREAS, Declarant holds certain "Special Declarant Rights" as set forth in Section 14 and Section 15 of the Declaration; and

WHEREAS, Declarant wishes to voluntarily transfer said Special Declarant Rights to: Gorham Builders, Inc., a Minnesota corporation; Regency Homes, Inc., a Minnesota corporation; and Ironwood Development, Inc., a Minnesota corporation (collectively and individually referred to as the "Successor Declarant"); and

WHEREAS, this transfer of Special Declarant Rights is unlimited; and

WHEREAS, Successor Declarant has agreed to accept the transfer of Special Declarant Rights as set forth in this instrument; and

WHEREAS, Successor Declarant is an affiliate of Declarant.

NOW, THEREFORE, it is agreed as follows:

1. Successor Declarant is hereby specifically granted the Special Declarant Rights set forth in Section 14 and Section 15 of the Declaration.

IN WITNESS WHEREOF, the Declarant has caused this Transfer of Special Declarant Rights in Aspen Bay to be executed the day and year first above written, and Successor Declarant has executed this instrument transferring Special Declarant Rights and accepts the rights herein granted, agreeing to be bound by the terms and conditions of the Declaration except as such liability is limited by Section 515B.3-104 of MCIOA.

DECLARANT:

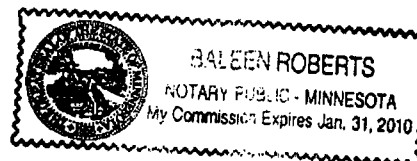
AB, LLC

By: Michael M. Gorham
Michael M. Gorham
Its: President

STATE OF MINNESOTA)
COUNTY OF Anoka) SS

The foregoing instrument was acknowledged before me this 27 day of September, 2007, by Michael M. Gorham, the President of AB, LLC, a Minnesota limited liability company, on behalf of the company.

Baleen Roberts
Notary Public



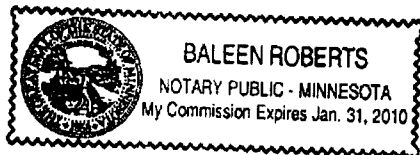
SUCCESSOR DECLARANT:

Gorham Builders, Inc.

By: Michael M. Gorham
Michael M. Gorham
Its: Chief Executive Officer

STATE OF MINNESOTA)
COUNTY OF Anoka) SS

The foregoing instrument was acknowledged before me this 27 day of September, 2007, by Michael M. Gorham, the Chief Executive Officer of Gorham Builders, Inc. a Minnesota corporation, on behalf of the corporation.



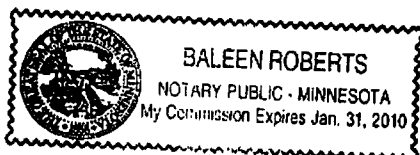
Baleen Roberts
Notary Public

Ironwood Development, Inc.

By: Thomas J. Budzynski
Thomas J. Budzynski
Its: President

STATE OF MINNESOTA)
COUNTY OF Anoka) SS

The foregoing instrument was acknowledged before me this 27th day of September, 2007, by Thomas J. Budzynski, the President of Ironwood Development, Inc., a Minnesota corporation, on behalf of the corporation.



Baleen Roberts
Notary Public

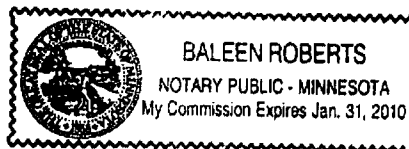
Regency Homes, Inc.

By: Marshall V. Pearson
Marshall V. Pearson
As: President

STATE OF MINNESOTA)
COUNTY OF Anoka) SS

The foregoing instrument was acknowledged before me this 27th day of SEPTEMBER, 2007, by Marshall V. Pearson, the President of Regency Homes, Inc., a Minnesota corporation, on behalf of the corporation.

Baleen Roberts
Notary Public



THIS INSTRUMENT DRAFTED BY:
Gries & Lenhardt, P.L.L.P.
12725 43rd Street NE, Suite 201
St. Michael, MN 55376
(763) 497-3099

REGISTERED ABSTRACTERS, INC.
2115 NORTH 3RD AVENUE
ANOKA, MN 55303

Jenny

ANOKA COUNTY MINNESOTA

Document No.: 493087.001 TORRENS

I hereby certify that the within instrument was filed in this
office for record on: 10 11 2007 2:05:00 PM

Fees Taxes In the Amount of: \$146.00


MAUREEN J. DEVINE

Anoka County Property Tax

Administrator Recorder Registrar of Titles

GKE. Deputy

APPROVED FOR FILING



Examiner of Titles

Record ID: 1861753

ANOKA COUNTY MINNESOTA

Document No.: 1996418.003 ABSTRACT

I hereby certify that the within instrument was filed in this
office for record on: 10 11 2007 2:05:00 PM

Fees Taxes In the Amount of: \$46.00

MAUREEN J. DEVINE

Anoka County Property Tax

Administrator Recorder Registrar of Titles

GKE. Deputy

Record ID: 1861752