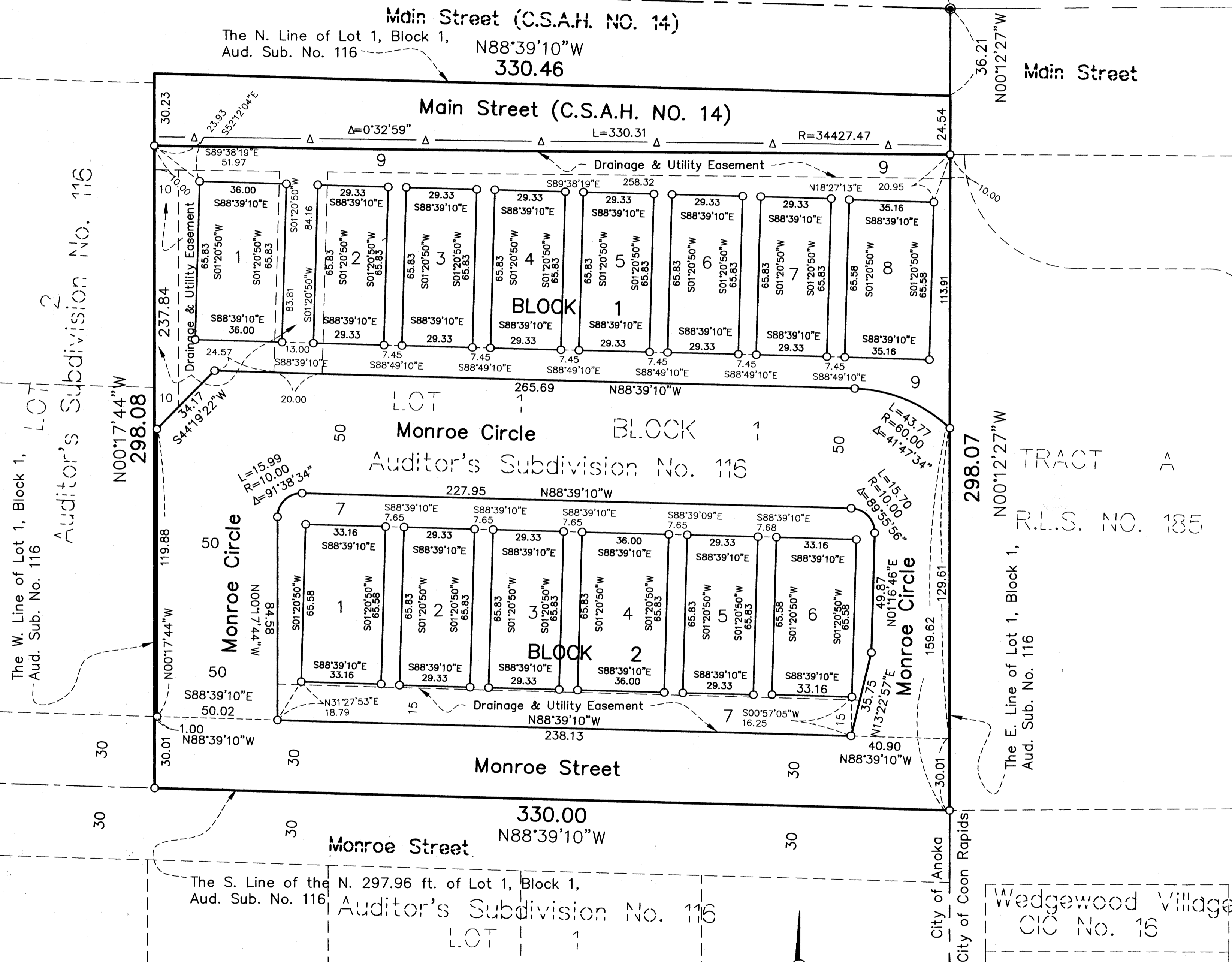


COTTAGES ON MAIN

I HEREBY CERTIFY THAT THE CURRENT AND DELINQUENT TAXES ON THE LANDS DESCRIBED WITHIN ARE PAID AND THE TRANSFER IS ENTERED Aug 10, 2004
 MAUREEN J. DEVINE
 PROPERTY TAX ADMINISTRATOR
 DEPUTY PROPERTY TAX ADMINISTRATOR

The N. Line of Section 7, T. 31, R. 24

The N.E. Corner of Section 7, T. 31, R. 24
Anoka County Cast Iron Monument



KNOW ALL PERSONS BY THESE PRESENTS: That Southwind of Anoka, LLC, a Minnesota limited liability corporation, fee owner, and Central Bank, a Minnesota Banking Corporation, mortgagee, of the following described property situated in the County of Anoka, State of Minnesota, to wit:

The North 297.96 feet of Lot 1, Block 1, AUDITOR'S SUBDIVISION NUMBER 116, Anoka County, Minnesota.

Have caused the same to be surveyed and platted as COTTAGES ON MAIN and do hereby donate and dedicate to the public for public use forever the streets and circle and drainage and utility easements as shown on this plat and also dedicate to the County of Anoka the Right of Access onto County State Aid Highway No. 14 as shown on this plat. In witness whereof said Southwind of Anoka, LLC has caused these presents to be signed by its proper officer this 7th day of JULY, 2004. In witness whereof said Central Bank, a Minnesota Banking Corporation, has caused these presents to be signed by its proper officer this 7th day of JULY, 2004.

SOUTHWIND OF ANOKA, LLC

Lawrence M. Alm, as Chief Manager

CENTRAL BANK

Scott Faust, as Branch President

Office of REGISTRAR OF TITLES

STATE OF MINNESOTA

COUNTY OF ANOKA 473783

I hereby certify that the within instrument was filed in this office on AUG 10 2004

at 12 o'clock P.M.

Maureen J. Devine, Registrar of Titles

By TAP Deputy Registrar of Titles

STATE OF MINNESOTA
COUNTY OF RAMSEY

The foregoing instrument was acknowledged before me this 7th day of JULY, 2004 by Lawrence M. Alm, as Chief Manager of Southwind of Anoka, LLC, a Minnesota limited liability corporation, on behalf of the corporation.

BARBARA A. RODRIGUEZ
 NOTARY PUBLIC - MINNESOTA
 My Commission Expires 1-31-2005

MUC
 Notary Public, Minnesota
 My Commission Expires _____

STATE OF MINNESOTA
COUNTY OF WASHINGTON

The foregoing instrument was acknowledged before me this 7th day of JULY, 2004 by Scott Faust, as Branch President of Central Bank, a Minnesota Banking Corporation, on behalf of the corporation.

SHARON L. NESS
 NOTARY PUBLIC
 My Commission Expires Jan. 31, 2005

Sharon L. Ness
 Notary Public, Minnesota
 My Commission Expires 1-31-05

I hereby certify that I have surveyed and platted the property on this plat as COTTAGES ON MAIN; that this plat is a correct representation of said survey; that all distances are correctly shown on said plat in feet and hundredths of a foot; that all monuments have been correctly placed in the ground as shown on said plat or will be placed as required by the local governmental unit as designated on said plat; that the outside boundary lines are correctly designated on said plat; and that there are no wetlands as defined in MS 505.02, subd. 1, or public highways to be designated other than as shown.

Charles R. Christopherson
 Charles R. Christopherson, Land Surveyor
 Minnesota License No. 18420

STATE OF MINNESOTA
COUNTY OF ANOKA

The foregoing instrument was acknowledged before me this 1st day of June, 2004 by Charles R. Christopherson, Land Surveyor.

MICHELLE L. HOWLAND
 NOTARY PUBLIC - MINNESOTA
 MY COMM. EXP. 01/31/2005

Michelle L. Howland
 Notary Public, Minnesota
 My Commission Expires January 31, 2005

ANOKA, MINNESOTA

This plat of COTTAGES ON MAIN was approved and accepted by the City Council of Anoka, Minnesota, at a regular meeting thereof held this 19th day of APRIL, 2004. If applicable, the written comments and recommendations of the Commissioner of Transportation and the County Highway Engineer have been received by the City or the prescribed 30 day period has elapsed without receipt of such comments and recommendations, as provided by Minn. Statutes Section 505.03, Subd. 2.

CITY COUNCIL OF THE CITY OF ANOKA, MINNESOTA

Bjorn Skogquist Mayor Amy Oehler Clerk
 Amy Oehler

This plat of COTTAGES ON MAIN was approved by the Planning Commission of the City of Anoka, Minnesota this 3rd day of FEBRUARY, 2004.

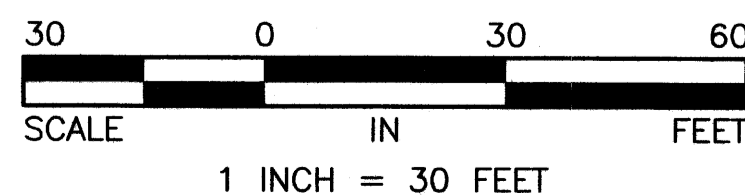
Paul Young Chairman Robert Kirchner Secretary
 Paul Young Robert Kirchner

ANOKA COUNTY SURVEYOR

This plat was checked and approved on this 20th day of July, 2004.

Larry Holm by Charles F. Reizen
 Larry Holm, Anoka County Surveyor
 Deputy

For the purposes of this plat the East line of Lot 1, Block 1, Auditor's Subdivision no. 116, is assumed to bear N 00°12'27" W.



- Denotes 1/2 inch by 14 inch iron monument
- Denotes iron monument found
- △ Denotes Restricted Access dedicated to the County of Anoka.

474952

DECLARATION FOR NEW CIC

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

Added by Anoka County Recorder for posting only.

MUNICIPALITY: ANOKA CHECKED BY: A ON 8/24/05

COTTAGES ON MAIN - 3221

MAP # 4 Cottages on Main 1st 3222 PLAT BOOK TYPE: _____

DOC. NO. OF TRACT
DATE: 6.11.04 PAGES: _____ BOOK: _____ PAGE _____

CIC NO. OF PAGES: 176 - Cottages on Main
SHORT NAME: CIC NO 176. Cottages on Main 1st

LONG NAME: BY DECLARATION

A/T	PARENT PINS	THRU
	<u>underlying</u>	
	<u>07.31.24.11.0009</u>	
	<u>08.31.24.22.0158</u>	

A/T	PARENT PINS	THRU

DATE: _____

DIV. NO.: _____

474952

COMMON INTEREST COMMUNITY NUMBER 176

A PLANNED COMMUNITY

COTTAGES ON MAIN

DECLARATION

THIS DECLARATION is made effective as of the 11th day of June, 2004, by Southwind of Anoka, LLC, a Minnesota limited liability company ("Declarant"), pursuant to Minnesota Statutes §515B 1-101 to §515B 4-118, known as the Minnesota Common Interest Ownership Act

RECITALS:

A Declarant is the fee owner of certain tracts of real property and improvements thereon located in the County of Anoka, State of Minnesota and legally described as

Lots 1 through 9 inclusive, Block 1, and Lots 1 through 7 inclusive, Block 2, Cottages On Main

AND

Lots 1 through 6 inclusive, Block 1, Cottages On Main First Addition

(collectively, "Property")

B Declarant is desirous of developing the Property as a planned community development,

C Declarant intends to improve said property by constructing thereon nineteen (19) detached townhouses, together with appurtenances thereto, collectively known as Common Interest Community Number 176, A Planned Community, Cottages on Main, said structures having been constructed as a Common Interest Community in accordance with the plat of Cottages on Main, recorded in Anoka County, Minnesota, pursuant to Minnesota Statutes Chapter 515B, et al,

D In order to effect the preservation of the values and amenities of the planned community and to receive the power to attend to and effectuate policies and programs that will enhance the pleasure and value of the planned community and to maintain, administer and enforce the covenants, conditions and easements and restrictions contained herein and to collect and disburse assessments and charges hereafter established, a non-profit corporation known as Cottages on Main Homeowners Association, Inc, which has been created under Chapter 317A of the Minnesota Statutes for the purpose of exercising the aforesaid functions, and

E The Declarant hereby establishes, by this Declaration, a plan for the individual ownership of the real property estates consisting of Lots, as that term is defined herein

NOW, THEREFORE, the Declarant hereby makes the following declaration pursuant to the Act as to divisions, covenants, restrictions, limitations, conditions and uses to which the Property and improvements thereon, consisting of nineteen (19) detached townhouses, and other appurtenances, hereby specifying that said Declaration of Common Interest Community shall constitute covenants which shall run with the land and shall be binding on the Declarant, as herein defined, its successors and assigns, and all subsequent owners of all or any part of said real property and improvements, together with their grantees, successors, heirs, executors, administrators, devisees or assigns

Terms not otherwise defined herein shall have the meaning given to them in the Act

ARTICLE I

DEFINITIONS

Section 1 As used herein, the following terms shall be given the following meanings

- (a) "Act" means the Minnesota Common Interest Ownership Act, Minnesota Statutes §515B 1-101 to §515B 4-118, as subsequently amended or modified
- (b) "Articles" means the Articles of Incorporation of the Association, as herein defined
- (c) "Association" means Cottages on Main Homeowners' Association, Inc a Minnesota non-profit corporation created pursuant to Chapter 317A of the Minnesota Statutes, its agents and representatives
- (d) "Board" means the Board of Directors of the Association

- (e) "Bylaws" means the Bylaws of the Association
- (f) "Capital Contribution" means a contribution from a Unit Owner at the time of the initial sale of the Unit from the Declarant in an amount equal to twice the monthly charge for the annual assessment
- (g) "CIC" means common interest community created pursuant to the Act
- (h) "City" means collectively the City of Anoka, Minnesota, and the City of Coon Rapids, Minnesota
- (i) "Common Elements" means those portions of the Property identified on the attached **Exhibit "A"**, incorporated by reference herein, which are owned by the Association for the common benefit of the Unit Owners, as herein defined, and the occupants
- (j) "Common Expenses" means expenditures made or liability incurred, other than Special Assessments as herein defined, on behalf of the Association, together with any allocation to reserves
- (k) "Common Expense Assessments" means the Association's assessments for Common Expenses
- (l) "Declarant Control Period" means the period of time extending from the date of the first conveyance of a Unit to a Unit Owner until the earlier of (i) surrender of control by the Declarant, (ii) sixty (60) days after conveyance of the fifteenth (15th) Unit to a Unit Owners other than Declarant or (iii) three (3) years from the date of the first conveyance of a Unit to a Unit Owner
- (m) "Declaration" means this Declaration of Common Interest Community
- (n) "Eligible Mortgage Holder" means a First Mortgagee, as herein defined, that has requested notice of action pursuant to Article XVI, Section 2 of this Declaration
- (o) "Eligible Insurer or Guarantor" means an insurer or guarantor that has requested notice of action pursuant to Article XVI, Section 2 of this Declaration
- (p) "First Mortgagee(s)" means the holder of any first mortgage on any Unit or Common Element
- (q) "Limited Common Elements" means that portion of the Common Elements set aside and allocated for the exclusive use of one or more but fewer than all of the Units
- (r) "Lot(s)" or "Unit(s)" means each separately described parcel of real property located within the CIC

(s) "Plat" collectively means the plat of Cottages on Main and the plat of Cottages on Main First Addition, both recorded in Anoka County, Minnesota, pursuant to Minnesota Statutes Chapter 515B

(t) "Special Assessments" means the Association's assessments levied for the purpose of defraying, in whole or in part, the cost for construction, reconstruction, repair or replacement of a capital improvement upon the Common Elements, or any portion thereof, including fixtures and personal property related thereto

(u) "Unit Owner(s)" means the record owner of each Lot or Unit

ARTICLE II

CREATION OF UNITS AND COMMON ELEMENTS

Section 1 Establishment of Common Interest Community The Declarant, in order to establish a plan of CIC ownership for the Property and any and all improvements thereon hereby covenants, agrees, declares and states that it hereby divides the Property and improvements therein into separate parcels of real estate, within the meaning of Section 515B 1-103 of the Act, and that such CIC division of the Property and improvements shall hereafter be known as Common Interest Community Number 176, a Planned Community, Cottages on Main and such CIC division shall be upon the terms and conditions hereinafter set forth

(a) UNITS The boundaries of the Units shall be the boundary lines as designated on the Plat. The Units shall have no upper or lower boundary limits

(b) COMMON ELEMENTS The boundaries of the Common Elements shall be the boundary lines designated on the Plat

(c) LIMITED COMMON ELEMENTS The Limited Common Elements defined herein and set forth in the Minnesota Statutes §515B 2-102(f)

Section 2 CIC Not Subject to Conversion Ordinance The CIC is not subject to any ordinance provided for in Section 515B 1-106 of the Act relative to the conversion of buildings to CIC ownership

Section 3 Timeshares The CIC shall not permit timeshare of any Units, Common Elements or Limited Common Elements

Section 4 Master Association The CIC is not subject to a master association

ARTICLE III

MAINTENANCE RESPONSIBILITIES

Section 1 Maintenance by Association and by Unit Owners Except as otherwise required under the Act, the Association shall be responsible for maintenance, repair and replacement

of all Units, Common Elements and Limited Common Elements, except the following (i) the area or space contained within the perimeter walls of each Unit, (ii) awnings, (iii) shutters, and (iv) external air conditioning equipment. Each Unit Owner shall be responsible for maintenance, repair and replacement of the items excepted above as they pertain to the Unit Owner's Unit or the Limited Common Elements benefiting the Unit Owner's Unit.

Section 2 Unit Access Each Unit Owner shall afford to the Association and the other Unit Owners, and to their agents or employees, access through the Unit Owner's Unit and Limited Common Elements reasonably necessary for those purposes provided for herein. In addition, the Association shall have a reasonable right of entry to and upon each Unit and its Limited Common Elements to effect emergency or other necessary repairs which the Unit Owner has failed to perform. The Association, upon the vote of fifty-one percent (51%) or more of its Board, but subject always to Section 515B 3-102(a)(9) of the Act, shall also have the right to grant utility easements under, through or over the Common Elements which are reasonably necessary to the ongoing development and operation of the CIC. The rights of each Unit Owner and the Association to the Common Elements are subject to all matters appearing on the Plat.

Section 3 Damage to Common Elements or Units If damage is inflicted on the Common Elements or any Unit through which access is taken, the Unit Owner responsible for the damage, or the Association if it is responsible, is liable for the prompt repair thereof. Such Unit Owner's share of any expense for such damage may be assessed by the Association against such Unit Owner's Unit in the manner of an assessment under Article V hereof.

Section 4 Easement to City The City is hereby granted a perpetual non-exclusive easement for the purpose of ingress and egress in and to the Common Elements for the purpose of maintenance or repair to any water, sewer or other underground utility owned or maintained by the City.

Section 5 Streets within CIC The streets within the CIC are private streets. As such, the maintenance of these streets is the responsibility of the Association.

ARTICLE IV

ALLOCATION OF COMMON EXPENSES

Section 1 Common Expense Assessment From and after the adoption of the budget and the levying expenses by the Association under Section 515B 3-115 of the Act, each Unit Owner covenants to pay Common Expense Assessments. Common Expense Assessments shall be allocated among the Units in the manner set forth on **Exhibit "B"** attached hereto. Pursuant to Section 515B 3-115(h)(2) of the Act, the Association may assess any common expense benefiting less than all of the Units against those Units benefited by the expense. Common Expense Assessments shall be payable monthly as provided in the Bylaws.

Section 2 Alternate Assessment Program, Assessment for Units Owned by the Declarant The following alternative assessment program is established pursuant to Section 515B 3-115(a)(2) of the Act. Notwithstanding anything to the contrary in this Article IV, Section 2, if Common Expense Assessments have been levied, any Unit owned by Declarant for initial sale shall

be assessed at the rate of 25% of the assessment levied on other Units of the same type from the time a Unit is created until a certificate of occupancy has been issued with respect to the Unit owned by Declarant

- (a) Maximum Amount of Assessment as to each Unit Until January 1st of the year immediately following the year of conveyance of the first Unit to an Owner, the maximum annual assessment permitted with respect to each Unit shall be \$1,620 00 annually, or, if collected monthly, \$135 00 per month. From and after January 1st of that year, assessments shall be determined by the Board.
- (b) Duration of Alternate Assessment Program The alternate assessment program shall be effective for a period of not less than one year, from the date of this Declaration or the expiration of the Declarant Control Period, whichever is later.
- (c) Expiration of Authority to Commence Program Declarant's authority to commence the alternate assessment program shall expire no later than the expiration of the Declarant Control Period.
- (d) Level of Services The alternate assessment program shall have no effect on the level of services for items set forth in the Association's budget.

Section 3 Deficiency Contributions For every calendar year during which Declarant pays assessments under the alternate assessment program, Declarant shall contribute to the Association all funds in excess of the budgeted and collected assessments which shall be necessary to defray the costs properly paid or incurred by it for the purposes for which annual assessments may be collected all without limitation to the maximum amounts provided herein. In the event the Declarant defers levying the first annual assessment until after the conveyance of the first Unit in the CIC, Declarant shall contribute all funds necessary to pay those expenses incurred for which annual assessments would have otherwise paid. Declarant's contribution for the calendar year during which the Declarant Control Period terminates shall be prorated to the date of such termination.

For purposes hereof, the establishment of reserves pursuant to this Declaration does not constitute payment or incurring of costs by the Association in either event listed above and Declarant's deficiency contribution shall not be required to be applied to the establishment of reserves.

Section 4 Date of Commencement of Annual Assessments, Due Dates The annual assessments provided for herein shall commence for any Unit within the Property on the day the Declarant levies the first annual assessment or on the day of conveyance of the first Unit in the Property in Declarant's sole discretion and shall be prorated for the month of said conveyance or levy. The Board shall fix the amount of the annual assessment against each Unit at least thirty (30) days in advance of each assessment period and in lieu thereof, the amount of the prior year's annual assessment shall be the fixed amount. Written notice of any changed amount of the annual assessment shall be sent to every Unit Owner subject thereto. The due dates when said annual assessments are due and payable shall be established by the Board.

Section 5 Capital Contribution At the time of the initial sale of any Unit from Declarant to any Unit Owner, such Unit Owner shall pay to Declarant a Capital Contribution. The Capital Contribution shall be delivered by Declarant to the Association for use as described in this Declaration. The Capital Contribution for any Unit shall be levied only upon the initial sale by Declarant to an Owner and shall not be levied on any subsequent sales of the Unit.

ARTICLE V

LIABILITY FOR ASSESSMENTS

Section 1 Lien of Association The Association shall have a lien on each Unit for any assessments levied against that Unit, as provided under Section 515B 3-116 of the Act and such lien shall have the priority and may be foreclosed in the manner provided in the Act. If an assessment is payable in installments, including but not limited to the annual assessment for Common Expenses, the full amount of the assessment is a lien from the time the first installment thereof becomes due. Fees, including but not limited to reasonable attorneys' fees, charges, late charges, fines and interest charges pursuant to Section 515B 3-102 (10), (11), and (12) of the Act shall be enforceable as assessments.

Section 2 No Waiver of Liability Each Unit Owner at the time an assessment is payable is personally liable to the Association for the payment of the assessment against his or her Unit, as provided in Section 515B 3-116(e) of the Act, and no Unit Owner may exempt himself or herself from the liability for Common Expenses by waiver of the use or enjoyment of any of the Common Elements or by the abandonment of the Unit.

Section 3 Liability of Grantee for Unpaid Assessments In a voluntary conveyance of a Unit (except as provided with respect to First Mortgagees) the grantee of the Unit shall be jointly and severally liable with the grantor for all unpaid assessments levied by the Association on the Unit subject to the conveyance, without prejudice to the grantee's right to recover from the grantor the amounts paid by the grantee therefor. Any grantee shall be entitled, upon written request, to a statement setting forth the amount of unpaid assessments currently levied against the Unit, as provided in Section 515B 3-116(g) of the Act.

Section 4 Reserve for Replacement, Monthly Assessments Common Expense Assessments shall include an adequate fund for replacement of Unit, Common Element or Limited Common Element components which the Association is so obliged to maintain, repair or replace. Said fund shall be funded by monthly payments and not by extraordinary special assessments.

ARTICLE VI

VOTING RIGHTS

Section 1 Allocation Voting rights in the Association shall be allocated as set forth on Exhibit "B" attached hereto.

Section 2 Declarant Control During the Declarant Control Period, the Declarant hereby reserves 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) No later than sixty (60) days after conveyance of the tenth (10th) Unit to a Unit Owner other than Declarant or an affiliate of Declarant, a meeting of the Unit Owners shall be held after which the Board shall consist of three (3) directors. The Declarant shall select two (2) directors and the Unit Owners shall select one (1) director,

(b) Upon termination of the Declarant Control Period, the Unit Owners shall elect a Board of at least three (3) directors. The directors need not be Unit Owners unless required by the Articles 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.

(c) Except as otherwise provided in this subsection, meetings of the Board 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 or Bylaws, 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 §317A.011, subdivision 14. Meetings may be closed to discuss the following:

- (1) personnel 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 or Association or the privacy of a Unit Owner or occupant of a Unit, or
- (3) Criminal activity arising within the CIC 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.

ARTICLE VII

MISCELLANEOUS COVENANTS

Section 1 Miscellaneous Covenants Declarant, for itself, its successors and assigns, by this Declaration, and any future Unit Owner, by acceptance of deed to a Unit, covenant and agree as follows

(a) Leases No Unit Owner shall be permitted to lease his or her Unit for transient or hotel purposes. No Unit Owner may lease less than the entire Unit and no lease shall provide an initial term (exclusive of extensions or options to renew) of less than sixty (60) days. Any lease agreement shall provide that the terms of the lease shall be subject in all respects to the provisions of this Declaration and the terms of the Bylaws and that any failure by the lessee to comply with the terms of such documents shall be a default under the lease. All leases shall be in writing. In the event any Unit Owner leases his or her Unit, the Unit Owner shall at all times keep the Association advised in writing of the address of his or her current residence and any changes thereto, and of the name(s) of his or her tenant(s). Other than the foregoing, there is no restriction on the right of any Unit Owner, including the Declarant, to lease any Unit.

(b) Encroachments If any portion of the Common Elements encroach upon any Unit, or if any Unit shall encroach upon any other Unit or upon any portion of the Common Elements as a result of the present construction of a building, or if any such encroachment shall occur hereafter as a result of settling, expectable expansion, sag or structural adjustment of the building (as distinguished from sudden, extreme and accidental change by Acts of God or other accidental causes), a valid easement for the encroachment and for the maintenance of the same, as long as the building stands, shall exist. If a building, or any adjoining part of the Common Elements shall be partially or totally destroyed as a result of fire or other casualty and then rebuilt, encroachments on the Common Elements upon any Unit or of any Unit upon any other Unit or upon any part of the Common Elements, due to such rebuilding, shall be permitted, and valid easements for such encroachments and the maintenance thereof shall exist so long as the particular building shall stand and such encroachments and easements shall not affect marketability of title.

Nothing herein contained shall be construed as contrary to the conclusive presumption of Section 515B 2-115 of the Act that the existing physical boundaries of a Unit or a Unit reconstructed in substantial accordance with the Plat are to be the boundaries of the Unit, regardless of settling or lateral movement of a building.

(c) Ingress and Egress of Unit Owners Each Unit shall be the beneficiary of an appurtenant easement for access to a public street or highway on or across the

Common Elements There shall be no restriction upon any Unit Owner's right of ingress to and egress from his or her Unit

(d) Administration The administration of the CIC shall be in accordance with the provisions of the Act, this Declaration and the Bylaws

(e) Compliance with the Declaration, the Bylaws and Rules and Regulations Each Unit Owner, tenant or occupant of a Unit shall comply with the provisions of this Declaration, the Bylaws and any rules and regulations of the Association, as amended from time to time, and failure to comply with any such provision shall be grounds for action to recover sums due, for damages, or for injunctive relief, at the sole discretion of the Association, including, but not limited to, the following

- i Commence legal action for damages or equitable relief in any court of competent jurisdiction
- ii Impose late charges of up to the greater of \$20 00, or 15% of the amount due, for each past due assessment or installment thereof, and interest at up to the highest rate permitted by law
- iii 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 Unit 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 Unit Owner
- iv Impose reasonable fines, penalties or charges for each violation of the Act, the Articles, Bylaws or the rules and regulations of the Association
- v Suspend the rights of any Unit Owner or occupant and their guests to use any Common Element amenities, provided, that this limitation shall not apply to Limited Common Elements or deck, balcony, porch or patio easements, appurtenant to the Unit, and those portions of the Common Elements providing utilities service and access to the Unit Such suspensions shall be limited to periods of default by such Unit Owners and occupants in their obligations under the Articles or Bylaws, and for up to 30 days thereafter, for each violation
- vi Restore any portions of the Common Elements or Limited Common Elements damaged or altered, or allowed to be damaged or altered, by any Unit Owner or occupant or their guests in violation of the Articles or Bylaws, and to assess the cost of such restoration against the responsible Unit Owners and their Units

- vii Enter any Unit or Limited Common Element in which, or as to which, a violation or breach of the Articles or Bylaws exists which materially affects, or is likely to materially affect in the near future, the health or safety of the other Unit Owners or occupants, or their guests, or the safety or soundness of any dwelling or other part of the Property or the property of the Unit Owners or occupants, and to summarily abate and remove, at the expense of the offending Unit 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 Unit Owner
- viii Foreclose any lien arising under the provisions of the Act, Articles, Bylaws or under law

(f) Use of Common Elements There shall be no obstruction, littering, defacement or misuse of Common Elements nor shall anything be stored in the Common Elements except in areas designated for such storage by the Board

(g) Exterior Appearance of Building No Unit Owner or occupant of any Unit shall cause or permit anything to be hung, displayed, or placed on the outside windows of any building, on the outside of exterior doors, or on the outside walls or roof of such buildings, no exterior awnings, shutters, canopies, radio or television antennas (except as provided in subsection (m) hereof) shall be erected nor any signs affixed to or placed upon exterior walls or roofs or any part thereof or other parts of the Common Elements (except for Declarant's right to place signs pursuant to subsection (j) hereof), nor shall any change in the outside appearance of any exterior surface of a building be made without the prior written consent of the Appearance Control Committee, as defined in to Article IX hereof

(h) Residential Use The Property is hereby restricted to residential use, and ancillary and accessory uses and buildings in connection therewith (except for model homes and sales offices which may be operated by Declarant or its designees, during the construction or sales period) All buildings or structures erected on the Property shall be of new construction and no buildings or structures shall be moved from other locations to the CIC No building or structure of a temporary character, trailer, tent, shack, garage, barn, or other outbuilding shall be placed on or used on any Unit at any time as a residence, either temporarily or permanently

(i) Animals No animals shall be permitted to be kept on the Property by any Unit Owner or occupant of a Unit except conventional domesticated animals kept as pets Conventional domestic animals specifically exclude among other animals, snakes, reptiles of any sort, and large cats such as tigers, lions, cougars and the like No kennel, doghouse or outside run shall be constructed or maintained on the Property, except with the approval of the Board The Association may regulate the

size, materials and location of any approved kennel, doghouse or run. No pet shall be kept for any commercial purpose nor shall pets be bred for a commercial purpose upon the Property. Any cat or dog, whenever outside of a Unit, shall be kept under the direct control of the pet owner or another person able to control the pet. No pet shall be left outside unattended, whether leashed or otherwise. The person in charge of the pet must clean up after it. The Board may adopt more specific rules and regulations and penalties not inconsistent with the foregoing, and may make all or specified portions of the Common Elements off-limits to pets. Upon the petition of sixty six percent (66%) of the Unit Owners located within sixty-five (65) feet of the Unit in which resides a specified pet, the Board may order the removal of a particular pet for constant and uncontrolled barking, repeated instances of wandering unleashed or other repeated behavior reasonably offensive to others, provided that the Unit Owner of the Unit harboring the pet shall first have thirty (30) days written notice in which to correct the pet's offensive behavior.

(j) Commercial Activities, Nuisances No advertising signs, billboards, objects of unsightly appearances or nuisances shall be erected, placed or permitted to remain on any Unit, nor shall any Unit be used in any way or for any purpose which may endanger the health or unreasonably disturb the residents of the CIC except that no more than one (1) "for sale" sign or "for rent" sign of not more than five (5) square feet shall be maintained on any Unit. No commercial activities of any kind whatsoever shall be conducted on any building or on any portion of the Property except activities intended primarily to service residents in the Property. The foregoing restrictions shall not apply to the commercial activities, signs and billboards, if any, of the Declarant or its designees, or the use or operation of sales offices or model Units on any Units by the Declarant or its designees during the construction and sales period or by the Association in furtherance of its powers and purposes set forth hereinafter and in its Articles, Bylaws and rules and regulations, as the same may be amended from time to time. The Declarant and its successors and assigns shall have the right to rent any or all Units.

(k) Screening, Trash Removal All rubbish, trash and garbage shall be regularly removed from the Property and shall not be allowed to accumulate thereon. There shall be no trash piles or storage piles on the property of any Unit. The foregoing restrictions shall not apply to the activities of Declarant, its designees and those working for or on behalf of Declarant during the construction and sales period.

(l) Derricks, etc No derrick or other structure designed for use in boring, mining, or quarrying for oil, natural gas or precious minerals, shall be erected, maintained or permitted upon any Unit, provided that nothing in this Declaration shall be construed to restrict a public utility from erecting, maintaining, and operating upon any Unit owned by it within the Property, a well, housing, and equipment for the purpose of extracting from the sub-surface and/or the treatment storage and distribution of water through the system of such public utility.

(m) Radio, T V Satellite Antennae No radio or television receiving or transmitting antennae or external apparatus shall be installed on any Unit, save and

except for the installation of satellite receivers as may be permissible under federal law, said receivers not to exceed one (1) meter in diameter, and said installation to be consented to and approved in writing in each instance by the Appearance Control Committee, as defined in Article IX hereof. Normal radio and television installations wholly within a residence are permitted.

(n) Maintenance of Easement Areas Easements for installation and maintenance of the utilities, sewer pipelines and facilities and drainage facilities over each of said Units, and in the Common Elements are reserved as shown on the Plat or as created in accordance with this Declaration or any amendments hereof. Within these easements, no structure, planting or other materials shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities, or which may change the direction in the flow of drainage channels in the easements, or which may obstruct or retard the flow of water through drainage channels in the easements. The easement area of each Unit and all improvements in it shall be maintained continuously by the Unit Owner of the Unit, except for those improvements for which a public authority, a private or public utility company or the Association is responsible. The easement area of the Common Elements shall be maintained continuously by the Association.

(o) Prohibition of Fences, Clothes Lines and Storage Sheds There shall be no fences, clothes lines, service sheds or storage sheds constructed or placed on any Unit.

(p) Storage Outside storage of any items, including but without limiting the generality of the foregoing, sporting equipment, toys, outdoor cooking equipment (except lawn furniture and one gas or charcoal grill per Unit which may be left on balcony, deck or patio, if any), yard and garden tools and equipment and trash and garbage containers (except on the day of pick-up) shall not be allowed. No boats, snowmobiles, trailers, camping vehicles, tractor/trailer or trucks in excess of 9,000 pounds gross weight or unlicensed or inoperable vehicles shall at any time be stored or parked outside of a Unit nor on the Common Elements without the express written approval of the Board, which approval may be withheld without a stated reason.

(q) Parking Garages and parking areas on the Property shall be used only for parking of vehicles owned or leased by Unit Owners, 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, including without limitation the right of the Association to tow illegally parked vehicles or to remove unauthorized personal property.

(r) Hazardous Activities and Waste, Alterations Nothing shall be done or kept in any Unit or any Common Elements which will increase the rate of insurance on the CIC or the contents thereof or result in increased water, sewer or other utility charges, without the prior written consent of the Board. No Unit Owner or occupant shall permit anything to be done or kept in any Unit or in the Common Elements

which will result in the cancellation of insurance on the CIC, or contents thereof, or which will be in violation of applicable law or ordinance. No waste shall be committed in the Common Elements. No Unit Owner shall make any improvement or alterations to his or her Unit that would impair that structural integrity or mechanical systems or lessen the support of any portion of the CIC without the prior written approval of the Board, which written approval may be conditioned upon (i) the showing to the Association of complete plans and specifications for such alteration or improvement prepared by a licensed architect or engineer, and (ii) the showing to the Association of financial guarantees or assurances satisfactory to the Association that all claims for labor or material purchased in connection with such alteration or improvement will be fully paid and that no claims or liens will arise therefrom. Should an alteration or improvement be approved by the Association, the Association may increase that particular Unit Owner's Common Expense Assessments to account for the increased maintenance or reserve attributable thereon.

ARTICLE VIII

CIC ASSOCIATION

Section 1 Membership. Every person or entity, including the Declarant, who is a record owner of a fee or an undivided fee interest in any Unit which is subject to this Declaration, shall be a member of the Association and each purchaser of any Unit by acceptance of a deed or contract for deed therefor covenants and agrees to be a member of the Association whether or not it shall be so expressed in any deed or other conveyance. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation including contract vendors (unless the contract for deed provides otherwise), until such time as such person acquires a fee simple interest in such Unit by foreclosure or by a proceeding in lieu thereof, or, as to a contract vendor, until such time as the contract for deed is canceled. For each Unit owned, the Unit Owner(s) thereof shall be entitled to one (1) membership. Memberships shall be appurtenant to and may not be separated from the fee ownership of any Unit. For the purpose of this Declaration, the word "member" shall include any beneficiary of a trust holding legal title to one or more Units.

Section 2 Transfer. Membership held by an Unit Owner is an appurtenance to such Unit and shall not be transferred, alienated, or pledged in any way, except upon the sale or encumbrance of such Unit, and then only to the purchaser of such Unit. Any attempt to make a transfer except by the sale or encumbrance of a Unit is void. Reference to the transfer of membership need not be made in an instrument of conveyance or encumbrance of such Unit for the transfer to be effective, and the same shall automatically pass with title to the Unit.

ARTICLE IX

APPEARANCE CONTROL COMMITTEE

No structure, patio, deck, post, exterior improvement or addition, landscaping or plant materials shall be erected, placed or altered on any Unit ("Improvement") described herein (except as are installed or approved by the Declarant in connection with the initial construction of the Units and other improvements) until the building plans, specifications and plat plan showing the location

and proposed erection, placement or alteration of any such Improvement has been approved in writing as to conformity of external design and harmony with existing structures or landscaping on the Property and as to location with respect to topography and finished ground elevation, by a committee designated by the Board ("Appearance Control Committee") The Appearance Control Committee shall notify an applicant of such approval or disapproval of its action within thirty (30) days after said building plans and specifications and plat plan or landscaping plan or description have been submitted, or, in the event the committee does not disapprove the building plan, specifications and plat plan as submitted within said 30 day period and no suit to enjoin the Improvement has been commenced prior to the completion thereof, such approval will not be required, and this covenant shall be deemed to have been fully complied with If no application has been made to the Appearance Control Committee, or if such application has been rejected, a suit to enjoin or remove such Improvement may be instituted at any time by the Association or any Unit Owner in which suit the Association or any Unit Owner shall have the right to collect reasonable attorneys' fees, costs and expenses, provided, however, no suit to enjoin or remove such Improvement may be commenced if such Improvement has been completed for a period of ninety (90) days and thereafter a deed to a new Unit Owner is recorded, such improvements then being deemed to have been approved by the Appearance Control Committee No member of the Appearance Control Committee, nor its designated representative, shall be entitled to any compensation for such services performed pursuant to this covenant Nothing in this Article shall prohibit a Unit Owner from maintaining a garden on the Unit Owner's Unit

ARTICLE X

INSURANCE: DAMAGE OR DESTRUCTION

Section 1 Statutory Requirements The Association shall

- (a) Commencing not later than the time of the first conveyance of a Unit to a Unit Owner other than Declarant, maintain, to the extent reasonably available
 - (1) subject to subsection (b), property insurance (i) on the Common Elements and also on property that must become Common Elements, (ii) for broad form covered causes of loss, and (iii) in a total amount of not less than the full insurable replacement cost of the insured property, less deductibles, at the time the insurance is purchased and at each renewal date, exclusive of items normally excluded from property policies, and
 - (2) commercial general liability insurance against claims and liabilities arising in connection with the ownership, existence, use or management of the Property in an amount not less than \$1,000,000.00 or otherwise deemed sufficient in the judgment of the Board, insuring the Board, the Association, the management agent and their respective employees, agents and all persons acting as agents The Declarant shall be included as an additional insured in its capacity as a Unit Owner Director The Unit Owners shall be included as additional insureds but only for claims and liabilities

arising in connection with the ownership, existence, use or management of the Common Elements. The insurance shall cover claims of one or more insured parties against other insured parties.

(b) The insurance maintained under subsection (a) (1) shall include the Units and the Common Elements. The insurance need not cover improvements and betterments to the Units installed by the Unit Owners, but if improvements and betterments are covered, any increased cost may be assessed by the Association against the Units affected. The Association may, in the case of a claim for damage any Unit, (i) pay the deductible amount as Common Expense, (ii) assess the deductible against the Units affected in any reasonable manner, or (iii) require the Unit Owners of the Units affected to pay the deductible amount directly.

(c) If the insurance described in subsections (a) and (b) is not reasonably available, the Association shall promptly cause notice of that fact to be hand delivered or sent prepaid by United States mail to all Unit Owners. The Association may carry any other insurance it considers appropriate to protect the Association, the Unit Owners or officers, directors or agents of the Association.

(d) Insurance policies carried pursuant to subsections (a) and (b) shall provide that

- (1) each Unit Owner and secured party is an insured person under the policy with respect to liability arising out of the Unit Owner's membership in the Association,
- (2) the insurer waives its right to subrogation under the policy against the Unit Owner or members of the Unit Owner's household and against the Association and members of the Board,
- (3) no act or omission by any Unit Owner or secured party, unless acting within the scope of authority on behalf of the Association, shall void the policy or be a condition to recovery under the policy, and
- (4) if at the time of a loss under the policy there is other insurance in the name of a Unit Owner covering the same property covered by the policy, the Association's policy is primary insurance.

(e) Any loss covered by the property policy under subsection (a)(1) shall be adjusted by and with the Association. The insurance proceeds for that loss shall be payable to the Association, or to an insurance trustee designated by the Association for that purpose. The insurance trustee or the Association shall hold any insurance proceeds in trust for Unit Owners and secured parties as their interest may appear.

The proceeds shall be disbursed first for the repair or restoration of the damaged Common Elements and Units. Unit Owners and secured parties are not entitled to receive any portion of the proceeds unless there is a surplus of proceeds after the

Common Elements and Units have been completely repaired or restored or this CIC is terminated

(f) An insurer that has issued an insurance policy under this section shall issue certificates or memoranda of insurance, upon request, to any Unit Owner or secured party. The insurance may not be canceled until thirty (30) days after notice of the proposed cancellation has been mailed to the Association, each Unit Owner and each secured party for an obligation to whom certificates of insurance have been issued.

(g) Any portion of this CIC which is damaged or destroyed as a result of a loss covered by the Association's insurance policy shall be promptly repaired or replaced by the Association unless (i) this CIC is terminated and the Association votes not to repair or replace all or part thereof, (ii) repair or replacement would be illegal under any state or local health or safety statute or ordinance, or (iii) eighty percent (80%) of the Unit Owners and related First Mortgagees, vote not to rebuild. The cost of repair or replacement of the Common Elements in excess of insurance proceeds and reserved shall be paid as a Common Expense, and the cost of repair of a Unit in excess of insurance proceeds shall be paid by the respective Unit Owner.

(h) If less than the entire CIC is repaired or replaced, (i) the insurance proceeds attributable to the damaged Common Elements shall be used to restore the damaged area to a condition compatible with the remainder of this CIC, (ii) the insurance proceeds attributable to Units and Limited Common Elements which are not rebuilt shall be distributed to the Unit Owners of those Units, including Units to which the Limited Common Elements were assigned, and the secured parties of those Units, as their interests may appear, and (iii) the remainder of the proceeds shall be distributed to all the Unit Owners and secured parties as their interests may appear, in proportion to their common expense liability.

(i) If the Unit Owners and First Mortgagees vote not to rebuild a Unit, that Unit's voting interest in the Association and Common Expense liability are automatically reallocated upon the vote as if the Unit had been condemned under Section 515B 1-107 of the Act and the Association shall promptly prepare, execute and record an amendment to this Declaration reflecting the reallocations. Notwithstanding the provisions of this subsection, if this CIC is terminated, insurance proceeds not used for repair or replacement shall be distributed in the same manner as sales proceeds pursuant to Section 515B 2-119 of the Act.

Section 2 Unit Owner's Insurance for Liability and Contents of Units Each Unit Owner shall maintain at his or her own cost and expense such insurance coverage as he or she may desire with respect to (i) personal liability for acts and occurrences upon his or her Unit and within the Unit Owner's Unit and (ii) physical damage losses for personal property and the contents for the Unit Owner's Unit and any improvements, additions or betterments installed either by a person or entity other than as a part of the initial construction, whether made inside or outside the Unit Owner's Unit, and shall further maintain at the Unit Owner's cost and expense, any special flood hazard insurance as may be required by the First Mortgagee of the Unit Owner's Unit. The Association shall have no obligation in connection therewith.

Section 3 Workers' Compensation and Fidelity Insurance The Association shall obtain and maintain a policy or policies of insurance with reputable insurance carriers providing the following coverage

- (a) Workers' Compensation and employers' liability insurance in such form and in such amounts as may be necessary to comply with applicable laws,
- (b) Fidelity insurance or bonds in reasonable amounts for all officers and employees having fiscal responsibilities, naming the Association as obligee, and
- (c) Such other insurance in such limits and for such purpose as the Association may, from time to time, deem reasonable and appropriate

Section 4 Insurance Premium Expense The expense of insurance premiums paid by the Association under this Article shall be an expense of the Association to which the assessments collected by the Association from the Unit Owners shall be applied

ARTICLE XI

CONDEMNATION

Section 1 Condemnation of Unit or Common Elements The following provisions shall pertain where a Unit, or any portion thereof, or the Common Elements, or any portion thereof, is made the subject of an eminent domain proceeding, proceeding in lieu of condemnation or is otherwise sought to be acquired by a condemning authority

- (a) If a Unit is acquired by eminent domain, or if part of a Unit is acquired by eminent domain leaving the Unit Owner with a remnant which may not practically or lawfully be used for any material purpose permitted by this Declaration, the award shall compensate the Unit Owner and secured party in the Unit, as their interests may appear, whether or not any Common Element interest is acquired. Upon acquisition, unless the order or final certificate otherwise provides, that Unit's allocated interests are automatically reallocated among the remaining Units in proportion to the remaining Units respective allocated interests prior to the taking, and the Association shall promptly prepare, execute and record an amendment to this Declaration reflecting the allocations. Any remnant after part of a Unit is taken under this subsection is thereafter a Common Element
- (b) Except as provided in subsection (a), if part of a Unit is acquired by eminent domain, the award shall compensate the Unit Owner and secured party for the reduction in value of the Unit and its interest in the Common Elements, whether or not any Common Elements are acquired. Upon acquisition, unless the order or final certificate otherwise provides, (i) that any Unit's allocated interests are reduced in proportion to the reduction in the size of the Unit, and (ii) the portion of the allocated interests divested from the partially acquired Unit are automatically reallocated to the Unit and to the remaining Units in proportion to the respective allocated interests of

those Units before the taking, with the partially acquired Unit participating in the reallocation on the basis of its reduced reallocated interests

(c) If part of the Common Elements are acquired by eminent domain, the portion of the award attributable to the Common Elements taken shall be paid to the Association. Any portion of the award attributable to the acquisition of a Limited Common Element shall be equally divided among the owners of the Units to which the Limited Common Element was allocated at the time of acquisition and their secured parties, as their interests may appear.

(d) In any eminent domain proceeding, the Units shall be treated as separate parcels of real estate for valuation purposes, regardless of the number of Units subject to the proceedings.

(e) Any distribution to a Unit Owner from the proceeds of an eminent domain award shall be subject to any limitations imposed by this Declaration and the Bylaws.

(f) The court order or final certificate containing the final awards shall be recorded in every county in which a portion of the CIC is located.

Section 2 Association Representation The Association shall represent the Unit Owners in the condemnation, or in negotiations, settlements and agreements with the condemning authority in any condemnation of Common Elements, and each Unit Owner, by acceptance of a deed to a Unit, appoints the Association, or such person engaged by the Association, as attorney-in-fact for such purpose. Such condemnation proceeds shall be applied for the restoration or repair of any Common Elements remaining after such condemnation, and any portion of the award not used for any such restoration or repair shall be divided among the Unit Owners and the First Mortgagees in the manner prescribed by Section 515B 1-107 of the Act.

ARTICLE XII

SPECIAL DECLARANT RIGHTS

Section 1 Special Declarant Rights The Declarant expressly reserves the following rights ("Special Declarant Rights"), as the term is used in Section 515B 1-103(31) of the Act:

(a) To elect, or cause persons designated by it to elect, the officers and members of the Board in accordance with Article VI hereof,

(b) To maintain on the Property such sales offices, management offices, signs advertising the CIC, and models, under Section 515B 2-116 of the Act (which models may be any Unit owned from time to time by Declarant),

(c) To use easements through the Common Elements for the purpose of making improvements within the CIC,

- (d) To create Units, Common Elements or Limited Common Elements within the CIC,
- (e) To merge or consolidate the CIC with another common interest community of the same form of ownership and
- (f) To add additional real estate, under Section 515B 2-111 of the Act

ARTICLE XIII

OWNER'S OBLIGATION TO MAINTAIN

Each Unit Owner, his or her successors and assigns, hereby covenants and agrees at all times to maintain the Unit Owner's Unit in a neat and proper condition and to perform all necessary repairs thereto, to the extent not provided for by the Association pursuant to this Declaration

ARTICLE XIV

JOINT CONNECTION OF SEWER, WATER, ELECTRICAL, GAS, TELEPHONE LINES AND CABLE TELEVISION

The rights and duties of the Unit Owners with respect to sewer, water, gas, telephone, cable television and other utilities shall be governed by the following

- (a) Whenever joint connections of sanitary and storm sewer, water, electricity, gas, telephone, cable television or other utility lines are installed within the CIC, and the connections, or any portion thereof, lie in or upon Units owned by others than the Unit Owners served by said connection shall have the right and are hereby granted an easement to the full extent necessary therefor, to enter upon Unit(s) or have the utility companies enter upon the Unit(s) within the CIC in or upon which said connection, or any portion thereof, lies, to read meters, repair, replace and generally maintain said connection as and when the same may be necessary as set forth below, and further, if a majority of the Board deems the repair, replacement or maintenance of such connection to be an emergency, the Association shall have the right to repair, replace or maintain such connection and assess the costs thereof against the any Unit served by such connection in the amount the Unit Owner would otherwise be responsible for under subsections (c) and (d) herein, and each Unit Owner, for himself or herself, his or her heirs, successors and assigns, covenants that the Unit Owner will pay the Association said assessment upon demand or in such periodic payments as may be determined by the Board, and that said assessment, if not paid on the date when due, shall become delinquent, shall become a continuing lien on the Unit and the personal obligation of the Unit Owner and shall be subject to collection, enforceability, foreclosure and remedies of the Association in the manner set forth herein for other assessments by the Association
- (b) Whenever joint connections of storm and sanitary sewer, water, electricity, gas, telephone, cable television or other utility lines are installed within the CIC and

the connections serve more than one Unit, the Unit Owners of each Unit serviced by said connection shall be entitled to the full use and enjoyment of such portions of said connection as services his or her Unit

(c) In the event any portion of said connection or line is obstructed, damaged or destroyed through the act of a Unit Owner being served by said connection, or any of his or her agents, guests, or members of his or her family, whether or not such act is negligent or otherwise culpable, so as to deprive the other Unit Owners being served by said connection of the full use and enjoyment of said connection, then the Unit Owner shall forthwith proceed to replace or repair the same to as good a condition as formerly, without cost to the other Unit Owners served by said connection

(d) In the event any portion of said connection or line is obstructed, damaged or destroyed by some cause other than the act of any Unit Owner being served by said connection, his or her agents, or members of his or her family (including ordinary wear and tear and deterioration from lapse of time), then in such event if said obstruction, damage or destruction shall prevent the full use and enjoyment of such connection by the other Unit Owners served by said connection, all such Unit Owners who are thereby deprived of said use and enjoyment shall proceed forthwith to replace or repair said connection to as good a condition as it was formerly at their joint and equal expense

ARTICLE XV

MUNICIPAL ORDINANCES

Section 1 City Ordinances Prevail None of the covenants, conditions, restrictions or provisions of this Declaration are intended to supersede or prevail over the ordinances of general applicability of the City, and in the event of any conflict, the applicable ordinances of the City shall supersede and prevail over the covenants, conditions, restrictions and provisions of this Declaration

Section 2 Standards of Maintenance Any standards of maintenance of the Units and the residences and improvements located thereon, and the Common Elements, as adopted by the Association from time to time, shall be at least equal to those set forth in the ordinances of general applicability of the City, in effect from time to time which govern and control the maintenance of private property

ARTICLE XVI

RIGHTS OF FIRST MORTGAGEES

Section 1 Conflicting Provisions The provisions of this Article take precedence over any other conflicting provisions of this Declaration

Section 2 Notice of Action Upon written request of action to the Association, identifying the name and address of a First Mortgage and the Unit number or address, any Eligible Mortgage Holder or Eligible Insurer or Guarantor shall be entitled to timely written notice of

- (a) Any condemnation loss or casualty loss which affects a material portion of the CIC or any Unit on which there is a first mortgage held, insured, or guaranteed by such Eligible Mortgage Holder or Eligible Insurer or Guarantor, as applicable,
- (b) Any delinquency in the payment of assessments or charges owed by a Unit Owner subject to a first mortgage held, insured or guaranteed by such Eligible Mortgage Holder or Eligible Insurer or Guarantor, which remains uncured for a period of one hundred twenty (120) days,
- (c) Any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association,
- (d) Any proposed action which would require the consent of a specified percentage of mortgage holders as specified elsewhere in this Article, and
- (e) All meetings of the Association to the extent the Eligible Mortgage Holder or Eligible Insurer or Guarantor was a Unit Owner

Section 3 Certain Amendments to Declaration or Bylaws In addition to statutory requirements for amendment of this Declaration and the Bylaws, and to all other requirements set forth herein, unless at least sixty-seven percent (67%) (or such higher percentage as is required by law or this Declaration) of the Eligible Mortgage Holder or then assigns, and at least sixty-seven percent (67%) (or such higher percentage as is required by law or this Declaration) of the Unit Owners (other than any sponsor, developer, builder, or the Declarant) have given their prior written approval, neither the Association nor the Unit Owners shall be entitled to

- (a) Terminate the legal status of the CIC (except in accordance with procedures set forth in the Act or this Declaration in the event of amendment or termination made as a result of destruction, damage or condemnation),
- (b) By act or omission, seek to abandon, partition, subdivide, encumber, sell or transfer the Common Elements (the granting of easements for public utilities or for other public purposes consistent with the intended use of the Common Elements shall not be deemed such a transfer), or
- (c) Use hazard insurance proceeds for losses to any CIC property (whether to Units or to Common Elements) for other than the repair, replacement or reconstruction of such CIC property, except as provided by the Act in case of substantial loss to the Units and/or Common Elements of the CIC

Section 4 Certain Amendments to Material Provisions of Declaration, Articles, or Bylaws In addition to statutory requirements for amendment of this Declaration, the Articles and Bylaws, and to other requirements set forth herein, the written consent of at least sixty-seven percent (67%) of Unit Owners, and the written consent of Eligible Mortgage Holders representing at least sixty-seven percent (67%) of the votes of Units that are then subject to mortgages held by Eligible Mortgage Holders shall be required to add or amend any material provisions of this Declaration. A

change to provisions of this Declaration governing any of the following would be considered material

- (a) Voting rights,
- (b) Assessments, assessment liens, or the priority of assessment liens,
- (c) Reserves for maintenance, repair and replacement of the Common Elements (and Units, if applicable),
- (d) Insurance or fidelity bonds,
- (e) Reallocation of interests in the Common Elements, or rights to use of the Common Elements, except a change in accordance with the procedures set forth in the Act, this Declaration and the Bylaws as a result of destruction, damage or condemnation or with respect to a reallocation of interests in the Common Elements which might occur pursuant to any plan of expansion or phased development contained in this original Declaration or the Bylaws, or a change of Common Elements into Limited Common Elements,
- (f) Creation or increase in Special Declarant Rights,
- (g) Responsibility for maintenance and repairs,
- (h) Expansion or contraction of the project or the addition, annexation or withdrawal of property to or from the project boundaries of any Unit,
- (i) Convertibility Common Elements or of Common Elements into Units,
- (j) Changing the authorized use of a Unit from residential to non-residential,
- (k) Imposition of any right of first refusal or any other restriction on the right of a Unit Owner to sell, transfer or otherwise convert the Unit Owner's Unit,
- (l) Any provisions that expressly benefit mortgage holders, insurers or guarantors,
- (m) A decision by the Association to establish self-management when professional management had been required previously by an Eligible Mortgage Holder, or
- (n) Restoration or repair of the project (after casualty or partial condemnation) in a manner other than that specified in this Declaration and the Bylaws

In each instance of an addition or amendment that is not a material change (such as the correction of a technical error or the clarification of a statement), an Eligible Mortgage Holder or Eligible Insurer or Guarantor who is given a written proposal for such amendment and from whom

no response is received within thirty (30) days after notice of the proposal is given shall be deemed to have approved such proposal

Section 5 Examination of Association Books and Records, Financial Statements The Association shall make available to any Unit Owner, or to any First Mortgage a current copy of this Declaration, the Bylaws, and other rules governing the CIC and the books, records and financial statements of the Association. "Available" means for inspection, upon request, during normal business hours or under other reasonable circumstances. The Association also shall make available to prospective purchasers current copies of this Declaration, the Bylaws of the Association and other rules governing the CIC and the most recent annual audited financial statement if such is prepared. The holders of at least fifty-one percent (51%) of first mortgages shall be entitled to have an audited financial statement prepared at their expense if such statement is not otherwise available. Any financial statement requested pursuant to this Article XVI, Section 5 shall be furnished within reasonable time following such request.

Section 6 Priority of Lien of First Mortgage To the maximum extent permitted by law, the lien for any assessments or other charges becoming payable on or after the date of recordation of any first mortgage on any Unit shall be subordinate to the lien of such first mortgage. Any lien for assessments hereunder shall not be affected by any sale or transfer of the Unit, except that the sale or transfer of title to a Unit pursuant to foreclosure of a first mortgage or deed or proceedings in lieu of foreclosure shall extinguish any subordinate lien for assessments which became payable prior to such sale or transfer of title or which became payable during the redemption period after the foreclosure sale. Any assessments so extinguished may be reallocated and reassessed against all Units as a Common Expense. Any such sale or transfer of title pursuant to a foreclosure or deed or proceedings in lieu of foreclosure of a first mortgage shall not relieve the purchaser or transferee of a Unit from liability for, nor the Unit for, the lien of any assessments made thereafter. To the maximum extent permitted by law, there should be subordinated to any first mortgage the lien of any fees, late charges, fines or interest that may be levied by the Association in connection with unpaid assessments, in the same manner as the subordination of assessments hereunder.

Section 7 Insurance or Condemnation Proceeds Neither this Declaration nor the Bylaws shall be construed to give any Unit Owner, or any other party, priority over the rights of any First Mortgagee pursuant to its first mortgage in the case of a distribution of a Unit Owner of insurance proceeds or condemnation award for losses to or a taking of Common Elements or any portion thereof or any Unit or portion thereof. In the event of substantial damage to or destruction of any Unit or any part of the Common Elements, a First Mortgagee will be entitled to timely written notice of such damage or destruction. If any Unit or portion thereof or the Common Elements or any portion thereof is made the subject matter of any condemnation or eminent domain proceeding or is otherwise sought to be acquired by a condemning authority, a First Mortgagee will be entitled to timely written notice of any such proceedings or proposed acquisition.

ARTICLE XVII

SUBDIVISION OR CONVERSION OF UNITS

The Declarant has not reserved the right to subdivide or convert Units in the CIC, pursuant to Section 515B 2-112 of the Act.

ARTICLE XVIII

COMPLIANCE BY UNIT OWNER

Failure of any Unit Owner to comply with the provisions of this Declaration, the Articles, Bylaws or rules and regulations of the Association, shall give rise to a cause of action in the Association and any aggrieved Unit Owner for the recovery of damages, or for injunctive relief, or both. The foregoing is not intended to restrict or limit the application of Section 515B 4-116 of the Act.

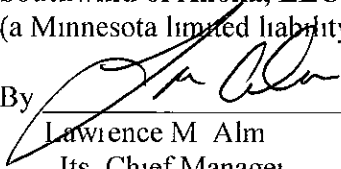
ARTICLE XIX

AMENDMENT

Except as limited by Section 515B 2-118(d) of the Act requiring additional agreement in the case of alteration of Limited Common Elements, and except insofar as a higher voting requirement may be otherwise required under this Declaration, or the Act, this Declaration may be amended by the Association only upon a vote or written agreement of Unit Owners to which at least sixty-seven percent (67%) of the votes in the Association are allocated. Any such amendment to the Declaration shall be effective only when filed or recorded as required by the Act.

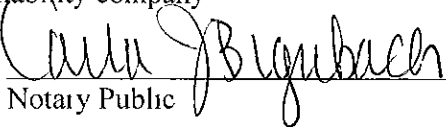
IN WITNESS WHEREOF, the Declarant has executed this Declaration the day and year first written, above:

Southwind of Anoka, LLC
(a Minnesota limited liability company)

By 
Lawrence M Alm
Its Chief Manager

STATE OF MINNESOTA)
) ss
COUNTY OF WASHINGTON)

The foregoing document was acknowledged before me this 19th day of July, 2004, by Lawrence M Alm, the Chief Manager of Southwind of Anoka, LLC, a Minnesota limited liability company, on behalf of said limited liability company.


Notary Public

THIS INSTRUMENT WAS DRAFTED BY
Anastasi & Associates, P A
6120 Oren Avenue North
Stillwater, MN 55082
(651) 439-2951
TJE

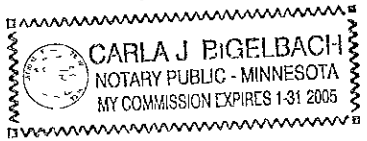


EXHIBIT "A"

COMMON INTEREST COMMUNITY NUMBER 176

A PLANNED COMMUNITY

COTTAGES ON MAIN

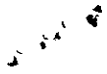
COMMON ELEMENTS

The Common Elements, as used in the foregoing Declaration, located in the County of Anoka, State of Minnesota, are as follows

Lot 9, Block 1, Cottages on Main, according to the recorded plat thereof,

Lot 7 Block 2, Cottages on Main, according to the recorded plat thereof, and

Lot 6, Block 1, Cottages on Main First Addition, according to the recorded plat thereof



Unit 6, Block 2, Cottages on Main	1/19	1/19
Unit 1, Block 1, Cottages on Main First Addition	1/19	1/19
Unit 2, Block 1, Cottages on Main First Addition	1/19	1/19
Unit 3, Block 1, Cottages on Main First Addition	1/19	1/19
Unit 4, Block 1, Cottages on Main First Addition	1/19	1/19
Unit 5, Block 1, Cottages on Main First Addition	1/19	1/19

Co Hages on Main
NETWORK TITLE, INC.
 490 W. HWY 96 #300
 SHOREVIEW, MN 55126

TORRENS

Receipt #	4107724/39 ⁰⁰	<input type="checkbox"/> Tax Lien/Release
Date/Time	8/24/04, 14:00	<input type="checkbox"/> Transfer
Doc Order	1 of 2	<input checked="" type="checkbox"/> Division
Recordability	Jeep	<input type="checkbox"/> Status
Filing Fees	\$ 39 ⁰⁰	<input type="checkbox"/> New legal Description
Well Cert Rec'd		<input type="checkbox"/> GAC
		<input type="checkbox"/> Deferred Specials
		<input type="checkbox"/> No Change
<input type="checkbox"/> Certified Copy/		
<input type="checkbox"/> Non-standard Document		
<input checked="" type="checkbox"/> From Certificate	See below A	# New Certificates 0
BK	266	Page/Cert

266
 266

103159
 103160

DOCUMENT NO 474952 0 TORRENS
ANOKA COUNTY MINNESOTA

I HEREBY CERTIFY THAT THE WITHIN INSTRUMENT WAS FILED IN THIS OFFICE
 FOR RECORD ON **AUG 24 2004**
 AT **2 00 PM** AND WAS DULY RECORDED
 FEES AND TAXES IN THE AMOUNT OF **\$39.00 PAID**

RECEIPT NO **2004107724**
 RECEIVED BY **MAUREEN J DEVINE**
ANOKA COUNTY PROPERTY TAX ADMINISTRATOR/RECORDER/REGISTRAR OF TITLES
 BY **TAP**
DEPUTY PROPERTY TAX ADMINISTRATOR/RECORDER/REGISTRAR OF TITLES