

PARKWAY

CITY OF BLAINE

ESTATES

COUNTY OF ANOKA

Office of REGISTRAR OF TITLES
STATE OF MINNESOTA
COUNTY OF ANOKA

I hereby certify that the within instrument was filed in this office on the 02nd day of September, A.D. 1980 at 11 o'clock A.M.

By James Hutton
DUPLY REGISTRAR OF TITLES

KNOW ALL MEN BY THESE PRESENTS: That Hutton and Rowe, Inc., a Minnesota corporation, owner and proprietor of the following described property situated in the County of Anoka, State of Minnesota to wit:

That part of Outlot H which lies northeasterly of the Southwesterly 410 feet of said Outlot H, as measured at right angles to the Southwesterly line of said Outlot H, and which lies northwesterly of a line bearing South 35 degrees, 55 minutes, 03 seconds west from the most easterly corner of said Outlot H; all in Donnay's Oak Park 15th, according to the plat on file and of record in the Office of the Registrar of Titles, Anoka County, Minnesota.

Subject: To an easement fro County Ditch No. 60 as shown on said plat and in the records of the Anoka County Surveyor which affects Outlot H, Donnay's Oak Park 15th.

Subject to restrictions, reservations and easements, if any.

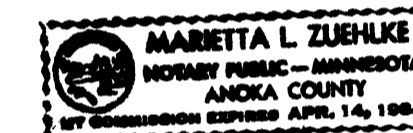
has caused the same to be surveyed and platted as PARKWAY ESTATES and does hereby donate and dedicate to the public for public use forever the avenue, lane, streets and drainage and utility easements as shown on this plat. In witness whereof said Hutton and Rowe, Inc. has caused these presents to be signed by its proper officers and its corporate seal to be hereunto affixed this 2nd day of SEPTEMBER, 1980.

HUTTON AND ROWE, INC.

James Hutton Leslie J. Rowe
James Hutton, President Leslie J. Rowe, Secretary-Treasurer

STATE OF MINNESOTA The foregoing instrument was acknowledge before me this 2nd day of September, 1980 by James Hutton, President and Leslie J. Rowe, Secretary-Treasurer of Hutton and Rowe, Inc., a Minnesota corporation, on behalf of the corporation.

Marietta L. Zuehlke
Notary Public, Anoka County, Minnesota
My Commission Expires Apr. 14th, 1984



I hereby certify that I have surveyed and platted the property described on this plat as PARKWAY ESTATES; that this plat is a correct representation of said survey, that all distances are correctly shown on the plat in feet and hundredths of a foot; that all monuments have been correctly placed in the ground as shown on said plat; that the outside boundary lines are correctly designated on said plat and that there are no wet lands or public highways to be designated on said plat other than as shown thereon.

Howard W. Rogers
Howard W. Rogers, Land Surveyor
Minnesota Registration No. 10945

STATE OF MINNESOTA The foregoing instrument was acknowledged before me this 29th day of August, 1980 by Howard W. Rogers, Land Surveyor.

Marietta L. Zuehlke
Notary Public, Anoka County, Minnesota
My Commission Expires Apr. 14th, 1984



We hereby certify that the City Council of the City of Blaine, Anoka County, Minnesota duly accepted and approved this plat of PARKWAY ESTATES at a regular meeting thereof held this 21st day of August, 1980.

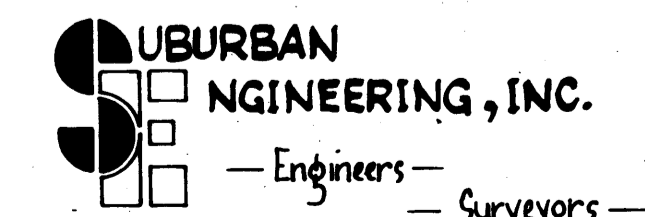
CITY COUNCIL OF BLAINE, MINNESOTA
By Francis Rogarty Mayor
By Carlisle Johnson Manager

Checked and approved this 21st day of October, 1980.

Robert W. Anderson
Anoka County Surveyor



"NO DELINQUENT TAXES AND TRANSFER ENTERED"
Oct. 21st 1980
Charles R. Offshore
Auditor, Anoka County
By F.R. Kemmerer
Deputy



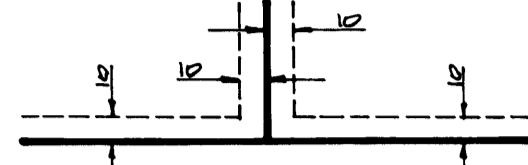
PARKWAY

CITY OF BLAINE

ESTATES

COUNTY OF ANOKA

DRAINAGE AND UTILITY EASEMENTS
ARE SHOWN THUS:

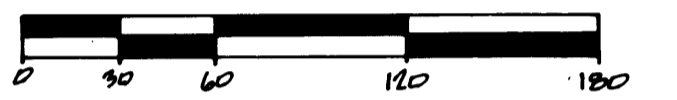


BEING 10 FEET IN WIDTH, UNLESS
OTHERWISE INDICATED, AND ADJOINING
LOT LINES, AS SHOWN, AND 10 FEET IN
WIDTH AND ADJOINING STREET LINES
AS SHOWN ON THE PLAT.

Oct 21 1980
Charles R. Lefebvre
Anoka County
P.R. Komarick
Deputy

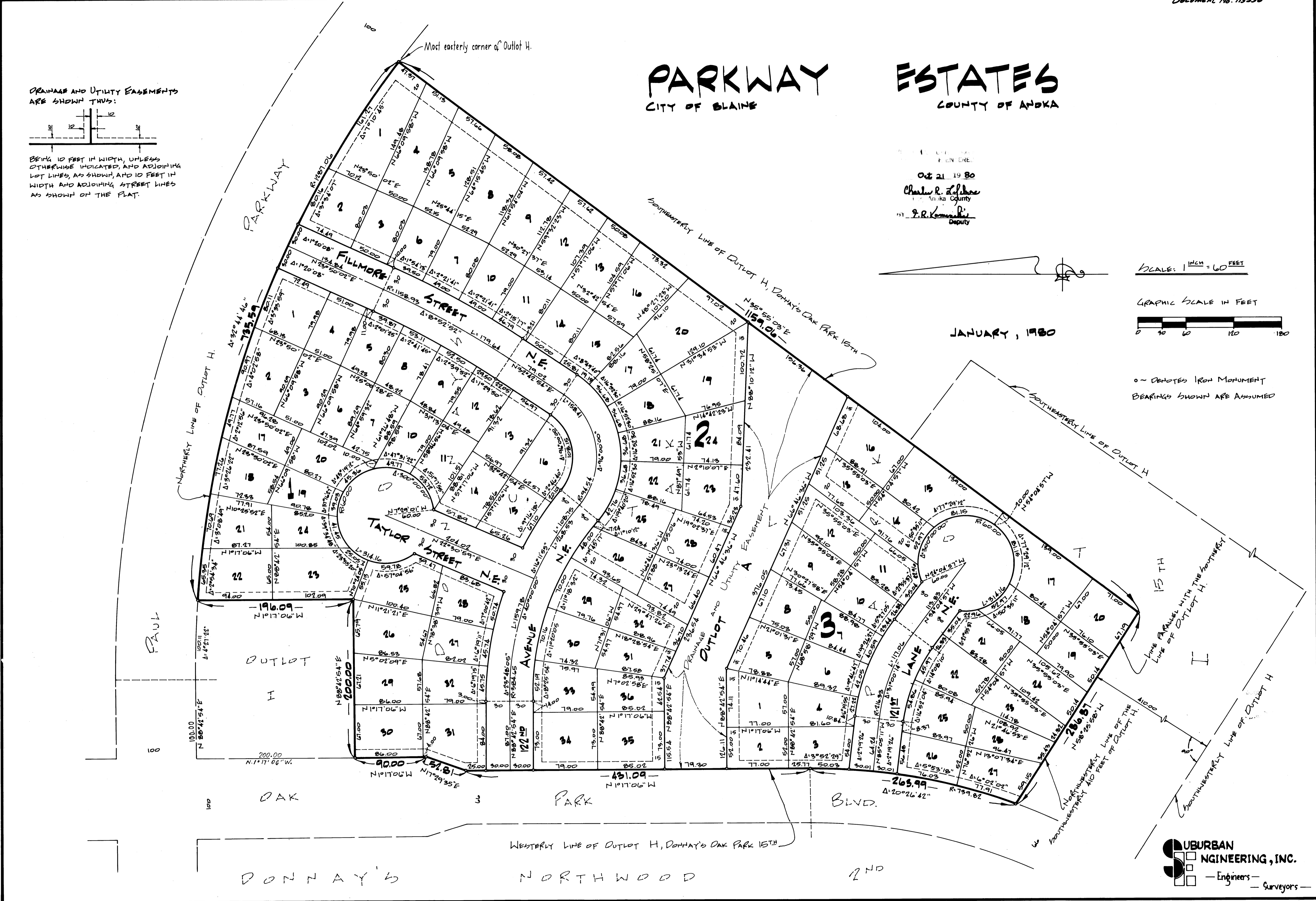
SCALE: 1 INCH = 60 FEET

GRAPHIC SCALE IN FEET



JANUARY, 1980

o - DENOTES IRON MONUMENT
BEARINGS SHOWN ARE ASSUMED



UBURBAN
ENGINEERING, INC.
— Engineers —
— Surveyors —



THIS DOCUMENT NUMBER REPRESENTS A PLAT

ABSTRACT DOCUMENT NUMBER RECORD ID

TORRENS DOCUMENT NUMBER RECORD ID

113538.0 1488269

MAP NUMBER 17405

ABBREVIATED NAME PARKWAY ESTATES

FULL NAME PARKWAY ESTATES

BOOK TYPE Torrens Plats

BOOK NUMBER 9

BOOK PAGE NUMBER 14

BOOK PAGE LETTER

CITY NAME BLAINE



Record ID 1492069

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: Blaine CHECKED BY: gke ON 11/12/04

MAP # 17405 PLAT BOOK TYPE: _____

DOC. DATE: 10/09/04 NO. OF PAGES: _____ TRACT BOOK: _____ PAGE _____

CIC SHORT NAME: CIC NO 190 Parkway Estates

LONG NAME: BY DECLARATION

480524.001

A/T	PARENT PINS	THRU
T	08.31.23.23005	0082
T	08.31.23.14.0060	0082
T	08.31.23.32.005	0016

A/T	PARENT PINS	THRU

DATE: _____

DIV. NO.: _____

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**COMMON INTEREST COMMUNITY NUMBER 190
(Planned Community)**

PARKWAY ESTATES TOWNHOUSE ASSOCIATION, INC.

AMENDED AND RESTATED DECLARATION

This amending and completely superseding Declaration (hereinafter referred to as the "Declaration") is made and entered into in the County of Hennepin, State of Minnesota, on this 9th day of October, 2004, by Members of Parkway Estates Townhouse Association, Inc., a planned community, (hereinafter collectively referred to as "Members"), pursuant to the provisions of Minnesota Statutes Chapter 515B, known as the Minnesota Common Interest Ownership Act (the "Act").

WHEREAS, the Members are the owners of certain real property located in Anoka, County, Minnesota, legally described in Exhibit A attached hereto and the Members desire to submit said real property and all improvements thereon (collectively the "Property") to the Act, and,

WHEREAS, there has been filed in the office of the Registrar of Titles of Anoka County, Minnesota, a Declaration of Covenants, Conditions and Restrictions dated March 25, 1981, and filed March 25, 1981 as Document No. 115596 (hereinafter referred to as the "Prior Declaration"); and

WHEREAS, the Prior Declaration covers the land described on Exhibit A; and

WHEREAS, Section 3 of Article VIII of the Prior Declaration provides that the Prior Declaration may be amended by an instrument signed by not less than seventy-five percent (75%) of the Lot Owners; and

WHEREAS, there are no tenants as defined in Section 2 of Article I of the Prior Declaration and thus the Prior Declaration is amendable by seventy-five percent (75%) of the Lot Owners; and

WHEREAS, the consent of seventy-five percent (75%) of the Lot Owners is evidenced by the affidavit by the Secretary of the Association as to the execution of the consents; and

WHEREAS, the Lot Owners now desire by this Declaration to amend the foregoing Prior Declaration previously made and filed as hereinbefore set forth: and

WHEREAS, the Lot Owners have amended and are completely superseding the Prior Declaration by this Amending and Superseding Declaration of Covenants, Conditions and Restrictions (hereafter "Declaration"); and

WHEREAS, the Lot Owners by this Declaration do hereby elect to subject Parkway Estates Townhouse Association, Inc. to Chapter 515B of Minnesota Statutes by recording this Declaration and amending the Bylaws of Parkway Estates Townhouse Association, Inc., both which conform to the requirements of Chapter 515B of Minnesota Statutes; and

WHEREAS, the Property is not subject to an ordinance referred to in Section 515B.1-106 of the Act, governing conversions to common interest ownership, and is not subject to a master association as defined in the Act.

NOW, THEREFORE, the Members make this Declaration and submit the Property to the Act as a planned community under the name "Parkway Estates Townhouse Association, Inc.", consisting of the Units referred to in Section 2, declaring that this Declaration shall constitute covenants to run with the Property, and that the Property shall be owned, used, occupied and conveyed subject to the covenants, conditions, restrictions, easements, charges and liens as contained in the Prior Declaration which are hereby amended as hereafter set forth and that this Declaration shall amend and completely supersede the Prior Declaration previously made with and filed as above set forth and which Declaration and Prior Declaration shall run with the real property aforementioned (or any part thereof) and be binding on all persons or entities having any or acquiring interest in the Property, 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 "Assessment" shall mean the amount levied and collected for Common Expenses from unit owners.
- 1.2 "Association" shall mean the Parkway Estates Townhouse Association, Inc., a nonprofit corporation subject to Chapter 317A of the laws of the State of Minnesota and Minnesota Statutes Section 515B.3-101, whose members consist of all Owners as defined herein.

- 1.3 "Board" shall mean the Board of Directors of the Association as provided for in the Bylaws.
- 1.4 "Bylaws" shall mean the Bylaws governing the operation of the Association, as amended from time to time.
- 1.5 "Common Elements" shall mean all parts of the Property except the Units, including all improvements thereon, owned by the Association for the common benefit of the Owners and Occupants. The Common Elements are legally described as follows:
- Outlot "A" Parkway Estates according to the duly recorded plat thereof, Anoka County, Minnesota.
- 1.6 "Common Expenses" shall mean and include all expenditures made or liabilities incurred by or on behalf of the Association and incident to its operation, including without limitation allocations to reserves and those items specifically identified as Common Expenses in the Declaration or Bylaws.
- 1.7 "Dwelling" shall mean a building consisting of one or more floors, designed and intended for occupancy as a single family residence and located within the boundaries of a Unit, together with all appurtenances thereto which are a part of the original construction or thereafter constructed in accordance with Section 8.
- 1.8 "Governing Documents" shall mean this Declaration, and the Articles of Incorporation and Bylaws of the Association, as amended from time to time, all of which shall govern the use and operation of the Property.
- 1.9 "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.
- 1.10 "Occupant" shall mean any person or persons, other than an Owner, in possession of or residing in a Unit.
- 1.11 "Owner" shall mean a Person who owns a Unit, but excluding contract deed vendors, mortgagees and other secured parties within the meaning of Section 515B.1-103(29) of the Act. The term "Owner" includes, without limitation, contract for deed vendees and holders of a life estate.
- 1.12 "Party Wall" shall mean the shared wall between two (2) Dwellings.

- 1.13 "Person" shall mean a natural individual, corporation, limited liability company, partnership, trustee, other or legal entity capable of holding title to real property.
- 1.14 "Plat" shall mean the recorded plat depicting the Property pursuant to the requirements of Section 515B.2-110(d) of the Act, and satisfying the requirements of Minnesota Statutes Chapter 505, 508 or 508A, as applicable, including any amended or supplemental Plat recorded from time to time in accordance with the Act.
- 1.15 "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.
- 1.16 "Residential 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. The Units are designated on the recorded plat of Parkway Estates as follows:
- Lots 1 through 32, inclusive, Block 1; Lots 1 through 36, inclusive, Block 2; Lots 1 through 28, inclusive, Block 3; Outlot "A"; all in Parkway Estates, according to the plat thereof on file and of record in the office of the Anoka County Recorder, Anoka, Minnesota.
- 1.17 "Rules and Regulations" shall mean the Rules and Regulations of the Association as approved from time to time by the Association pursuant to Section 5.6.
- 1.18 "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.

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

SECTION 2

DESCRIPTION OF UNITS AND APPURTENANCES

2.1 Units. There are ninety-six (96) Units, all of which are restricted exclusively to residential use including the parking and storage of motor vehicles. Each Unit consists of a separate parcel of real estate. No additional Units may be created by the subdivision

or conversion of Units pursuant to Section 515B.2-112 of the Act. 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, all spaces, walls, and other improvements within the boundaries of a Unit are 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 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, 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 for maintenance, repair and replacement as described in Section 13.

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 13.

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

2.8 Easements are Appurtenant. All easements and similar rights burdening or benefiting a Unit or any other party of the Property shall be appurtenant thereto, and shall be permanent, subject only to termination in accordance with the Act or the terms of the easement. Any recorded easement benefiting or burdening the Property shall be construed in a manner consistent with, and not in conflict with, the easements created by this Declaration.

2.9 Impairment Prohibited. No person shall materially restrict or impair any easement benefiting or burdening the Property; subject to the Declaration and the right of the Association to impose reasonable Rules and Regulations governing the use of the Property.

SECTION 3

COMMON ELEMENTS

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

- a. All of the Property not included within the Units constitute Common Elements. The Common Elements include those parts of the Property described in Section 1.5 of this Declaration or designated as Common Elements on the Plat or in the Act. The Common Elements are owned by the Association for the benefit of the Owners and Occupants.
- b. The Common Elements shall be subject to appurtenant easements for services, public and private utilities, access, use and enjoyment in favor of each Unit and its Owners and Occupants, subject to the right of the 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.
- d. Common Expenses for the maintenance, repair, replacement, management and operation of the Common Elements shall be asserted and collected from the Owners in accordance with Section 6.
- e. The Association shall maintain upon the Common Elements and the private street rights-of-way parking spaces conveniently located for the use of the owners' guests.

SECTION 4

ASSOCIATION MEMBERSHIP: RIGHTS AND OBLIGATIONS

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

4.1 Membership. Each Owner shall be a member of the Association by virtue of 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 and the Act.

4.4 Authority to Vote. The Owner, or some natural person designated to act as proxy on behalf of the Owner, and who need not be an Owner, may cast the vote allocated to such Unit at meetings of the Association; provided, that if there are multiple Owners of a Unit, only the Owner or other Person designated pursuant to the provisions of the Bylaws may cast such vote. The voting rights of Owners are more fully described in Section 3 of the Bylaws.

SECTION 5

ADMINISTRATION

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

5.1 General. The operation and administration of the Association and the Property shall be governed by the Governing Documents and the Act. The Association shall, subject to the rights of the Owners set forth in the Governing Documents and the Act, be responsible for the operation, management and control of the Property. The Association shall have all powers described in the Governing Documents, the Act and the statute under which 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 or the Act. All references to the Association shall mean the Association acting through the Board unless specifically stated to the contrary.

5.2 Operational Purposes. The Association shall operate and manage the Property for the purposes of (i) administering and enforcing the covenants, restrictions, easements, charges and liens set forth in the Governing Documents and the Rules and

Regulations (ii) maintaining, repairing and replacing those portions of the Property for which it is responsible and (iii) preserving the value and architectural uniformity and character of the Property.

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

5.4 Bylaws. The Association shall have Bylaws. The Bylaws and any amendments thereto shall govern the operation and administration of the Association.

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

5.6 Rules and Regulations. The Board shall have exclusive authority to approve and implement such reasonable Rules and Regulations as it deems necessary from time to time for the purpose of operating and administering the affairs of the Association and regulating the use of the Property; provided that the Rules and Regulations shall not be inconsistent with the Governing Documents or the Act. The inclusion in other parts of the Governing Documents of authority to approve Rules and Regulations shall be deemed to be in furtherance, and not in limitation, of the authority granted by this Section. New or amended Rules and Regulations shall be effective only after reasonable notice thereof has been given to the Owners.

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

SECTION 6

ASSESSMENTS FOR COMMON EXPENSES

6.1 General. Assessments for Common Expenses shall be determined and assessed against the Units by the Board, in its discretion; subject to the limitations set forth in Sections 6.2 and 6.3, and the requirements of the Bylaws. 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 Common Element undertaken by the Association may be assessed exclusively against a Unit 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 benefiting 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 area being maintained, repaired or replaced, (iii) the actual cost incurred with respect to each Unit, or (iv) equally per individual building.
- c. The costs of insurance 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, the Act, 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 as provided in Section 515B.3-116(a) of the Act, and shall include but not be limited to:
 - (1) Payments, fees, or charges for the use, rental, or operation of the Common Elements, other than the Limited Common Elements, and for services provided to Unit Owners.
 - (2) Charges for late payment of assessments and, after notice and an opportunity to be heard, levy reasonable fines for violations of the Declaration, Bylaws, and Rules and Regulations of the Association.
 - (3) Reasonable charges for the review, preparation and recordation of amendments to the Declaration, resale certificates required by Section 515B.4-107, statements of unpaid assessments, or furnishing copies of Association records.

- f. Assessments levied under Section 515B.3-116 of the Act to pay a judgment against the Association may be levied only against the Units existing at the time the judgment was entered, in proportion to their Common Expense liabilities.
- 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 thirty (30) days past due, then the Association may, upon ten (10) days written notice to the Owner, declare the entire amount of the assessment immediately due and payable in full.
- i. If Common Expense liabilities are reallocated for any purpose authorized by the Act, 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.

6.2 Annual Assessments.

- a. Annual assessments shall be established and levied by the Board, subject only to the limitations set forth in Section 6.2 and 6.3. 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.
- b. The annual assessment may be subsequently increased by the Board, provided, however, that the increase in the annual assessment for any year shall not exceed the greater of (i) the increase in the U. S. Department of Labor Revised Consumer Price Index for Urban Wage Earners and Clerical Workers for All Items for the prior year; or (ii) five percent (5%) of the total annual assessment for the Association's previous fiscal year, unless such increase is approved by the vote of a majority of those Owners voting, in person or by proxy, at a meeting called for that purpose. Written notice of the

meeting shall be sent to all Owners not less than twenty-one (21) days nor more than thirty (30) days in advance of the meeting.

6.3 Special Assessments. In addition to annual assessments, and subject to the limitations set forth hereafter, the Board may levy in any assessment year a special assessment against all Units 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. Notwithstanding the foregoing, any special assessment shall be subject to approval by the vote of a majority of those Owners voting, in person or by proxy, at a meeting called for that purpose. Written notice of the meeting shall be sent to all Owners not less than twenty-one (21) days nor more than thirty (30) days in advance of the meeting.

6.4 Liability of Owners for Assessments. The obligation of an Owner to pay assessments shall commence at the time at which the Owner acquires title to a Unit. The Owner at the time an assessment is payable with respect to a 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 or the Act. The Association may invoke the charges, sanctions and remedies set forth in Section 14, in addition to any remedies provided elsewhere in the Governing Documents or by law, for the purpose of enforcing its rights hereunder.

6.5 Assessment Lien. The Association has a lien on a Unit for any assessment levied against the Unit from the time the assessment becomes due. If an assessment is payable in installments, the full amount of the assessment is a lien from the time the first installment thereof becomes due. Fees, charges, late charges, fines and interest charges imposed by the Association pursuant to Section 515B.3-102(a)(10), (11) and (12) of the Act are liens, and are enforceable as assessments, under this Section. 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.

6.6 Foreclosure of Lien; Remedies. A lien for 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, or its authorized representative, shall have the power to bid in at the foreclosure sale and to acquire, hold, lease, mortgage and convey any Unit so acquired. The Owner and any other Person claiming an interest in the Unit, by the acceptance or assertion of any interest in the Unit, grants to the Association a power of sale and full authority to accomplish the

foreclosure. The Association shall, in addition, 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.

6.7 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, the first mortgage was recorded on or after June 1, 1994, 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 unpaid assessments for Common Expenses levied pursuant to Sections 515B.3-115(a), (h)(1) to (3), (l) of the Act which became due, without acceleration, during the six (6) months immediately preceding the first day following the end of the Owner's period of redemption.

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

SECTION 7

RESTRICTIONS ON USE OF PROPERTY

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

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

7.2 Subdivision Prohibited. Except as permitted by the Act, no Unit nor any part of the Common Elements may be subdivided or partitioned without the prior written approval of 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 one (1) year, 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 or correspondence therefrom, provided that such uses are incidental to the residential use, do not involve physical alteration of the Unit or 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 and (ii) the Association may maintain offices on the Property for management and related purposes.

7.5 Leasing. Leasing of 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 less than one year, (ii) that no Unit may be subleased, (iii) that all leases shall be in writing on a form approved by the Association and containing an addendum approved in writing by the Board of Directors, and (iv) that all leases shall provide that they are subordinate and subject to the provisions of the Governing Documents, the Rules and Regulations and the Act, 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 and the Act.

At the time a Unit Owner leases a Unit the Unit Owner shall provide to the Board of Directors a statement in such form as the Board of Directors shall prescribe, which shall be a minimum set forth:

- a. The name, telephone number and correct address of the Owner of the Unit;
- b. The name and correct telephone number of the tenant of the Unit;
- c. A true and correct copy of the lease agreement ("Lease") as an attachment to said statement.

If at any time the Board of Directors determines that a violation of state law, the Declaration, the Bylaws, the Rules and Regulations of the Board of Directors and/or the Lease, has been committed by a tenant occupying such Unit, the Board of Directors may at its option, elect to demand that the Owner of the Unit commence eviction proceedings against such tenant.

If the Board of Directors so elects, the Board of Directors shall notify the Unit Owner of such violation of state law, the Declaration, the Bylaws, the Rules and Regulations and/or the Lease approved by the Board of Directors, by certified mail, to the Unit Owner's last known address on the records of the Board of Directors, and demand that such Owner commence eviction proceedings against such Unit Owner's tenant within ten (10) days from the date of such letter. In the event such Unit Owner does not commence eviction proceedings against such Unit Owner's tenant, within the above-described ten (10) day time period, the Board of Directors may impose and levy a penalty against such Unit and such Unit owner in the amount of \$25.00 per day until the latter of such time as such Unit Owner commences an eviction action against such Unit Owner's tenant or until such time as such tenant has actually and permanently vacated the Owner's Unit. Upon filing with the court, the Owner shall provide a copy of such filing to the Board of Directors as it may from time to time direct.

All leases shall provide (and if a lease does not so provide, shall be deemed to provide) that the Association shall have the right to evict the tenant on behalf of the Owner in the event of violation of state law, the Declaration, the Bylaws, the Rules and Regulations of the Board of Directors and/or the lease, and that the tenant shall abide by the Declaration, the Bylaws, the Rules and Regulations of the Board of Directors enacted from time to time. All Owners leasing their Unit hereby authorize and appoint the Association and its Board of Directors as their attorney-in-fact for the commencement and prosecution of such eviction proceedings. The determination of a violation of state law and/or violation of the Declaration, the Bylaws, the Rules and Regulations of the Board of Directors and/or the Lease for purposes of this section, shall be at the sole discretion of the Board of Directors through its authorized agents.

The Owner shall be responsible for all reasonable attorneys' fees and costs incurred by the Association as a result of a violation of the Declaration, the Bylaws, and/or the Rules and Regulations by the tenant, irrespective of whether suit is instituted and the Board of Directors may levy such attorneys' fees and costs against the Unit owned by such Unit Owner. All such attorneys' fees and costs so levied shall be a lien against such Unit in accordance with applicable Minnesota Statutes and this Declaration.

In no event, shall the Association or its Board of Directors, be deemed to have waived any of its remedies under this section, and the Association or its Board of Directors' choice of remedies hereunder are cumulative and shall not be deemed to be exclusive whether the Board of Directors first proceeds with making demand on such Owner or first commences eviction action as such Owner's attorney-in-fact.

Subject to the foregoing restrictions, the Owners of the respective Units shall have the absolute right to lease the same.

7.6 Parking and Roads. 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 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. The Association shall be authorized to make and enforce reasonable traffic and vehicular Rules and Regulations for the private roads on the Common Elements. Such reasonable traffic and vehicular Rules and Regulations may include but are not limited to enforcement of speed limits and other traffic violations. The Association, through its designated agents or representatives, is authorized to levy fines in accordance with the provisions of the Act for violations of these traffic and vehicular Rules and Regulations. Such traffic and vehicular Rules and Regulations shall be enforced against the Owner and/or Unit to and from which the offending vehicle was traveling at the time of the violation.

7.7 Animals. No animal may be bred, or kept or maintained for business or commercial purposes, anywhere on the Property. However, the Board shall have the exclusive authority to prohibit, or to allow and regulate, by Rules and Regulations, the keeping of animals on the Property. 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 the 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 or any Owner or Occupant.

7.10 Alterations. 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 Board, or a committee appointed by it, as provided in Section 8. The Board, or the appointed committee if so authorized by the

Board, shall have authority to establish reasonable criteria and requirements for alterations, and shall be the sole judge of whether the criteria are satisfied.

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 Access to Unit. In case of emergency, all Units are subject to entry, without notice and at any time, by an Officer or member of the Board of the Association, by the Association's management agents or by any public safety personnel. Entry is also authorized for maintenance purposes under Section 9 and for enforcement purposes under Section 14.

SECTION 8

ARCHITECTURAL CONTROL

8.1 Restrictions on Alterations. The following restrictions and requirements shall apply to alterations on the Property:

- a. Except as expressly provided in this Section 8, no structure, building, addition, deck, patio, fence, wall, enclosure, window, exterior door, sign, display, decoration, color change, shrubbery, material topographical or landscaping change, nor any other exterior improvements to or alteration of any Dwelling or any other part of a Unit which is visible from the exterior of the Unit (collectively referred to as "alterations"), shall be commenced, erected or maintained in a Unit, unless and until the plans and specifications showing the nature, kind, shape, height, color, materials and locations of the alterations shall have been approved in writing by the Board of Directors and/or the Architectural Control Committee.
- b. The criteria for approval shall include and require, at a minimum, (i) substantial uniformity of color, size, location, type and design in relation to existing improvements and topography, (ii) comparable or better quality of materials as used in existing improvements, (iii) ease of maintenance and repair, (iv) adequate protection of the Property, the Association, Owners and Occupants from liability and liens arising out of the proposed alterations, and (v) compliance with governmental laws, codes and regulations.
- c. Approval of alterations which encroach upon any Unit or the Common Elements shall create an appurtenant easement for such encroachment in favor of the Unit with respect to which the alterations

are approved; provided, that any easement for a deck or patio other than as originally constructed shall be approved by resolution of the Board of Directors and a file of such resolutions shall be maintained permanently as a part of the Association's records.

- d. Alterations described in Section 15 shall be governed by that Section.

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

- a. Detailed plans, specifications and related information regarding any proposed alteration, in form and content acceptable to the Board of Directors, shall be submitted to the Board of Directors or the Architectural Control Committee at least sixty (60) days prior to the projected commencement of construction. No alterations shall be commenced prior to approval.
- b. The Board of Directors shall give the Owner written notice of approval or disapproval within ninety (90) days.
- c. If no prior written request for approval is submitted, approval shall be denied.

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

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. In addition, for the purpose of preserving the architectural character, quality, and uniform high standards for appearance of the Property, the Association shall (i) provide for exterior maintenance upon the Dwelling in each Unit that is subject to assessment as follows: paint, repair, replace and care for: roofs, gutters, downspouts, exterior siding, first or lowest panel of multipanel garage doors and other building surfaces,

and (ii) provide for lawn, shrub and tree maintenance on all Units including landscape beds, except for watering. The Association's obligation to maintain exterior building surfaces shall exclude door hardware, air conditioning equipment, glass, window frames, garage doors, except the first or lowest panel of multi panel garage doors, and any other items not specifically referred to in this Section, unless otherwise approved under Section 9.2. The Association shall have easements as described in Section 13 to perform its obligations under this Section 9.

9.2 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 exterior maintenance to the Units or Dwellings, or maintenance of water and sewer systems within the Units.

9.3 Maintenance by Owner. Except for the exterior maintenance required to be provided by the Association under Section 9.1 or 9.2, all maintenance of the Dwellings and Units shall be the sole responsibility and expense of the Owners thereof. However, the Owners and Occupants shall have a duty to promptly notify the Association of defects in or damage to those parts of the Property which the Association is obligated to maintain. The Association may require that any exterior maintenance to be performed by the Owner be accomplished pursuant to specific uniform criteria established by the Association. The Association may also undertake any exterior maintenance which the responsible Owner fails to or improperly performs and assess the Unit and the Owner for the cost thereof.

9.4 Damage Caused by Owner. Notwithstanding any provision to the contrary in this Section, if, in the judgment of the Association, the need for maintenance of any part of the Property is caused by the willful or negligent act or omission of an Owner or Occupant, or their guests, or by a condition of 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. In the case of party walls between Dwellings, the Owners of the affected Dwellings shall be liable as provided in Section 10.

SECTION 10

PARTY WALLS

10.1 General Rules of Law to Apply. Each wall built as part of the original construction of the Dwellings and located on the boundary line between Units shall constitute a party wall, and, to the extent not inconsistent with the provisions of this Section, the general rules of law regarding party walls and liability for property damage due to negligent or willful acts or omissions shall apply thereto.

10.2 Repair and Maintenance. The Owners of the Units which share the party wall shall be responsible for the maintenance repair and replacement of party wall in proportion with their use; provided (i) that any maintenance, repair or replacement necessary due to the acts or omissions of a certain Owner or Occupant sharing such party wall shall be paid for by such Owner, and (ii) that the Association may contract for and supervise the repair of damage caused by an Owner or Occupant and assess the Owners for their respective shares of the cost to the extent not covered by insurance.

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

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

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

10.6 Arbitration. In the event of any dispute arising concerning a party wall, and if the same is not resolved within thirty (30) days of the event causing the dispute, the matter shall be submitted to binding arbitration under the rules of the American Arbitration Association, upon the written demand of the Association or any Owner whose Dwelling shares the party wall. Each party agrees that the decision of the arbitrators shall be final and conclusive of the questions involved. The fees of the arbitrators shall be shared equally by the parties, but each party shall pay its own attorneys' fees or other costs to prove its case.

SECTION 11

INSURANCE

11.1 Required Coverage. The Association shall obtain and maintain, at a minimum, a master policy or policies of insurance in accordance with the insurance requirements set forth in the Act and the additional requirements set forth herein, issued

by a reputable insurance company or companies authorized to do business in the State of Minnesota, as follows:

- a. Property insurance in broad form covering all risks of physical loss in an amount equal to one hundred percent (100%) of the insurable "replacement cost" of the Property, less deductibles, exclusive of land, footings, excavation and other items normally excluded from coverage (but including all building service equipment and machinery). The policy or policies shall cover personal property owned by the Association. The policy or policies shall also contain "Inflation Guard" and "Agreed Amount" endorsements, if reasonably available. Such policy or policies shall include such additional endorsements, coverages and limits with respect to the foregoing and other hazards as may be required from time to time by the regulations of the FHA or Federal National Mortgage Association ("FNMA") as a precondition to their insuring, purchasing or financing a mortgage on a Unit. The Board may also, on behalf of the Association, enter into binding written agreements with a mortgagee, insurer or servicer, including without limitation the FHA or FNMA, obligating the Association to keep certain specified coverages or endorsements in effect.
- b. Comprehensive public liability insurance covering the use, operation and maintenance of the Common Elements, with minimum limits of One Million Dollars (\$1,000,000.00) per occurrence, against claims for death, bodily injury and property damage, and such other risks as are customarily covered by such policies for projects similar in construction, location and use to the Property. The policy shall contain a "severability of interest" endorsement which shall preclude the insurer from denying the claim of an Owner or Occupant because of negligent acts of the Association or other Owners or Occupants. The policy shall include such additional endorsements, coverages and limits with respect to such hazards as may be required by the regulations FHA or FNMA as a precondition to their insuring, purchasing or financing a mortgage on a Unit.
- c. Fidelity bond or insurance coverage against dishonest acts on the part of Directors, Officers, manager, 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 purchasing 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 (3) 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. Workers' 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.

11.2 Premiums; Improvements; Deductibles. All insurance premiums shall be assessed and paid as a Common Expense. The insurance need not cover improvements and betterments to the Units installed by Owners, but if improvements and betterments are covered, any increased cost may be assessed against the Units affected. The Association may, in the case of a claim for damage to a Unit, (i) pay the deductible amount as a Common Expense, (ii) assess the deductible amount against the Units affected in any reasonable manner, or (iii) require the Owners of the Units affected to pay the deductible amount directly.

11.3 Loss Payee; Insurance Trustee. All insurance coverage maintained by the Association shall be written in the name of, and the proceeds thereof shall be payable to, the Association (or a qualified insurance trustee selected by it) as trustee for the benefit of the Owners and secured parties, including mortgagees, which suffer loss. The Association, or any insurance trustee selected by it, shall have exclusive authority to negotiate, settle and collect upon any claims or losses under any insurance policy maintained by the Association.

11.4 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 acts of the insured.

11.5 Cancellation; Notice of Loss. All policies of property insurance and comprehensive liability insurance maintained by the Association shall provide that the policies shall not be canceled or substantially modified, for any reason, without at least

thirty (30) days prior written notice to the Association, to the FHA or FNMA (if applicable), and all of the insureds.

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

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

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

11.9 Owner's Personal Insurance. Each Owner may obtain additional personal insurance coverage at his or her own expense covering fire and other casualty to the Unit, personal property or personal liability. All insurance policies maintained by Owners shall provide that they are without contribution as against the insurance purchased by the Association.

SECTION 12

RECONSTRUCTION, CONDEMNATION AND EMINENT DOMAIN

12.1 Reconstruction. The obligations and procedures for the repair, reconstruction or disposition of the Property following damage to or destruction thereof shall be governed by the Act. Any repair or reconstruction shall be substantially in accordance with the plans and specifications of the Property as initially constructed and subsequently improved upon.

12.2 Condemnation and Eminent Domain. In the event of a taking of any part of the Property by condemnation or eminent domain, the provisions of the Act shall govern. Mortgagees shall be entitled to priority for condemnation awards in accordance with the priorities established by the Act and the Governing Documents, as their interests may appear.

SECTION 13

EASEMENTS

13.1 Easement for Encroachments. Each Unit and the Common Elements, and the rights of the Owner and Occupant 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, 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 so long as the encroachment exists and shall not affect the marketability of title.

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

13.3 Utilities Easements. The Property shall be subject to non-exclusive, appurtenant easements for all utilities, 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 limitation 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.

13.4 Continuation and Scope of Easements. Notwithstanding anything in this Declaration to the contrary, in no event shall an Owner or Occupant be denied 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 purpose of maintenance, repair, replacement and reconstruction.

SECTION 14

COMPLIANCE AND REMEDIES

Each Owner and Occupant, and any other Person owning or acquiring any interest in the Property, shall be governed by and comply with the provisions of the Act, the Governing Documents, the Rules and Regulations, 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 Act.

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

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

- a. Commence legal action for damages or equitable relief in any court of competent jurisdiction.
- b. Impose reasonable late charges for each late payment of an assessment or installment thereof.
- c. In the event of default of more than thirty (30) days in the payment of any assessment or installment thereof, all remaining installments of assessments assessed against the Unit owned by the defaulting Owner may be accelerated and shall then be payable in full if all delinquent assessments, 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 Act, the Governing Documents or the Rules and Regulations of the Association.
- e. Suspend the rights of any Owner or Occupant and their guests to use the Common Element amenities; provided, that this limitation shall not apply to deck, balcony or patio easements, appurtenant to the Unit, and those portions of the Common Elements providing utilities services and access to the Unit. Such suspensions shall be limited to periods of default by such Owners and Occupants in their obligations under the Governing Documents, and for up to thirty (30) days thereafter, for each violation.
- f. Restore any portions of the Common Elements damaged or altered, or allowed to be damaged or altered, by any Owner or Occupant or their guests in violation of the Governing Documents, and to assess the cost of such restoration against the responsible Owners and their Units.
- g. Enter any Unit in which, or as to which, a violation or breach of the 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 part 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 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 or under law, in the manner provided for the foreclosure of the mortgages by action or under a power of sale in the state of Minnesota.
- i. Suspend the voting rights of any Member for failure of any member to pay assessments, by action of the Directors, during the period when the assessments remain unpaid, but upon payment of such assessments his rights and privileges shall be automatically restored.

14.3 Rights to Hearing. In the case of imposition of any of the remedies authorized by Section 14.2.d., e. or f. of this Section, the Board shall, upon written request of the offender, grant to the offender a fair and equitable hearing as contemplated by the

Act. The offender shall be given notice of the nature of the violation and the right to a hearing, and at least ten (10) days within which to request a hearing. The hearing shall be scheduled by the Board and held within thirty (30) days of receipt of the hearing request by the Board, and with at least ten (10) days prior written notice to the offender. If the offending Owner fails to appear at the hearing then the right to a hearing shall be waived and the Board may take such action as it deems appropriate. The decision of the Board and the rules for the conduct of hearings established by the Board shall be final and binding on all parties. The Board's decision shall be delivered in writing to the offender within ten (10) days following the hearing, if not delivered to the offender at the hearing.

14.4 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 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.

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

In addition to any other rights to recover damages, attorney's fees, costs or expenses, whether authorized by the Act or otherwise, if a declarant or any other person violates any provision of the Act, or any provisions of the Declaration, Bylaws, or Rules and Regulations any person or class of persons adversely affected by the failure to comply has a claim for appropriate relief.

The court may award reasonable attorney's fees and costs of litigation to the prevailing party. Punitive damages may be awarded for a willful failure to comply.

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

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

SECTION 15

RIGHTS TO RELOCATE UNIT BOUNDARIES AND ALTER UNITS

15.1 Rights to Relocate Boundaries and Alter Units. Units may be altered and their boundaries relocated only in accordance with the following conditions:

- a. Combining Units. Any 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 the Act 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 the Act and Subsection d. of this Section.
- c. Subdivision or Conversion. No additional Units may be created by the subdivision or conversion of a Unit (within the meaning of the Act) into two or more Units, nor into other Units or Common Elements.
- 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 the Act may be accomplished only in accordance with the following conditions:
 - (1) No Unit may be altered if, thereafter, the Dwelling or structure located therein, or any other Dwelling or structure 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 of weather tight integrity of any portion of any building or other structure.
 - (3) The prior written consent of the Association shall be required for any alteration. 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 weather tight 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 rising 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.

SECTION 16

AMENDMENTS

This Declaration may be amended by the consent of Owners of Units to which are allocated at least sixty-seven percent (67%) of the votes in the Association. Consent of the Owners may be obtained in writing or at a meeting of the Association duly held in accordance with the Bylaws. Any amendment shall be subject to any greater requirements imposed by the Act. The Amendment shall be effective when recorded as provided in the Act. An affidavit by the Secretary of the Association as to the outcome of the vote, or the execution of the foregoing agreements or consents, shall be adequate evidence thereof for all purposes, including without limitation, the recording of the amendment.

SECTION 17

MISCELLANEOUS

17.1 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.

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

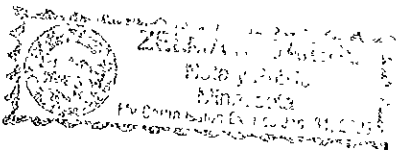
17.3 Notices. Unless specifically provided otherwise in the Governing Documents or the Act, all notices required to be given by or to the Association, the Board of Directors, the Association Officers or the Owners or Occupants shall be in writing and shall be effective upon hand delivery, or mailing if properly addressed with postage prepaid and deposited in the United States mail; except that registrations pursuant to Section 2.2 of the Bylaws shall be effective upon receipt by the Association.

17.4 Conflicts Among Documents. In the event of any conflict among the provisions of the Act, the Declaration, the Bylaws or any Rules or Regulations approved by the Association, the Act shall control. As among the Declaration, Bylaws and Rules and Regulations, the Declaration shall control, and as between the Bylaws and the Rules and Regulations, the Bylaws shall control.

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

PARKWAY ESTATES TOWNHOUSE
ASSOCIATION, INC.

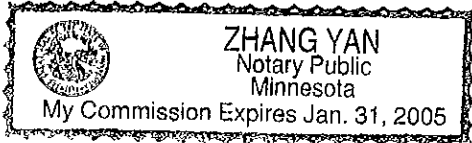
By *Terrence M. Smith*
President

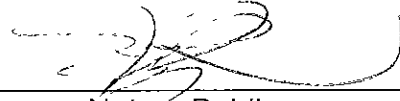


October 7th, 2009
Zelma K. Baneck

STATE OF MINNESOTA)
COUNTY OF Anoka) ss.

The foregoing instrument was acknowledged and sworn to before me this 9th day of October, 2004, by Sharon M. Johnson, President of Parkway Estates Townhouse Association, Inc., a nonprofit corporation under the laws of Minnesota, on behalf of said nonprofit corporation.





Notary Public

THIS INSTRUMENT WAS DRAFTED BY:

John K. Bouquet
THOMSEN & NYBECK, P.A.
Edinborough Corporate Center East
Suite 600, 3300 Edinborough Way
Edina, Minnesota 55435
Telephone No. (952) 835-7000

COMMON INTEREST COMMUNITY NUMBER 190

PARKWAY ESTATES TOWNHOUSE ASSOCIATION, INC.

EXHIBIT A TO DECLARATION

LEGAL DESCRIPTION OF PROPERTY

Lots 1 through 32, inclusive, Block 1; Lots 1 through 36, inclusive, Block 2; Lots 1 through 28, inclusive, Block 3; Outlot "A"; all in Parkway Estates, according to the plat thereof on file and of record in the office of the Anoka County Recorder, Anoka, Minnesota.

AFFIDAVIT OF THE SECRETARY OF

PARKWAY ESTATES TOWNHOUSE ASSOCIATION

Sharon M Johnson, Secretary of the Parkway Estates Townhouse Association, a non-profit corporation, created and organized under the law of the State of Minnesota (the "Association"), do hereby certify that:

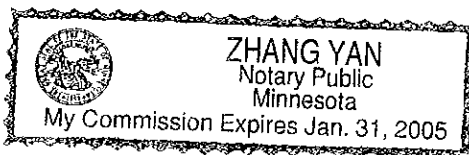
1. That the instrument has been duly approved by the Board of Directors of the Association and consented to by the owners of units to which are allocated seventy-five percent (75%) of the votes in the Association.
2. The consent by the owners described in Paragraph 1 above satisfies the requirements set forth in the Prior Declaration and in Chapter 515B of the Minnesota Statutes.

IN TESTIMONY WHEREOF, I hereunto set my hand this 9th day of October, 2004.

Sharon M Johnson
Secretary of Parkway Estates
Townhouse Association

Subscribed and sworn to before me
this 9th day of October, 2004.

[Signature]
Notary Public



THIS INSTRUMENT WAS DRAFTED BY:

John K. Bouquet
THOMSEN & NYBECK, P.A.
Suite 600, 3300 Edinborough Way
Edina, MN 55435
Telephone: 952-835-7000
Facsimile: 952-835-9450

Book	Certificate	Parkway Estates Outlot A	Block
266	54818		
266	99988	1	1
266	91831	2	1
266	87528	3	1
266	101984	4	1
266	58387	5	1
266	91692	6	1
266	103697	7	1
266	92327	8	1
266	76098	9	1
266	87484	10	1
266	94452	11	1
266	102184	12	1
266	74643	13	1
266	89881	14	1
266	103058	15	1
266	72311	16	1
266	97324	17	1
266	93847	18	1
266	95761	19	1
266	101388	20	1
266	79285	21	1
266	94012	22	1
266	83993	23	1
266	88614	24	1
266	101906	25	1
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266	79766	29	1
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266	53443	31	1
266	70767	32	1
266	98083	1	2
266	67405	2	2
266	50271	3	2
266	96571	4	2
266	81439	5	2
266	65031	6	2
266	88611	7	2
266	94108	8	2
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266	89584	10	2
266	62216	11	2

266	96024	12	2
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266	77323	21	3
266	104009	22	3
266	102357	23	3
266	69668	24	3
266	90767	25	3
266	95359	26	3
266	101783	27	3
266	93604	28	3

TORRENS

Receipt #		<input type="checkbox"/> Tax Lien/Release
Date/time	11/12/04 1625	<input type="checkbox"/> Transfer
Doc Order	1 of 1	<input checked="" type="checkbox"/> Division
Recordability	92	<input type="checkbox"/> Status
Filing Fees	\$ 772 ⁵⁰	<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 checked="" type="checkbox"/> Non-standard Document		
<input type="checkbox"/> From Certificate	Attached 3 Pages	
	ALPA # New Certificates	
BK	266	Page/Cert

ANOKA COUNTY MINNESOTA

Document No.: 480524.001 TORRENS

I hereby certify that the within instrument was filed in this office for record on: 11/12/2004 4:25:00 PM

Fees/Taxes In the Amount of: \$772.50

MAUREEN DEVINE

Anoka County Property Tax

Administrator/Recorder/Registrar of Titles

GKE, Deputy

Record ID: 1492069