

COMMON INTEREST COMMUNITY NUMBER ____
a Condominium

CONDO SUITES OTSEGO CLASSICS

DECLARATION

This Declaration is made in the County of Wright, State of Minnesota, on this _____ day of _____, 2025, by Boyd Dollansky, LLC, a Wisconsin limited liability company (the "Declarant"), pursuant to the provisions of Minnesota Statutes Chapter 515B, known as the Minnesota Common Interest Ownership Act ("MCIOA"), for the purposes of creating Condo Suites Otsego Classics.

WHEREAS, Declarant hereby submits to MCIOA the land located in the City of Otsego, Wright County, Minnesota, legally described on attached **Exhibit A**, the improvements thereon, and the rights relating thereto (collectively, the "Property") as a condominium form of common interest community and not as a planned community or cooperative, under the name "Condo Suites Otsego Classics" (the "CIC").

WHEREAS, Declarant also owns certain real property located in Wright County, Minnesota, legally described on the attached **Exhibit B** (the "Additional Property"), and Declarant has the option to add all or any part of the Additional Property to the CIC; and

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

WHEREAS, the Property does include Shoreland, as defined in Minn. Stat. Sec. 103F.205.

NOW, THEREFORE, Declarant makes the Declaration and submits the Property to MCIOA to establish as a Common Interest Community, creating Condo Suites Otsego Classics, Common Interest Community Number ____, Wright County, Minnesota, as a condominium initially consisting of the Units set forth on the attached **Exhibit C**, declaring that this Declaration shall constitute covenants to run with the Property, and that the Property shall be owned, used, occupied and conveyed subject to the covenants, restrictions, easements, charges and liens set forth herein, all of which shall be binding

upon all Persons owning or acquiring any right, title or interest therein, and their heirs, personal representatives, successors and assigns. The plat of **Condo Suites of Otsego Classics CIC No. _____**, Wright County, Minnesota constitutes the CIC Plat for this CIC.

SECTION 1 DEFINITIONS

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

- 1.1 **Additional Property** shall mean and refer to the real property described on the attached **Exhibit B** and all Improvements located thereon now or in the future and all easements or rights appurtenant thereto which property Declarant has the right to add to the CIC.
- 1.2 **Assessments** shall mean and refer to all assessments levied by the Association pursuant to the Governing Documents, including annual assessments, special assessments and limited allocation assessments.
- 1.3 **Association** shall mean the Condo Suites Otsego - Classics Association, a nonprofit corporation, which is the association of the owners of the Units in the CIC, pursuant to Section 515B.3-101 of MCIOA. Each Owner, by virtue of ownership of a Unit in the CIC shall be a member of the Association.
- 1.4 **Board** shall mean the Board of Directors of the Association as provided for in the Bylaws.
- 1.5 **Bylaws** shall mean the Bylaws governing the operation of the Association, as amended from time to time.
- 1.6 **City** shall mean the City of Otsego, Minnesota.
- 1.7 **Common Elements** shall mean all parts of the Property other than the Units, including all improvements thereon. The Common Elements are as shown on the Plat.
- 1.8 **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 Assessments and items otherwise identified as Common Expenses in the Declaration or Bylaws, together with any allocation to reserves.
- 1.9 **Declarant Control Period** shall mean the time period during which Declarant has the right to appoint and remove the officers and directors of the Association, as more fully described in Section 4.5, below.
- 1.10 **General Assessment** shall mean and refer to an Assessment levied against all of the Units in accordance with Section 6 below.
- 1.11 **Governing Documents** shall mean this Declaration, the Articles of Incorporation and Bylaws of the Association and the Rules and Regulations, as amended from time to time, all of which shall govern the use and operation of the Property.

1.12 “Improvement” shall mean the following: Any physical improvement of any kind, including but not limited to any building, wall, fence, sign, enclosure, screening, utilities system, communication system, irrigation or drainage system, pond, roadway, walkway, parking area, landscaping, or any type of structure of physical improvement and any additions or changes thereto, located on the Property.

1.13 “Limited Assessment” shall mean and refer to an Assessment levied by the Association against fewer than all of the Units in the Association pursuant to Section 6 below.

1.14 “Limited Common Element” shall mean a portion of the Common Elements allocated by the Declaration for the exclusive use of one or more, but fewer than all, of the Units.

1.15 “Member” shall mean a Person who is a member of the Association by virtue of being an Owner as defined in this Declaration. The words “Owner” and “Member” may be used interchangeably in the Governing Documents.

1.16 “Occupant” shall mean any Person or Persons, other than an Owner, in possession of a Unit, including but not limited to tenants.

1.17 “Owner” shall mean a Person, whether one or more, who is the record owner of fee simple title to a Unit, but excluding contract for deed vendors, mortgagees and other secured parties within the meaning of MCIOA. The term “Owner” includes, without limitation, contract for deed vendees and holders of a life estate.

1.18 “Party Wall” shall mean the shared wall between two Units.

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

1.20 “Plat” shall mean the plat of Condo Suites Otsego Classics CIC No. _____, filed with the County Recorder for Wright County, Minnesota, and any amended plat, supplemental plat or replat thereof. The Plat depicts the Property and otherwise meets the requirements of Section 515B.2-110(c) of MCIOA.

1.21 “Property” shall mean all the real property submitted to this Declaration including the Units and Common Elements and all Improvements located thereon. The Property is legally described in Exhibit A attached hereto.

1.21 “Reciprocal Easements” means the non-exclusive easements for created by this Declaration, which establishes certain non-exclusive easements upon each of the Units for the benefit of each of the other Units, Owners, Occupants, Association, employees, customers, vendors and other invitees.

1.22 “Rules and Regulations” shall mean the Rules and Regulations of the Association as approved from time to time pursuant to Section 5 below.

1.23 “Special Assessment” shall mean and refer to an Assessment levied against the Units in accordance with Section 6.3 of this Declaration.

1.24 **“Special Declarant Rights”** shall mean those rights reserved in the Declaration for the benefit of a Declarant to: (i) complete Improvements on the Property; (ii) add additional real estate to the CIC; (iii) subdivide units or convert units into common elements, limited common elements and/or Units; (iv) maintain sales offices, management offices, signs advertising the common interest community, and models; (v) use easements through the common elements for the purpose of making improvements within the CIC or any Additional Property; (vi) create a master association and provide for the exercise of authority by the master association over the common interest community or its unit owners; (vii) merge or consolidate a common interest community with another common interest community of the same form of ownership; or (viii) appoint or remove any officer or director of the Association, or the master association where applicable, during any period of Declarant control.

1.25 **“Unit”** shall mean and refer to a physical portion of the Property intended for separate ownership, as shown on the Plat and identified on **Exhibit C**, attached hereto, and including all Improvements thereon. A Unit shall not be construed to include Common Elements as herein defined.

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

SECTION 2 **DESCRIPTION OF UNITS AND APPURTENANCES AND EASEMENTS**

2.1 **Units.** There are twenty-four (24) Units, comprised of two (2) buildings, each containing six (6) units, and one (1) building containing twelve (12) Units and the Clubhouse (which is part of the Common Elements and further described below). No Unit may be used for residential purposes. Each Unit constitutes a separate parcel of real estate. No additional Units may be created by the subdivision or conversion of Units except by Declarant, as allowed in Section 13.2 below. The Unit identifiers, locations and boundaries of the Units are as shown on the Plat, which is incorporated herein by reference. A schedule of Units, including the Unit identifiers, is set forth on the attached **Exhibit C**.

The Declarant plans to add Additional Property to the Property as set forth in Section 13.1, below. On the Additional Property, Declarant intends to construct approximately twenty-four (24) additional Units, with two (2) buildings, each containing six (6) units, and one (1) building containing twelve (12) Units. However, this shall not prohibit Declarant from varying the number of buildings and number of Units per building.

2.2 **Unit Boundaries.** The boundaries of each Unit shall be the interior unfinished surface of the walls, floors and ceilings thereof depicted as boundaries in the Plat. The following shall all be deemed part of the Unit:

- 2.2.1 All lath, furring, wallboard, plasterboard, plaster, paneling, tiles, wallpaper, paint, and finished flooring within the boundaries of the Unit.
- 2.2.2 All spaces, interior partitions and other fixtures and Improvements within the boundaries of the Unit.

- 2.2.3 All doors, windows, frames, sashes, jambs, hardware and screens located in the perimetrical walls of a Unit.
- 2.2.4 Any chute, flue, pipe, sprinkler, duct, wire, conduit, bearing wall, bearing column, or other fixture serving only one particular Unit. Provided, any portion thereof located outside the boundary of the Unit as reflected on the Plat shall be considered a Limited Common Element, allocated to the Unit it serves.

2.3 **Easements.** The following-described easements shall apply to the Property.

- 2.3.1 **Utilities Easements.** The Property shall be subject to non-exclusive appurtenant easements for all utilities, public and private storm sewer, water and sewer, and similar services, which exist from time to time, as constructed or referred to in the Plat, or as otherwise described in this Declaration or any other duly recorded instrument. Each Unit shall be subject to a non-exclusive easement in favor of the other Units for all such services, including without limitations any sewer or water lines servicing other Units. Each Unit shall also be subject to an exclusive easement in favor of the Association and all utilities companies providing service to the Units for the installation and maintenance of utilities metering devices.
- 2.3.2 **Access Easement.** Each Unit shall be the beneficiary of a non-exclusive, appurtenant easement across the Common Elements for ingress and egress.
- 2.3.3 **Use and Enjoyment.** Each Unit shall be the beneficiary of a non-exclusive, appurtenant easement across the Common Elements for use and enjoyment, subject to (i) the right of Owners and Occupants in Limited Common Elements appurtenant to their Units and (ii) the right of the Association to establish reasonable Rules and Regulations governing the use of the Property.
- 2.3.4 **Encroachment Easement.** In the event any constructed Unit or any air conditioner, flower box, deck, patio, eaves, or other appurtenance on any Unit as originally constructed (or as altered in accordance with the provisions of Section 8) encroaches upon or overhangs upon any part of the Common Elements, then a perpetual easement appurtenant to such encroaching or overhanging Unit shall exist for the continuance of such encroachment or overhang upon the Common Element.
- 2.3.5 **Easement for Maintenance, Repair, Replacement and Reconstruction.** Each Unit shall be subject to the rights of the Association to an exclusive, appurtenant easement on and over the Units for the purposes of maintenance, inspection, repair, replacement and reconstruction, to the extent deemed necessary by the Board to fulfill the Association's obligations under Section 9, below.
- 2.3.6 **Easements are Appurtenant.** All easements and similar rights burdening or benefiting a Unit or any other part of the Property shall be appurtenant thereto, and shall be permanent, subject only to termination in accordance with MCIOA 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.

2.3.7 **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.

2.3.8 **Benefit of Easements.** All easements benefiting a Unit shall benefit the Owners and Occupants of the Unit, and their families and guests. However, an Owner who has delegated the right to occupy the Unit to an Occupant or Occupants, whether by a lease or otherwise, does not have the use and other easement rights in the Property during such delegated occupancy, except as a guest of an Owner or Occupant or in connection with the inspection of the Unit or recovery of possession of the Unit from the Occupant pursuant to law.

SECTION 3

COMMON ELEMENTS AND LIMITED COMMON ELEMENTS

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

3.1.1 All of the Property not included within the Units constitutes Common Elements, including, without limitation, that of the Property designated as Common Elements on the Plat or in MCIOA, and all improvements and fixtures located thereon. The improvements intended to be installed on the Common Elements include, without limitation:

- a. The exterior of the buildings in which the Units are located, including, without limitation, roofs, fascia, soffit, siding, exterior lights, and any other exterior component other than those components specifically defined in Section as part of a Unit;
- b. A clubhouse, including all furnishings (the “Clubhouse”);
- c. Private drive, parking areas and lighting;
- d. Landscaping, which may include, without limitation, lawn, plants, shrubs, irrigation, flagpole, fountain, and signage;
- e. Security Gates;
- f. Cluster Box Units (“CBU”) for U.S. Mail.

3.1.2 **Interest in Common Elements.** Each Unit is granted an undivided interest in the Common Elements equivalent to a fractional share assigned to said Unit, the numerator of which shall be one (1), and the denominator of which shall be equal to the total number of Units subject to the CIC. The initial fractional allocation is set forth on the attached **Exhibit C**. If Units are added to the CIC, the fractional allocation will change accordingly.

3.1.3 Maintenance of Common Elements. All maintenance, repair, replacement, management and operation of the Common Elements shall be the responsibility of the Association, as described more fully in Section 9.

3.1.4 Common Element Expenses. Common Expenses for the maintenance, repair, replacement, management and operation of the Common Elements shall be assessed and collected from the Owners based on a fractional share assigned to said Unit, the numerator of which shall be one (1), and the denominator of which shall be equal to the total number of Units subject to the CIC. The initial fractional allocation is set forth on the attached **Exhibit C**. If Units are added to the CIC, the fractional allocation will change accordingly. Notwithstanding the fractional allocation, certain Common Expenses may be assessed against a Unit based on the criteria described in Section 6, below.

3.2 Limited Common Elements. The Limited Common Elements are those parts of the Common Elements reserved for the exclusive use of the Owners and Occupants of the Units to which they are allocated, and the rights to their use and enjoyment, together with the duty to maintain and repair, are automatically conveyed with the conveyance of such Units except as provided in Section 9, below. The Limited Common Elements are described and allocated to the Units as follows:

- 3.2.1 Any Chute, flue, duct, pipes, wire, pipe, conduit or other utility installations, bearing walls, bearing columns, or any other component or fixture that serves more than one, but less than all of the Units, and that does not serve any portion of the Common Elements, is allocated to the Units it serves and shall be considered a Limited Common Element.
- 3.2.2 Any Improvement such as a patio or walkway contiguous to a Unit and intended to serve a single Unit, which is located wholly or partially on the Common Elements, is allocated to the Unit it serves and shall be considered a Limited Common Element.
- 3.2.3 Any other exterior fixture designated to serve a single Unit, but located outside the boundaries of a Unit or otherwise not included in the definition of Unit as described in Section 2, is a Limited Common Element allocated exclusively to the Unit it serves.
- 3.2.4 The Cluster Box Unit, with one mailbox compartment allocated to each Unit.

SECTION 4 **ASSOCIATION MEMBERSHIP RIGHTS AND OBLIGATIONS**

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

4.1 Membership. Each Owner shall be a member of the Association by virtue of ownership of a Unit, and the membership shall be automatically transferred with the conveyance of the Owner's interest in the Unit. An Owner's membership shall terminate when the Owner's Unit 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. Each Unit is allocated one (1) Vote in the Association. Each Unit will be allocated a fractional share of the Common Expenses, the numerator of which shall be one (1), and the denominator of which shall be equal to the total number of Units subject to the CIC. Notwithstanding the fractional allocation, certain Common Expenses may be assessed against a Unit based on the criteria described in Section 6, below.
- 4.3 Appurtenant Rights and Obligations. Ownership of a Unit shall include the voting rights, Common Expense obligations and an undivided interest in the Common Elements, as described in Section 3.1.2, 3.1.4 and 4.2, above. Said rights, obligations and interests, and the title to the Units, shall not be separated or conveyed separately, and any conveyance, encumbrance, judicial sale or other transfer of any allocated interest in a Unit, separate from the title to the Unit shall be void. The allocation of the rights, obligations and interests described in this Section may not be changed, except in accordance with the Governing Documents.
- 4.4 Authority to Vote. The Owner, or some natural person designated to act as proxy on behalf of the Owner and who need not be an Owner, may cast the vote allocated to such Unit at meetings of the Association. However, if there are multiple Owners of a Unit, only the Owner or other Person designated pursuant to the provisions of the Bylaws may cast such vote. The voting rights of Owners are more fully described in the Bylaws.
- 4.5 Declarant Control. Notwithstanding the vote of any Owner to the contrary, the Declarant hereby reserves a period of Declarant control of the Association during which the Declarant, or persons designated by the Declarant, may appoint or remove the officers and directors of the Association (“Declarant Control Period”).
 - 4.5.1 Period of Declarant Control. The Declarant Control Period shall extend from the date of filing of the Declaration until the earlier of the following: (a) Five (5) years after the date of the first conveyance of a Unit to an Owner other than the Declarant; (b) The Declarant’s voluntary surrender of control by giving written notice to the Owners; or (c) The conveyance of seventy-five percent (75.0%) of the Units to Owners other than Declarant.
 - 4.5.2 Owners’ Limited Right to Elect During Declarant Control. Notwithstanding the foregoing, upon conveyance to Owners other than Declarant of fifty percent (50.0%) of the total number of Units that may be included in the CIC, the Owners other than Declarant or an affiliate of Declarant shall be given the right to elect at least 33-1/3 members of the Board.
 - 4.5.3 Owner Election of Board. Within sixty (60) days after termination of the Declarant Control Period, the Owners shall hold a meeting at which they will elect a Board of Directors of at least three (3) individuals. In electing the Board, all Owners 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.

4.5.4 Declarant's Right to Appoint after Declarant Control Period. After termination of the Declarant Control Period, the Declarant retains the right to appoint one (1) Director, who need not be a Member.

4.6 Meetings of the Board. Except as otherwise provided herein, meetings of the Board must be open to all Owners. To the extent practicable, the Board shall give reasonable notice to the Owners of the date, time and place of a Board meeting. If the date, time and place of meetings are provided for in this Declaration, the Articles of Incorporation or By-Laws of the Association, were announced at a previous meeting of the Board, posted in a location accessible to the 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, Subd. 14. Nothing in this section imposes a duty upon the Board to provide special facilities for meetings. The failure to give Notice as required by this section shall not invalidate the Board meeting or any action taken at the meeting.

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 MCIOA. The Association shall, subject to the rights of the Owners set forth in the Governing Documents and MCIOA, be responsible for the operation, management and control of the Property. The Association shall have all powers described in the Governing Documents and MCIOA. 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 MCIOA. 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 this Declaration and the Governing Documents, (ii) maintaining, repairing and replacing those portions of the Property for which it is responsible and (iii) preserving the value, and the architectural uniformity and character, of the Property.
- 5.3 Binding Effect of Actions. All agreements and determinations made by the Association in accordance with the powers and voting rights established by the Governing Documents shall be binding upon all Owners and Occupants, and their lessees, guests, heirs, personal representatives, successors and assigns, and all secured parties.
- 5.4 Bylaws. The Association shall have Bylaws which shall govern the operation and administration of the Association, and shall be binding on all Owners and Occupants.

5.5 Management. The Board may delegate to a manager or managing agent the management duties imposed upon the Association's officers and directors by the Governing Documents. However, such delegation will not relieve the Association 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 other Governing Documents or MCIOA. Each Owner and Occupant shall abide by and comply with the Rules and Regulations. 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 adopted by the Association 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

6.1 General. Assessments shall be determined and assessed against the Units by the Board, in its discretion, subject to the requirements and procedures set forth in this Section 6 and the requirements of the Bylaws. Assessments shall include annual Assessments under Section 6.2, and may include Special Assessments under Section 6.3. Annual and Special Assessments shall be allocated among the Units equally. The share allocated to each Unit will be equal to a fraction, the numerator of which shall be one (1), and the denominator of which shall be equal to the total number of Units subject to the CIC. The initial Fractional Allocation is set forth on the attached **Exhibit C**. If additional Units are added to the CIC, the Fractional Allocation will change accordingly. Notwithstanding the foregoing, special allocations of Common Expenses may be permitted at the discretion of the Board, subject to the following qualifications:

- a. Any Common Expense associated with the maintenance, repair, or replacement of a Limited Common Element undertaken by the Association may be assessed exclusively against the Unit or Units to which that Limited Common Element is assigned, on the basis of (i) equality, (ii) square footage of the area being maintained, repaired or replaced, or (iii) the actual cost incurred with respect to each Unit.
- b. Any Common Expense or portion thereof benefitting fewer than all of the Units may be assessed exclusively against the Units benefited, 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.

- c. The costs of insurance obtained by the Association, if any, may be assessed in proportion to value, risk or coverage, and the costs of utilities may be assessed in proportion to usage.
- d. Reasonable attorneys' fees and other costs incurred by the Association in connection with (i) the collection of assessments and (ii) the enforcement of the Governing Documents or the provisions of MCIOA against an Owner or Occupant or their guests, may be assessed against the Owner's Unit.
- e. Fees, charges, late charges, fines and interest may be assessed for failure to pay assessments when due, as determined by the Board of Directors and as provided in Section 515B.3-116(a) of MCIOA.
- f. Assessments levied under Section 515B.3-116 of MCIOA to pay a judgment against the Association may be levied only against the Units existing at the time the judgment was entered, in proportion to their Common Expense liabilities
- g. If any damage to the Common Elements or another Unit is caused by the act or omission of any Owner or Occupant, or their guests, the Association may assess the costs of repairing the damage exclusively against the Owner's Unit to the extent not covered by insurance.
- h. If any installment of an assessment becomes more than 30 days past due, then the Association may, upon 10 days written notice to the Owner, declare the entire amount of the assessment immediately due and payable in full.
- i. If Common Expense liabilities are reallocated for any purpose, Common Expense assessments and any installment thereof not yet due shall be recalculated in accordance with the reallocated Common Expense liabilities.
- j. Assessments under Subsections 6.1 a.-h. shall not be considered special assessments as described in Section 6.3.

6.2 Annual Assessments. Annual Assessments shall be established and levied by the Board, subject to the limitations set forth hereafter. Each annual Assessment shall cover all the anticipated Common Expenses of the Association for that year which are to be shared equally by all Units. Annual Assessments shall be payable in equal monthly installments. Annual Assessments shall provide, among other things, for an adequate reserve fund for the maintenance, repair and replacement of the Common Elements and any other parts of the Units for which the Association is responsible.

6.3 Special Assessments. In addition to annual Assessments, and subject to the limitations set forth hereafter, the Board may levy in any assessment year a Special Assessment against all Units, which are to be shared equally by all Units. Special assessments shall be used for the purpose of (a) defraying in whole or in part the cost of any unforeseen and unbudgeted Common

Expense, (b) reserves for maintenance, repair or replacement and (c) the maintenance, repair or replacement of any part of the Property and any improvements related thereto.

6.4 Working Capital Fund. There shall be established a working capital fund to meet unforeseen expenditures or to purchase additional equipment or services during the Association's beginning years of operation and/or to cover the administrative costs associated with the transfer of ownership of a Unit. At the time of sale of any improved Unit, whether initial sale or resale, the Purchaser shall pay a working capital fund contribution to the Association in an amount equal to one (1) monthly installment of the estimated Common Expense Assessment for the Unit. The contribution shall be paid at the time of closing of sale of the Unit. The amounts paid into this fund are in addition to the regular monthly installments of Assessments, and should not be considered an advance payment of regular Assessment installments. The amounts paid to the working capital fund are not refundable upon resale of the unit, or in any other circumstance. The funds shall be deposited into the Association's account, and may be used to pay or defray the expenses of the Association in connection with any Unit transfer, any other operating expense of the Association, or as a contribution to the Association's reserves.

6.5 Liability of Owners for Assessments. If a common expense assessment has not been lived by the Board, the Declarant shall pay all of the Common Expenses. Once a Common Expenses Assessment has been levied by the Board, all Owners shall pay the Assessments lived against their Unit. The obligation of an Owner to pay Assessments shall commence at the later of (i) the time at which the Owner acquires title to the Unit, or (ii) the due date of the first Assessment levied by the Board. Such liability shall be joint and several where there are multiple Owners of the Unit. The liability is absolute and unconditional. No Owner is exempt from liability for payment of Assessments by right of set-off, by waiver of use or enjoyment of any part of the Property, by absence from or abandonment of the Unit, by the waiver of any other rights, or by reason of any claim against the Association or its officers, directors or agents, or for their failure to fulfill any duties under the Governing Documents or MCIOA. The Association may invoke the charges, sanctions and remedies set forth in Section 11, in addition to any remedies provided elsewhere in the Governing Documents or by law for the purpose of enforcing its rights hereunder.

6.5.1 Declarant's Alternate Expense Plan. Notwithstanding the foregoing, the Declarant may elect to use an Alternate Expense Plan pursuant to the following requirements, and otherwise in compliance with MCIOA. During any such Alternate Expenses Plan, Declarant's liability for Common Expenses, and the corresponding assessment lien on any Unit owned by the Declarant, will be limited to Declarant paying when due all accrued expenses of the CIC in excess of the aggregate assessments payable with respect to Units owned by persons other than Declarant. If Declarant utilizes the Alternate Expense Plan, Declarant will be required to deliver to the association, at the declarant's expense, within 90 days after the termination of the Declarant Control Period, an audited balance sheet and profit and loss statement certified to the association and prepared by an accountant having the qualifications set forth in Minn. Stat. Section [515B.3-121\(b\)](#). The audit shall be binding on the declarant and the association. Further, if the audited profit and loss statement shows an accumulated operating deficit, the Declarant shall be obligated to make up the deficit within 15 days after delivery of the audit to the Association, and the Association shall have a claim against the Declarant for an amount

equal to the deficiency, until paid. If Declarant does not utilize the Alternate Expense Plan, Declarant will not be liable to make up any operating deficit. Declarant may utilize the Alternate Expense Plan by giving notice to the Association of its intent to utilize the Alternate Expense Plan and designating a commencement date after the date the notice is given. Additionally, Declarant must include notice of the Alternate Expense Plan in its Disclosure Statement required by Minn. Stat. Section [515B.4-102](#), and include either (i) a statement that the Alternate Expense Plan will have no effect on the level of services or amenities anticipated by the Association's budget contained in the Disclosure Statement, or (ii) a statement describing how the services or amenities may be affected. The Alternate Expense Plan shall be valid only for periods after the notice is given and during the Declarant Control Period. The Declarant may terminate its right to utilize the Alternate Expense Plan prior to the termination of the Declarant Control Period only by giving notice to the Association and the unit owners at least 30 days prior to a selected termination date set forth in the notice.

6.6 Assessment Lien. The Association has a lien on a Unit for any Assessment levied against that Unit from the time the Assessment becomes due. If an Assessment is payable in installments, the full amount of the Assessment is a lien from the time the first installment thereof becomes due. Fees, charges, late charges, fines and interest charges imposed by the Association are liens and are enforceable as Assessments, under this Section 6. Recording of the Declaration constitutes record notice and perfection of any lien under this Section 6, and no further recordation of any notice of or claim for the lien is required. The release of the lien shall not release the Owner from personal liability unless agreed to in writing by the Association.

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

6.8 Lien Priority; Foreclosure. A lien for Assessments is prior to all other liens and encumbrances on a Unit except (i) liens and encumbrances recorded before the Declaration, (ii) any first mortgage encumbering the fee simple interest in the Unit, and (iii) liens for real estate taxes and other governmental Assessments or charges against the Unit. Notwithstanding the foregoing, if (1) a first mortgage on a Unit is foreclosed, (2) the first mortgage was recorded on or after the date of recording of this Declaration, and (3) no Owner redeems during the Owner's period of redemption provided by Minnesota Statutes Chapters 580, 581, or 582, then the holder of the sheriff's certificate of sale from the foreclosure of the first mortgage shall take title to the Unit subject to unpaid Assessments for Common Expenses levied by the Association 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.

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

SECTION 7 RESTRICTIONS ON USE OF PROPERTY

All Owners and Occupants, and all secured parties, by their acceptance or assertion of an interest in the Property, or by their occupancy of a Unit, covenant and agree that, in addition to any other restrictions which may be imposed by the 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, as amended from time to time or as further adopted from time to time by the Association. 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 for the Right of Declarant to subdivide a Unit, no Unit 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 Leasing of Units. Leasing of the Units shall be permitted subject to the condition that the lease provides that it is subordinate and subject to the provisions of the Governing Documents and that any failure of the tenant to comply with the terms of such documents shall be a default under the lease.

7.4 Delegation of Use. An Owner may delegate, in accordance with the Governing Documents, the Owner's right of use and enjoyment of the Unit to persons occupying the Unit pursuant to a legal right of possession; provided, that such persons shall be subject to the Declaration and the Rules and Regulations.

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

7.6 Compliance with Law. No use shall be made of the Property which would violate any 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.

7.7 Non-Residential Use. No Unit may be used for residential purposes.

SECTION 8 **ARCHITECTURAL CONTROLS**

8.1 Architectural Review. An Owner who wishes to make any alteration or Improvement to any portion of its Unit that can be observed from the exterior of the Unit or that affects, in any manner, another Unit or the Common Elements, shall submit to the Board its plans and specifications, including, without limitation, the nature, kind, shape, height, materials, color and the location, prepared by an architect, engineer or other person found to be qualified by the Board, if deemed necessary by the Board.

8.2 The Board shall have the right to refuse to approve any plans and specifications which are not suitable or desirable, in its sole and absolute discretion, for aesthetic or any other reasons. The Board may, in its sole discretion, impose standards which may be greater or more stringent than standards prescribed in applicable, building, zoning or other local governmental codes.

8.3 Completion of alterations or Improvements for which the approval of the Board is required under this Declaration shall be completed within the time period specified by the Board

8.4 Upon approval by the Board of any plans and specifications submitted to it, the Board shall notify the applicant in writing, which notification shall set forth any qualifications or conditions of approval. In the event that the Board does not approve any plans and specifications submitted to it, the Board shall so notify the applicant in writing, stating the grounds upon which such disapproval is based. No alteration or Improvement shall be completed or allowed to remain upon a Unit which violates any of the covenants, conditions or restrictions contained in this Declaration, or which violates any zoning or building ordinance or regulation.

8.5 There is specifically reserved unto the Board, and to any agent or member of the Board, the right of entry and inspection upon any Unit for the purpose of determination by the Board whether there exists any alteration or Improvement which violates the approval by the Board, the terms of this Declaration, or of any other covenants, conditions and restrictions to which any deed or other instrument of conveyance makes reference. If any alteration or Improvement subject to approval by the Board shall be completed without the prior written approval of the Board, or in violation of such approval, the Owner shall, upon demand of the Association, restore the Property in order to comply with the terms set forth herein. The Owner shall be liable for the payment of all costs of removal or restoration, as well as all costs and attorneys' fees incurred by the Association to enforce the requirements herein. Such costs may also be the basis for an individual assessment against the Unit upon which such non-compliant Improvement or alteration is located.

8.6 The Board may, in its sole discretion, grant variances from the requirements contained herein or as elsewhere promulgated by the Board, on a case by case basis; provided however, that the variance sought is reasonable and does not impose a hardship upon other Owners. The granting

of such a variance by the Board shall not nullify or otherwise affect the Board 's right to require strict compliance with the requirements set forth herein on any other occasion.

8.7 Notwithstanding anything contained herein to the contrary, any Improvements of any nature at any time made or to be made on any Unit owned by Declarant, shall not be subject to the review or other procedures of the Board.

SECTION 9 MAINTENANCE

9.1 Association Maintenance of Common Elements. The Association shall provide for all maintenance, inspection, repair, reconstruction or replacement (collectively, "Maintenance") of the Common Elements, to the extent deemed necessary and desirable by the Board. This includes, without limitation, the following:

- a. Maintenance of Common Elements: (i) lawns, plants, shrubs, and trees, including watering, mowing, trimming and weed control; (ii) irrigation system; (iii) entrance security gates, fountain, and fencing; (iv) private roadways, driveways walkways and parking areas, including snow removal, street sweeping, patching, sealing, resurfacing, and reconstruction; (v) the Clubhouse; (vi.) any storm water ponds and/or infiltration basins located on the Common Elements; (vii.) roofs, soffits, fascia, siding and other exterior building surfaces, but excluding windows, garage doors, entry doors, door hardware, air conditioning equipment, glass, screens and window frames, and any other item described as part of the "Unit" in Section 2, above; and (viii) the Cluster Box Units for US Mail.
- b. Maintenance of Limited Common Elements: (i) All sanitary sewer lines that connect a Unit to a main municipal sanitary sewer line, and all water lines that connect a Unit to the main municipal water line, and related components, to the extent deemed necessary or desirable by the Board or as required by the City; and (ii) any chute, flue, duct, pipes, wire, pipe, conduit or other utility installations, bearing walls, bearing columns, or any other components or fixtures that serve more than one, but less than all of the Units.
- c. Exception. Notwithstanding the foregoing, the Association shall not be responsible for snow removal, sweeping or general housekeeping of any patio that is allocated to a single Unit and designated as a Limited Common Element.

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 Maintenance to the Property.

9.3 Maintenance by Owner. All maintenance of a Unit other than that Maintenance described above, shall be the sole responsibility and expense of the Owner thereof, who shall maintain the Improvements located upon the Owner's Unit in a clean, safe and sanitary condition in compliance with the Governing Documents or with specific uniform criteria established by the Board. Additionally, a Unit Owner shall be responsible for snow removal, sweeping and

general housekeeping of any patio that is allocated exclusively to said Unit and designated as a Limited Common Element.

9.4 Damage Caused by Owner/Failure to Properly Maintain. 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 invitees, or by a condition in a Unit which the Owner or Occupant has willfully or negligently allowed to exist, the Association may cause such damage or condition to be repaired or corrected (and enter upon any Unit to do so), and the cost thereof may be charged and assessed against the Unit of the Owner responsible for the damage. Such cost shall be a personal obligation of the Owner and a lien against the Owner's Unit.

9.4 Easements for Maintenance. The Association shall be the beneficiary of those easements described in Section 2 to fulfil its obligations under this Section 9.

9.5 Trash Removal. The Association shall contract for routine trash removal from the Property.

SECTION 10 INSURANCE

10.1 Required Coverage. The Association shall obtain and maintain policies of insurance in accordance with the 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 (i) on the 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

b. Commercial general liability insurance against claims and liabilities arising in connection with the ownership, existence, use or management of the property in an amount 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 or board member. 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.

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

10.2 Premiums. All premiums for insurance maintained by the Association shall be assessed and paid as Annual Assessments, and allocated among the Units as determined by the Board consistent with the Governing Documents.

10.3 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 as trustee

for the benefit of the Owners and secured parties, including Eligible Mortgagees, which suffer loss. The Association shall have exclusive authority to negotiate, settle and collect upon any claims or losses under any insurance policy maintained by the Association.

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

- a. Each Owner and secured party is an insured Person under the policy with respect to liability arising out of the Owner's membership in the Association.
- b. The insurer waives its right to subrogation under the policy against any Owner or member of the Owner's household and against the Association and members of the Board.
- c. No act or omission by any Owner or secured party, unless acting within the scope of authority on behalf of the Association, shall void the policy or be a condition to recovery under the policy.
- d. If at the time of a loss under the policy there is other insurance in the name of an Owner covering the same property covered by the policy, the Association's policy is primary insurance.

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

10.6 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, Occupant or Eligible Mortgagee, unless acting within the scope of authority on behalf of the Association, or (ii) any failure of the Association to comply with any warranty or condition regarding any portion of the Property over which the Association has no control.

10.7 Unit Owners. Unit owners may obtain insurance for personal benefit in addition to insurance carried by the association.

SECTION 11 COMPLIANCE AND REMEDIES

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

11.1 Entitlement to Relief. The Association or any Owner may commence legal action to recover sums due for damages, for injunctive relief or to foreclose a lien owned by it, or any

combination thereof, or an action for any other relief authorized by the Governing Documents or available at law or in equity. Legal relief may be sought by the Association against any Owner to enforce compliance with the Governing Documents, MCIOA or the decisions of the Association. Owners may also enforce compliance with the Governing Documents by a private legal action, independent of this Section. No Owner may withhold any Assessments payable to the Association, or take or omit other action in violation of the Governing Documents and the Rules and Regulations as a measure to enforce such Owner's position, or for any other reason.

11.2 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 invitees, who violate the provisions of the Governing Document:

- a. Commence legal action for damages or equitable relief in any court of competent jurisdiction.
- b. Impose late charges of \$50.00, or such other amount as may from time to time be determined by the Association, for each past due Assessment or installment thereof, and impose interest at the highest rate permitted by law accruing beginning on the first day of the month after the Assessment or installment was due.
- c. In the event of default of more than thirty (30) days in the payment of any Assessment or installment thereof, all remaining installments of Assessments assessed against the Unit owned by the defaulting Owner may be accelerated and shall then be payable in full if all delinquent Assessments or installments thereof, together with all attorneys' fees, costs of collection and late charges, are not paid in full prior to the effective date of the acceleration. Not less than ten (10) days advance written notice of the effective date of the acceleration shall be given to the defaulting Owner.
- d. Impose reasonable fines, penalties or charges for each violation of the Governing Documents.
- e. Suspend the rights of any Owner to vote when the Assessments due with respect to the Owner's Unit are past due. 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. Enter any Unit in which, or as to which, a violation or breach of the Governing Documents exists which is likely to materially affect the health or safety of the other Owners or Occupants, or their invitees 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.
- g. Foreclose any lien arising under the provisions of the Governing Documents or under law, in the manner provided by Minnesota statutes for the foreclosure of mortgages by action or under power of sale.

11.3 Rights to Hearing. Before the imposition of any of the remedies authorized by Section 11.2 d., e., f. or g., the Board shall, upon written request of the offender, grant to the offender an opportunity for a hearing. The offender shall be given notice of the nature of the violation and the right to a hearing, and at least ten (10) days within which to request a hearing. The hearing shall be scheduled by the Board and held within thirty (30) days of receipt of the hearing request by the Board, and with at least ten (10) days prior written notice to the offender. If the offender fails to timely request a hearing or to appear at the hearing, then the right to a hearing shall be deemed waived and the Board may take such action as it deems appropriate. The decision of the Board and the rules for the conduct of hearings established by the Board shall be final and binding on all parties. The Board's decision shall be delivered in writing to the offender within ten (10) days following the hearing, if not delivered to the offender at the hearing. The Board may delegate the foregoing hearing authority to a committee of three or more disinterested Owners, who shall conduct the hearing and make a recommendation to the Board regarding the disposition of the matter.

11.4 Lien for Charges, Penalties. Etc. Any Assessments, charges, fines, expenses, penalties or interest imposed under this Section shall be a lien against the Unit of the Owner or Occupant against whom the same are imposed and the personal obligation of such Owner in the same manner and with the same priority and effect as Assessments under Section 6. The lien shall attach as of the date of imposition of the remedy, but shall not be final as to violations for which a hearing is held until the Board makes a written decision at or following the hearing. All remedies shall be cumulative, and the exercise of, or failure to exercise, any remedy shall not be deemed a waiver of the Association's right to pursue any others.

11.5 Costs of Proceeding and Attorneys' Fees. With respect to any collection measures, or any measures or action, legal, administrative, or otherwise, which the Association takes to enforce the provisions of the Governing Documents, whether or not finally determined by a court or arbitrator, the Association may assess the violator and the violator's 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. Such expenses shall also include any collection or contingency fees or costs charged to the Association by a collection agency or other Person acting on behalf of the Association in collecting any delinquent amounts owed to the Association by an Owner or Occupant. Such collection or contingency fees or costs shall be the personal obligation of such Owner and shall be a lien against such Owner's Unit.

11.6 Liability for Owners' and Occupants' Acts. An Owner shall be liable for the expense of any maintenance, repair or replacement of the Property rendered necessary by such Owner's acts or omissions, or by that of Occupants or invitees 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 by the Association against the Owner responsible for the condition and against said Owner's Unit.

11.7 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.

SECTION 12 **AMENDMENTS**

- 12.1 **Approval Requirements.** Except for amendments by Declarant during the Declarant Control Period, this Declaration may be amended only by the approval of Owners of Units to which are allocated at least sixty-seven (67%) percent of the total votes in the Association; and the consent of Declarant as to certain amendments as provided in Section 13.
- 12.2 **Procedures.** Approval of the Owners may be obtained in writing or at a meeting of the Association duly held in accordance with the Bylaws. Consents of the Declarant shall be in writing. 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.
- 12.3 **Consent Deemed Granted.** Consent of a party required hereunder, including consent of an Owner or the Declarant, shall be deemed to have been granted if the party's written refusal to consent is not received by the Association within sixty (60) days after the party receives from the Association notice and a copy of the amendment, by certified U.S. Mail, postage prepaid, and return receipt requested.

SECTION 13 **SPECIAL DECLARANT RIGHTS**

Declarant, its successors and assigns, hereby reserve exclusive and unconditional authority to exercise the following special Declarant rights for as long as it owns a Unit, or for such shorter period as may be specifically indicated:

- 13.1 **Add Additional Real Estate.** The Declarant, its successors and assigns, shall have the right, without the consent of the Owners, to bring all or part of the Additional Property within the scheme of this Declaration and any Amended or Supplemental Declaration recorded in connection with such addition. Such addition may contain additional Units, Common Elements and/or Limited Common Elements, and may or may not include additional amenities, at the sole discretion of Declarant, and shall comply with the general plan of development. The buildings and other improvements constructed thereon shall be compatible in terms of architecture and materials with those constructed on the Property. Each addition authorized under this Section shall be made by filing of record with the Wright County Recorder/Registrar of Titles, a Supplemental Declaration with respect to the Additional Property, which shall identify the Property as Units or Common Elements, and shall extend the scheme of covenants, conditions and restrictions contained in this Declaration to all such Additional Property. Any such additional Units shall be restricted to non-residential use. The statements contained in this Declaration shall not apply to the Additional Property until and unless it is added as provided in the Declaration.
- 13.2 **Relocate Boundaries and Alter Units:** Declarant shall have the right, without the consent of the Owners or the Association, to complete the following actions with respect to any Units owned by Declarant, or if not owned by Declarant, with the consent of the fee owner of the Unit or Units affected, and to record an amendment to this Declaration in order to give effect to any

such action: 1) relocate boundaries between Units; 2) combine Units, by removing boundaries between adjacent Units; and 3) convert or subdivide Units, or any part thereof, into additional Units or Common Elements.

- 13.3 Complete Improvements. To complete all the Units and other improvements indicated on the Plat, or otherwise included in Declarant's development plans or allowed by the Declaration, and to make alterations in the Units to accommodate the exercise of any special declarant rights.
- 13.4 Control of Association. To control the operation and administration of the Association, including without limitation the power to appoint and remove the members of the Board until the earliest of: (i) voluntary surrender of control by Declarant, (ii) an Association meeting which shall be held within sixty (60) days after conveyance to Owners other than a Declarant of seventy-five percent (75%) of the total number of Units authorized to be included in the Property or (iii) the date five (5) years following the date of the first conveyance of a Unit to an Owner other than a Declarant. Notwithstanding the foregoing, the Owners other than Declarant shall have the right to nominate and elect not less than thirty-three and one-third percent (33 1/3%) of the directors at a meeting of the Owners which shall be held within sixty (60) days following the conveyance by Declarant of fifty percent (50%) of the total number of Units.
- 13.5 Easements. To have and use easements, for itself, its employees, contractors, representatives, agents and prospective purchasers through and over the Common Elements and exterior of the Units for the purpose of exercising its special Declarant rights.
- 13.6 Sales Facilities. To construct, operate and maintain a sales office, management office, model Units and other development, sales and rental facilities within the Common Elements and any Units owned by Declarant from time to time, located anywhere on the Property.
- 13.7 Signs. To erect and maintain signs and other sales displays offering the Units for sale or lease, in or on any Unit owned by Declarant and on the Common Elements, and to erect a permanent marker or markers at the entrances to the development.
- 13.8 Use in Advertising. To photograph the exterior of the Units and use said photographs or reproductions for advertising purposes.
- 13.9 Create Master Association/Merge or Consolidate CIC. The Declarant reserves the right to create a master association and provide for the exercise of authority by the master association over the CIC or its unit owners and/or to merge or consolidate the CIC with another common interest community of the same form of ownership.
- 13.10 Consent to Certain Amendments. Until such time as Declarant no longer owns any Unit for initial sale, Declarant's written consent shall be required for any amendment to the Governing Documents which directly or indirectly affects Declarant's rights under the Governing Documents.
- 13.11 Special Assignment of Declarant Rights. Declarant's Rights contained in the Declaration are separately assignable by Declarant and may be transferred by Declarant executing and recording one or more Special Assignment of Declarant Rights with the County Recorder, setting forth a description of the right being assigned, and the identity of the assignee.

SECTION 14

MISCELLANEOUS

- 14.1 **Severability.** If any term, covenant, or provision of this instrument or any exhibit attached hereto is held to be invalid or unenforceable for any reason whatsoever, such determination shall not be deemed to alter, affect or impair in any manner whatsoever any other portion of this Declaration or exhibits attached hereto.
- 14.2 **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.
- 14.3 **Notices.** Unless specifically provided otherwise in the Governing Documents, all notices required to be given by or to the Association, the Board, the Association officers or the Owners or Occupants shall be in writing and shall be effective upon hand delivery, or mailing if properly addressed with postage prepaid and deposited in the United States mail; except that registrations pursuant to the Bylaws shall be effective upon receipt by the Association.
- 14.4 **Conflicts Among Documents.** 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.
- 14.5 **Duration of Covenants.** The covenants, conditions, restrictions, easements, liens and charges contained in this Declaration shall be perpetual, subject only to termination as provided in this Declaration.

(Signature Page Attached)

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

DECLARANT:

Boyd Dollansky, LLC.

By: _____
, Chief Manager

STATE OF MINNESOTA)
) ss.
COUNTY OF)

The foregoing instrument was acknowledged before me this _____ day of _____, 2025,
by _____, the Chief Manager of Boyd Dollansky, LLC, a Minnesota limited liability
company, on behalf of the company.

Notary Public

THIS INSTRUMENT DRAFTED BY:
Gries Lenhardt Allen, P.L.L.P. (JMP)
12725 43rd Street NE, S. 201
St. Michael, MN 55376

EXHIBIT A
To DECLARATION
COMMON INTEREST COMMUNITY NO. _____
A Condominium
CONDO SUITES OTSEGO CLASSICS

Legal Description of Property

Lot 1, Block 20, Zachman Meadows, Wright County, Minnesota (*6 Units*);
Lot 1, Block 21, Zachman Meadows, Wright County, Minnesota (*12 Units plus Common Elements*);
Lot 1, Block 22, Zachman Meadows, Wright County, Minnesota (*6 Units*);

and

Lot 2, Block 1, Zachman Meadows Condo Suites Commons, Wright County, Minnesota (*Common Elements*)

EXHIBIT B
To DECLARATION
COMMON INTEREST COMMUNITY NO. _____
A Condominium
CONDO SUITES OTSEGO CLASSICS

ADDITIONAL PROPERTY

Lot 1, Block 17;
Lot 1, Block 18; and
Lot 1, Block 19;
All in Zachman Meadows, Wright County, Minnesota

EXHIBIT C
To DECLARATION
COMMON INTEREST COMMUNITY NO. _____
A Condominium
CONDO SUITES OTSEGO CLASSICS

DESCRIPTION OF UNITS, ALLOCATION OF VOTING RIGHTS AND COMMON EXPENSE LIABILITY

Address	Unit Number	Interest in Common Elements	Votes	Common Expense Liability
7051 Kaeding Lane NE, Suite 10A		1/24 th	1	1/24 th
7051 Kaeding Lane NE, Suite 10B		1/24 th	1	1/24 th
7051 Kaeding Lane NE, Suite 10C		1/24 th	1	1/24 th
7051 Kaeding Lane NE, Suite 10D		1/24 th	1	1/24 th
7051 Kaeding Lane NE, Suite 10E		1/24 th	1	1/24 th
7051 Kaeding Lane NE, Suite 10F		1/24 th	1	1/24 th
7040 Kaeding Lane NE, Suite 11A		1/24 th	1	1/24 th
7040 Kaeding Lane NE, Suite 11B		1/24 th	1	1/24 th
7040 Kaeding Lane NE, Suite 11C		1/24 th	1	1/24 th
7040 Kaeding Lane NE, Suite 11D		1/24 th	1	1/24 th
7040 Kaeding Lane NE, Suite 11E		1/24 th	1	1/24 th
7040 Kaeding Lane NE, Suite 11F		1/24 th	1	1/24 th
7041 Kagan Ave NE, Suite 11G		1/24 th	1	1/24 th
7041 Kagan Ave NE, Suite 11H		1/24 th	1	1/24 th
7041 Kagan Ave NE, Suite 11I		1/24 th	1	1/24 th
7041 Kagan Ave NE, Suite 11J		1/24 th	1	1/24 th
7041 Kagan Ave NE, Suite 11K		1/24 th	1	1/24 th
7041 Kagan Ave NE, Suite 11L		1/24 th	1	1/24 th
7060 Kagan Ave NE, Suite 12A		1/24 th	1	1/24 th
7060 Kagan Ave NE, Suite 12B		1/24 th	1	1/24 th
7060 Kagan Ave NE, Suite 12C		1/24 th	1	1/24 th
7060 Kagan Ave NE, Suite 12D		1/24 th	1	1/24 th
7060 Kagan Ave NE, Suite 12E		1/24 th	1	1/24 th
7060 Kagan Ave NE, Suite 12F		1/24 th	1	1/24 th
Total		1	24	1