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STEARNS COUNTY RECORDER



AUGUST 2, 2005
DECLARATION OF COVENANTS,

CONDITIONS, EASEMENTS AND RESTRICTIONS

QUARRY WOODS
A Residential Community
St. Cloud, Minnesota

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Title Recording Services, Inc. 476086
79 Western Ave N 2570859
St. Paul, MN 55102
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**QUARRY WOODS
DECLARATION
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**DECLARATION OF COVENANTS, CONDITIONS,
EASEMENTS AND RESTRICTIONS**

THIS DECLARATION OF COVENANTS, CONDITIONS, EASEMENTS AND RESTRICTIONS (the "Declaration") is made as of this 2 day of August, 2005, by Insignia Development LLC, a Minnesota limited liability company (the "Declarant").

RECITALS:

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

WHEREAS, Declarant intends to develop the Property as residential lots, all of them dedicated to single-family residential use, and to create certain easements for the benefit and enjoyment of persons residing in the Property; and

WHEREAS, Declarant desires that all of the Property shall be subject to certain uniform covenants, conditions and restrictions, for the purpose of preserving the value, quality and original architectural and aesthetic character of the Property as a single family residential community.

NOW, THEREFORE, Declarant hereby declares that the following covenants, restrictions and conditions 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.

THIS COMMUNITY CONSISTS OF SEPARATE PARCELS OF REAL PROPERTY DESIGNED AND UTILIZED FOR SINGLE FAMILY DWELLINGS. THE "ASSOCIATION" (AS DEFINED BELOW) CONSISTS SOLELY OF SEPARATE PARCELS OF REAL ESTATE DESIGNED AND UTILIZED FOR RESIDENTIAL USE. THE ASSOCIATION HAS NO OBLIGATION TO MAINTAIN ANY DWELLINGS OR HOMES AND IS NOT SUBJECT TO CHAPTER 515B OF MINNESOTA STATUTES, WHICH IS COMMONLY REFERRED TO AS: THE MINNESOTA COMMON INTEREST OWNERSHIP ACT.

Section 1 - Definitions

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

1.1 "Association" shall mean The Quarry Woods Home Owners' Association, Inc., a Minnesota nonprofit corporation which has been created and whose members consist of all Owners as defined herein.

- 1.2 "Board" shall mean the Board of Directors of the Association.
- 1.3 "Wetland Buffer Area" shall mean that portion of the Property designated and described on Exhibit "P" attached hereto.
- 1.4 "Orchid Buffer Area" shall mean that portion of the Wetland Buffer Area that is situated upon the following Lots: Lots 1-7, Block 1, Quarry Woods, Stearns County, Minnesota.
- 1.5 "City" shall mean the City of St. Cloud, a Minnesota municipal corporation.
- 1.6 "Common Areas" shall collectively refer to the Street Expansion Area, the Monument and Open Space Area, and the Landscaped Median Areas; provided, however, that the Street Expansion Area may be excluded from the definition of the "Common Areas" pursuant to the provisions of Section 2.2 hereof.
- 1.7 "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, expenses incurred in the ownership, maintenance, management and operation of the Common Areas and in the performance of the Association's obligations hereunder, insurance coverages maintained pursuant to Section 8.1 hereof, and those items specifically identified in this Declaration or the Bylaws.
- 1.8 "Eligible Mortgagee" shall mean any Person owning a First Mortgage and which has requested the Association, in writing, to notify it regarding any proposed action which requires approval by a specified percentage of Eligible Mortgagees.
- 1.9 "First Mortgage" shall mean a mortgage encumbering a Lot or other parcel in the Property which has been recorded so as to give constructive notice thereof, and the lien of which is prior to the lien of any other mortgage on the real property described therein.
- 1.10 "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.
- 1.11 "Lot" shall mean any platted lot subject to this Declaration upon which a dwelling is located or intended to be located, but excluding the Common Areas.
- 1.12 "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.
- 1.13 "Occupant" shall mean any person or persons, other than an Owner, in possession of or residing in a dwelling constructed on a Lot.

1.14 "Monument and Open Space Area" shall mean that land legally described on Exhibit D attached hereto, including all improvements now located, or hereafter constructed thereon.

1.15 "Owner" shall mean a Person who owns a Lot, but excluding contract for deed vendors, mortgagees and other secured parties. The term "Owner" includes, without limitation, contract for deed vendees and holders of a life estate.

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

1.17 "Landscaped Median Areas" shall mean those landscaped areas more particularly described on Exhibit C attached hereto, including all improvements now located, or hereafter constructed thereon.

1.18 "Property" shall mean all of the real property submitted to this Declaration, which initially consists of the real property legally described in Exhibit A attached hereto, which "Property" may be reduced pursuant to the provisions of Section 2.2 hereof and which "Property" may be expanded pursuant to the provisions of Section 11.6 hereof.

1.19 "Rules" shall be defined as provided in Section 4.5 hereof.

1.20 "Street Expansion Area" shall mean the real property legally described in Exhibit B attached hereto, including all improvements now located, or hereafter constructed thereon.

1.21 "Subsequent Amendment" shall mean an amendment to this Declaration which may be executed solely by Declarant and which subjects additional real property to this Declaration in accordance with Section 11.6 hereof.

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

Section 2 - Easements

2.1 General Easement. There is hereby created a non-exclusive perpetual easement in favor of Declarant and the Association over and across any portion of the Property, including, but not limited to, any Lot, to the extent necessary, for the purposes of performing their respective obligations under this Declaration, and for the purposes of inspecting and enforcing the easements contemplated in this Section 2. Declarant and the Association may take whatever actions are reasonably necessary to carry out their respective obligations as set forth herein.

2.2 Street Expansion Area. There is hereby created a non-exclusive, temporary easement and covenant, in favor of the Association, over and across the Street Expansion Area, for the maintenance and repair of said area and any improvements now located, or hereafter

constructed, thereon, including, but not limited to, landscaping, fencing, entrance monuments, signs and related improvements identifying the Property or specific portions thereof. This easement is intended to continue only while fee title to the Street Expansion Area is held by the Declarant and may be terminated by Declarant, in its sole discretion, at any time, but in any event the easement contemplated by this section 2.2 shall be deemed terminated and of no further force or effect upon the occurrence of any transfer of fee title to the Street Expansion Area by Declarant to a third party. Notwithstanding any contrary provision herein, upon the occurrence of any such termination of this easement, the Street Expansion Area shall cease to be a part of the "Common Areas" and shall cease to be part of the "Property" hereunder.

2.3 Monument and Open Space Area. There is hereby created a non-exclusive and perpetual easement and covenant, in favor of Declarant, all Owners and Occupants and the Association, over and across the Monument and Open Space Area for the use and enjoyment thereof, and in favor of the Declarant and the Association for the maintenance, repair and replacement of all improvements thereon, including any landscaping, monument signage, trails, fencing or other improvements which may now exist or hereafter be constructed thereon.

2.4 Wetland Buffer Area. There is hereby created a non-exclusive and perpetual easement and covenant, in favor of the Declarant and the Association for surface drainage upon and maintenance of the Wetland Buffer Area and any improvements now or hereafter located thereon, including, but not limited to, monuments denoting the boundaries of and restrictions pertaining to the Wetland Boundary Area; provided, however, that the following activities shall be strictly prohibited in the Wetland Boundary Area (except those areas used for ponding or conduction of runoff or mitigated for road or trail purposes): vegetative removal (including mowing) and cutting (except for exotic and invasive species), filling, grading, drainage, dumping of yard waste (including leaves or grass clippings), deposition of soil, and erection or placement of actual structures.

2.5 Orchid Buffer Area. There is hereby created a non-exclusive and perpetual easement and covenant, in favor of the Declarant and the Association for surface drainage upon and maintenance of the Orchid Buffer Area and any improvements now or hereafter located thereon, including, but not limited to, monuments denoting the boundaries of and restrictions pertaining to the Orchid Boundary Area; provided, however, that the following activities shall be strictly prohibited in the Orchid Boundary Area (except those areas used for ponding or conduction of runoff or mitigated for road or trail purposes): vegetative removal (including mowing) and cutting (except for exotic and invasive species), filling, grading, drainage, dumping of yard waste (including leaves or grass clippings), deposition of soil, and erection or placement of actual structures.

2.6 Landscaped Median Area. There is hereby created a non-exclusive and perpetual easement and covenant, in favor of the Declarant, all Owners and Occupants and the Association, over and across the Landscaped Median Areas, for the use and enjoyment of the Landscaped Median Areas and all improvements now or hereafter constructed thereon.

2.7 Enforcement. The Declarant may, but shall not be obligated to, enforce the terms of the easements and covenants created by this Section 2, and the maintenance obligations

created in Section 7 of this Declaration, by any proceeding at law or in equity to restrain violation, to compel compliance, or to recover damages, including reasonable attorneys' fees and the costs of the enforcement actions. Any failure by the Declarant to enforce any provision of this Section 2 or Section 7 upon a violation of it shall not be deemed a waiver of the right to do so as to any continuing or subsequent violation.

2.8 No Dedication. The easements granted in this Declaration are for the benefit of the parties designated herein and are not deemed to constitute dedications or the creation of rights in the public or the City.

Section 3 - Association Membership: Rights And Obligations

Membership in the Association, and the allocation to each Lot 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:

3.1 Membership. Each Owner shall be a Member of the Association by virtue of ownership of a Lot, and the membership shall be appurtenant to and may not be separated from ownership of any Lot. An Owner's membership shall terminate when the Owner's ownership interest in a Lot terminates. When more than one Person is an Owner of a Lot, all such Persons shall be Members of the Association, but multiple ownership of a Lot shall not increase the voting rights allocated to such Lot nor authorize the division of the voting rights.

3.2 Voting Rights. The Association shall have two (2) classes of voting membership:

(a) Class A. Class A Members shall be all Members with the exception of Declarant. Subject to Section 3.5 below, Class A Members shall be entitled to one (1) vote for each Lot owned.

(b) Class B. The Class B Member shall be the Declarant who shall be entitled to four (4) votes for each Lot owned. The Class B Membership shall cease and be converted to Class A Membership upon the happening of the first to occur of the following events:

(i) when the total votes of Members outstanding in the Class A Membership equal the total votes outstanding in favor of the Declarant in the Class B Membership;

(ii) on December 31, 2016; or

(iii) upon the voluntary conversion of the Class B Membership by the Declarant to Class A Membership.

3.3 Common Expenses. Common Expense obligations are allocated equally among the Lots; except that special allocations of Common Expenses shall be permitted as provided in Section 5.3.

3.4 Appurtenant Rights and Obligations. The ownership of a Lot shall include the voting rights and Common Expense obligations described in Sections 3.2 and 3.3. Said rights, obligations and interests, and the title to the Lots, shall not be separated or conveyed separately.

3.5 Authority to Vote. The Owner, or some natural person designated to act as proxy on behalf of the Owner, and who must be an Owner or an agent of the Owner if the Owner is not a natural person, may cast the vote allocated to such Lot at meetings of the Association, so long as the Owner is in good legal and financial standing with the Association and provided that if there are multiple Owners of a Lot, 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 4 - 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:

4.1 General. The operation and administration of the Association shall be governed by the Governing Documents. Subject to the rights and obligations of the Owners set forth in the Governing Documents, the Association shall be responsible for the operation, maintenance, repair and replacement of the Common Areas and all improvements thereon, and certain other areas more specifically described in Section 7.1, shall enforce the covenants, conditions and restrictions set forth in this Declaration and any amendments hereto, and any Rules adopted by the Association. Common Expenses for such activities shall be assessed and collected from the Owners in accordance with Section 5 of this Declaration. The Association shall have all powers described in the Governing Documents. All power and authority of the Association shall be vested in the Board, unless action or approval by the individual Owners is specifically required by the Governing Documents. All references to the Association shall mean the Association acting through the Board unless specifically stated to the contrary.

4.2 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, including the enforcement of restrictive covenants pertaining to the Wetland Buffer Area and the Orchid Buffer Area and the Lots adjacent thereto; (ii) maintaining the Common Areas in accordance with the terms and conditions of Section 7.1 of this Declaration; (iii) preserving the value and architectural harmony and character of the Property in accordance with the terms and conditions of Section 6 of this Declaration; (iv) collecting the Common Expenses and other fees which may, from time to time, be payable by the Owners, setting budgets for the Association and engaging and negotiating with vendors providing any and all services to the Association or the Property. The Association shall engage the services of a professional property management company to perform such operation and management of the Property.

4.3 Binding Effect of Actions. All agreements and determinations made by the Association in accordance with its 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.

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

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

4.6 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.

4.7 Erection of Monuments. The Association shall erect monuments on each Lot which has a property line which meets the upland boundary of either the Wetland Buffer Area or the Orchid Buffer Area, which monuments shall state the boundary of said buffer areas and shall state that there shall be no mowing, cutting of trees, dumping or other impact to the buffer areas.

Section 5 - Assessments For Common Expenses

5.1 General. Assessments for Common Expenses shall be determined and assessed against the Lots by the Board, in its discretion; subject to the limitations set forth in Sections 5.2 and 5.3, 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 Lots according to the Common Expense allocations set forth in this Section 5, subject to the following qualifications:

(a) Reasonable attorneys' fees and other costs incurred by the Association in connection with (i) the collection of assessments and (ii) the enforcement of the Governing Documents or the Rules adopted by the Association, against an Owner or Occupant or their guests, may be assessed against the Owner's Lot.

(b) Fees, charges, late charges, fines and interest, as well as insurance deductibles and costs related to damages caused by an Owner, may be assessed against the Owner's Lot.

(c) Assessments levied to pay a judgment against the Association may be levied only against the Lots existing at the time the judgment was entered, in proportion to their Common Expense liabilities.

(d) If any damage to the Common Areas 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 Lot to the extent not covered by insurance.

(e) If Common Expense liabilities are reallocated for any purpose, Common Expense assessments not yet due shall be recalculated in accordance with the reallocated Common Expense liabilities.

Assessments levied by the Association shall be used exclusively for the improvement, maintenance and administration of the Common Areas and the affairs of the Association.

5.2 Annual Assessments. Annual assessments shall be established and levied by the Board, subject only to the limitations set forth hereunder. 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 in an amount reasonably anticipated to cover the periodic cost of maintenance, repair and replacement of the Common Area. After a Common Expense assessment is levied, the Board may modify the annual assessment upward or downward from time to time, subject to the limitations set forth in this paragraph. Written notice of any modification of the annual general assessment shall be sent to every Owner subject to this Declaration. The Annexation Property includes a retired quarry which may, in the future, be annexed by Declarant and included as part of the "Common Area" hereunder and may be converted to swimming beaches and related recreational facilities. If Declarant exercises its option pursuant to Section 11.6 to annex such portion of the Annexation Property to become additional "Common Area" hereunder, the Association may have increased costs of operation, maintenance and repair in connection therewith, in which case the amount of future annual assessments may be increased accordingly.

5.3 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 Lots for the purpose of defraying in whole or in part: (i) the cost of any unforeseen, unbudgeted or non-regular Common Expense; (ii) the cost of maintenance, repair and replacement of the Common Area, and any fixtures or other property related thereto; and (iii) general or specific reserves for such maintenance, repairs, and replacements. Notwithstanding the foregoing, any special assessment shall be subject to approval by a vote of two-thirds (2/3) of the voting power of the Owners voting, in person or by proxy, at a meeting called for that purpose, or voting by mail.

5.4 Working Capital Fund. There may be established a working capital fund to be used by the Association for Association purposes, including but not limited to providing the Association with initial working capital, meeting unforeseen or unbudgeted expenditures or purchasing additional equipment or services. In such event, there shall be assessed, on a one-time basis for each Lot sold by Declarant, a \$200.00 fee against the Lot being conveyed. The contribution to the working capital fund shall be paid by the purchaser of a Lot at the time Declarant closes on the sale of the Lot. The amounts paid into this fund are in addition to the assessments and are not in prepayment of or substitution for annual or special assessments, but are intended as a contribution to the Association's initial working capital. Declarant may not use the funds to defray any of its expenses or construction costs.

5.5 Commencement of Annual Assessments; Due Date. The obligations of an Owner to pay assessments hereunder shall commence as to any Lot, on the first day of the month following the conveyance of the Lot to an Owner other than Declarant. Each annual assessment shall cover all of the anticipated Common Expenses of the Association for that year, except that the first annual assessment for any Lot shall be adjusted according to the number of months then remaining in the calendar year. The Board shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto; provided, however, that during the period of Declarant control of the Association, if the Association budget remains the same from the previous year, no notice will be sent an Owner. The due date shall be established by the Board.

5.6 Liability of Owners for Assessments. The Owner at the time an assessment is payable with respect to the Lot shall be personally liable for the share of the Common Expenses assessed against such Lot. Such liability shall be joint and several where there are multiple Owners of the Lot. The liability is absolute and unconditional. An Owner shall not be exempt from liability for payment of his or her share of Common Expenses for any reason, including without limitation, by right of set-off, by waiver of use or enjoyment of any part of the Property, by absence from or abandonment of the Lot, by the waiver of any rights, or by reason of any claim against the Association or its officers, directors or agents, or for their failure to fulfill any duties under the Governing Documents. The Association may invoke the charges, sanctions and remedies set forth in Section 5.8, in addition to any remedies provided elsewhere in the Governing Documents or by law, for the purpose of enforcing its rights hereunder.

5.7 Assessment Lien. The Association has a lien on a Lot for any assessment levied against that Lot from the time the assessment becomes due. Fees, charges, working capital contributions, late charges, fines and interest charges imposed by the Association are liens, and are enforceable as assessments under this Section. Recording of this 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.

5.8 Foreclosure of Lien; Remedies. If an assessment against a Lot becomes more than thirty (30) days past due, such installment shall bear interest from the due date at the rate set by the Board which shall be less than or equal to the maximum rate allowed by law. If such assessment becomes more than sixty (60) days past due, then the Association may, upon ten (10) days prior written notice to the Owner, foreclose the lien for Common Expenses against a Lot in accordance with the foreclosure procedures in that portion of Minnesota law relating to the foreclosure of mechanic's liens that is codified at Chapter 514 of Minnesota Statutes. 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 Lot so acquired. The Owner and any other Person claiming an interest in the Lot, by the acceptance or assertion of any interest in the Lot, 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 Lot.

5.9 Lien Priority; Foreclosure. A lien under this Section is prior to all other liens and encumbrances on a Lot except (i) liens and encumbrances recorded before the Declaration, (ii) any First Mortgage on the Lot, and (iii) liens for real estate taxes and other governmental assessments or charges against the Lot. Any holder of a first mortgage on a Lot or any purchaser of a first mortgage at a foreclosure sale, that comes into possession of a Lot by foreclosure of the first mortgage or by deed or assignment in lieu of foreclosure, takes the Lot free of any claims for unpaid assessments or other charges or liens imposed against the Lot by the Association which have accrued against such Lot prior to the acquisition of possession of the Lot by said first mortgage holder or purchaser, except that any unpaid assessments or charges may be reallocated equally among all the Lots.

5.10 Conveyances; Statement of Assessments. In a voluntary or involuntary conveyance of a Lot, the buyer shall not be personally liable with the seller for any unpaid assessments and other charges made by the Association against the seller or the seller's Lot 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 Lot until released. The Association shall, upon demand and for a reasonable charge, furnish a statement signed by an officer or agent of the Association setting forth the amount of the unpaid assessments against a specified Lot, payable in the Association's current fiscal year, which statement shall be binding on the Association as of the date of its issuance. The seller shall be required to provide such statement to the buyer prior to closing.

Section 6 - Restrictions On Use Of Property

6.1 Land Use and Building Type. No Lot shall be used except for residential purposes, except that a purchaser of a Lot from Declarant who erects a dwelling may use such dwelling as a model for a period not exceeding eighteen (18) months from the date of completion of such dwelling. Residential purposes shall include dwellings and attached garages, swimming pools, tennis courts, and attendant structures and cabanas. All structures constructed or placed on the Property shall be totally completed on the exterior thereof within nine (9) months after commencement of construction. No composting site may be established within twenty (20) feet of any Lot line within the plat.

6.2 Minimum Size of Dwelling. No dwelling shall be erected, altered, placed, or permitted to remain on any Lot, unless such dwelling meets the following square-foot area requirements, exclusive of the area, if any, included within garages, decks, and open or unconditioned porches:

- (a) For all Lots:
 - (i) Two-story Dwelling and Modifieds - Total of not less than 1,800 finished square feet, excluding any basement area;
 - (ii) One-story (Rambler) Dwelling and Splits - Total of not less than 1,400 finished square feet; or
 - (iii) Other - Discretion of Architectural Control Committee.

(b) Declarant at its sole discretion may provide area credit for two story space.

(c) Garages - Each Lot shall be improved with at least a two car garage. Any garages must conform to the architectural style of the house and shall be subject to approval of the "Committee" (as defined in Section 6.3(a)).

(d) Narrow Lots - The Committee shall have discretion to lower the foregoing square footage requirements for improvements constructed on narrow Lots.

6.3 Architectural Control Committee.

(a) There is hereby created an Architectural Control Committee ("Committee") which shall initially be composed of the following:

Name:

David L. Sebold, Vice President and a representative of Declarant

In addition to said initial members, the Declarant shall have the right to appoint additional members of the Committee; provided, however, that the total number of members of the Committee shall not exceed nine (including the Chairman). Declarant shall also have sole discretion to allocate differing degrees of voting power upon matters decided by the Committee to any members designated by Declarant.

(b) The Committee shall appoint one member of the Committee to be its Chairman. The Chairman shall call meetings of the Committee, from time to time at his or her discretion. During periods in which the Committee consists of only one individual, all acts of the Committee shall be determined, and memorialized, by that individual. During periods in which the Committee consists of two or more individuals, a quorum of the Committee shall consist of, and the Committee may act upon the vote or written consent of, any two of its members that, collectively, can exercise a majority of the voting power of all of the members. The Chairman of the Committee is authorized to execute certificates of approval, notices of disapproval, and similar instruments effectuating or memorializing decisions of the Committee.

(c) In the event of death or resignation of any member of the Committee, the remaining member or members shall have full authority to designate a successor or successors, except that the Declarant shall have the sole right to designate a successor or successors to any member that had been designated by Declarant. Neither the members of the Committee nor any of its designated representatives shall be entitled to any compensation for services performed pursuant to this Declaration. Notwithstanding the foregoing, at any time after, and subject to the condition that, all of the Lots affected by this Declaration have been sold by the Declarant or its successors and assigns, to Owners who reside in dwellings constructed on said Lots, and at such time as Declarant no longer owns or holds any right, title, lien or interest, whether legal or equitable, in any Lot and has already exercised its option, or has waived its right to exercise its option to annex the Annexation Property (as hereinafter defined), then the Association shall have the power to change the membership of the Committee and the allocation of voting power among

and between such members, eliminate the Committee, or modify its powers and duties. Such action shall be effective only when evidenced by an instrument which has been executed by Owners of a majority of the Lots (with one vote for each Lot), and recorded in the office of the County Recorder, Stearns County, Minnesota.

(d) No building, fence, wall, kennel, antenna or other improvement shall be erected, placed, or altered on any Lot until the plans and specifications, including exterior materials and exterior colors, and a plan showing the location of the structure, elevations, and finished grade-levels, along with name of the builder or contractor who will actually perform the work, have been approved as provided in subparagraph (f). The following is a non-exclusive list of items that may be considered by the Committee in reviewing all such plans, specifications and documentation:

- (i) Reputation and experience of builder or contractor;
 - (ii) Quality and type of workmanship and materials;
 - (iii) Nature of external design and colors and harmony with any existing structures on the subject Lot and on other Lots; and
 - (iv) Location with respect to topography and finish-grade elevation.
- (e) Plans, specifications, and all documentation shall be mailed to:

QUARRY WOODS
ARCHITECTURAL CONTROL COMMITTEE
Attn: David L. Sebold
6889 Rowland Road, Suite 100
Eden Prairie, MN 55334,

and shall be deemed to have been received by the Committee upon personal delivery or three (3) days after the same is deposited in United States mail with postage paid, properly addressed to the Committee. All exterior elevations, materials and colors, including the manufacturer, type and color of all shingles, shall be specified in such plans, specifications, and documentation and the name and address of the party to whom approval or disapproval is to be mailed shall also be included. Approval or disapproval will be effective on the date of postmark when mailed by first class, mail, postage prepaid, and addressed to the named party.

(f) The Committee's determinations concerning such plans, specifications and documentation shall be conclusive and shall be reached in the Committee's sole discretion. If the Committee disapproves of the builder or contractor, the plans and specifications or any other aspect of this documentation submitted to it, it shall state in writing the reason for such disapproval and, in the case of the plans and specifications, the deficiencies which must be cured to obtain approval. In the event the Committee fails to approve or disapprove the plans and specifications and site plans within thirty (30) days after the entirety of same have been submitted to it, no further approval will be

required, and the restrictions, covenants, and conditions set forth in this document shall be deemed to have been complied with.

6.4 Facade Materials, Siding and Color. Siding shall be wood, brick, stone, or stucco. Wood shall include natural wood, Hardie Plank, L/P Immerseal by Louisiana Pacific or an equivalent. Masonite and other hardboard products will not be permitted. Aluminum or vinyl siding will be permitted. Any other siding materials will require the prior written approval of the Committee. The homes constructed on the Property should be distinguished by their architecture and landscaping, not by bold colors. The Committee may require that the homes be finished in tan, taupe, brown, gray, or other soft earth tones. Purple, pink, "lime" green and similar bold colors are, without limitation, specifically excluded.

6.5 Structure Location. The Committee may require a structure to be located farther from the side lot lines and/or front lot lines than the minimum building setback of the Ordinances of the City. No structure shall be located on any lot nearer to a front lot line, rear lot line, interior side lot line, or nearer a side street right-of-way, than the applicable Ordinances of the City allow (subject to variances). For purposes of this Section 6, eaves, steps, fireplaces, and open porches shall not be considered as part of a building; provided, however, that this shall not be construed to permit any eaves, steps, fireplaces, or open porches on a Lot to encroach upon another Lot.

6.6 Driveways. All driveways shall be hard-surfaced, paved with brick, asphalt or concrete from the garage to the curb, and shall be installed within nine (9) months of occupancy.

6.7 Easements for Utilities, Drainage and Conservancy. Utility and drainage easements are reserved or dedicated as shown on the Plat. Within such easements, no building, structure, planting, fill, or other material shall be placed or permitted to remain, which may damage or interfere with the installation and maintenance of utilities, or which may change the direction or impede the flow of water over the drainage easements. Such easements shall be maintained continuously by the owner of the Lot which is subject thereto.

6.8 Business Activities. No business may be continuously conducted or operated in or from a Lot which causes inconvenience, excessive traffic, excessive parking congestion or undue annoyance to occupants of other Lots in the Property; provided, however, that operation of a daycare business and those businesses which are in the business of first-time sales of Lots and homes are exempt from the requirements of this Paragraph 6.8. Model homes are also exempt from the requirements of this Paragraph 6.8.

6.9 Nuisances. No noxious or offensive activity shall be carried on upon any Lot, nor shall anything be done thereon which is or may become an annoyance or nuisance to any owner of any Lot.

6.10 Signs. No sign of any kind shall be displayed to the public view on any Lot except one sign of not more than nine (9) square feet advertising a Lot or home for sale or rent (signs used by a builder to advertise the availability of Lots or dwellings upon the Property during the construction and sales period are exempt). This restriction shall also not apply to any model home or any sign or logo for any model home.

6.11 Pets. No animals, livestock, or poultry of any kind shall be raised, bred, or kept on any Lot, except that up to three (3), or such other number as may be permitted by the City, of any combination of dogs and cats, and other common household pets may be kept, provided that they are not kept, bred, or maintained for any commercial purpose. The location, size, color and materials comprising any exterior kennels or fenced runs must be properly screened, and are subject to the prior written approval of the Committee.

6.12 Garbage and Refuse Disposal. Trash, garbage, or other wastes shall be kept in sanitary containers. All equipment for storage or disposal of such materials shall be kept in a clean and sanitary condition, and screened from public view. During construction upon any Lot, each builder must provide on-site sanitation (i.e., portable facility for all workmen at the Lot, adjacent to the site of construction). Additionally, no "hog fence" refuse is allowed during construction. All construction debris must be placed in a job-site construction dumpster or container of at least ten (10) cubic yards in size. The City may have the right to charge the Declarant a fee (a "Street Cleaning Fee") for street cleaning services provided by the City and made necessary by the movement of construction equipment in and around a Lot upon which construction activities are being conducted. In the event that Declarant is charged a Street Cleaning Fee by the City in connection with dirt or other materials left in the street as a consequence of the movement of construction equipment during the course of construction activities upon a certain Lot (the "Subject Lot"), Declarant shall have the right to assess the Subject Lot in an amount equal to the amount of such Street Cleaning Fee charged to Declarant. Such assessment shall, together with interest, costs and attorneys' fees: (i) be the personal obligation of the Owner of the Subject Lot as of the date such assessment is levied, and shall be binding upon such Owner's successors, assigns, heirs, devisees and personal representatives; and (ii) a lien on the Subject Lot and any other Lot that may then be owned by the person or entity that was the owner of the Subject Lot as of the date the assessment was levied. If the payment of any such assessment becomes delinquent, then: (i) a money judgment may be obtained against the parties liable therefore; or (ii) the lien may be foreclosed and said Subject Lot (and/or any other Lot encumbered by such lien), sold in accordance with the foreclosure procedures in that portion of Minnesota law relating to the foreclosure of mechanic's liens that is codified at Chapter 514 of Minnesota Statutes. The assessment shall be deemed levied upon the earlier of the delivery of written notice thereof to the Owner of the Subject Lot or the recording of a written notice thereof against the title to the Subject Lot, and the priority of such lien vis-a-vis any other liens or encumbrances against a Lot shall be established as of the occurrence of the recording of written notice of the assessment thereof against such Lot.

6.13 Antennae. Except with the prior written approval of the Committee, and except antennae for direct television which shall be permitted, no exterior television, radio, satellite, or microwave antenna of any sort shall be erected or maintained upon any Lot. The Committee may choose to prohibit all such antennae, or to prohibit only certain kinds and locations of antennae, and to change its regulations from time to time, all in its sole discretion. Without limiting the generality of the foregoing, it shall not be deemed arbitrary or an abuse of such discretion for the Committee to:

- (a) Permit existing antennae to continue to be maintained while at the same time banning new antennae of the same type or location;

(b) Prohibit antennas to be placed so as to be visible from the street side of a Lot, but permit the same antennas if not so visible; or

(c) Place height or size restrictions on antennas.

6.14 Parking and Outside Storage. No recreational vehicles, trailers, boats, snowmobiles, and wheeled or tracked vehicles (not including passenger cars or any equipment used in construction or repair of the property) or unlicensed or inoperable vehicles shall at any time be stored or parked on any Lot outside of a garage for in excess of forty-eight (48) consecutive hours and, at all times that they are not in use and it is otherwise reasonably practicable, garage doors shall remain closed. No firewood or construction equipment, (e.g., wheel barrows, sawhorses, ladders, etc.) shall be stored within the sight of any other Lot or the street.

6.15 Temporary Residences. No structure of a temporary character, recreational vehicle, trailer, tent, shack, garage, barn, or other outbuilding shall be used on any Lot at any time as a residence, either temporarily or permanently.

6.16 Landscaping Requirements.

(a) All disturbed areas of any Lot upon which a home has been completed (Certificate of Occupancy granted) between September 1 and March 30 of any year must be fully sodded and each such Lot shall, at a minimum, contain foundation landscaping by the first June 30 following the date the Certificate of Occupancy is granted. All disturbed areas of any Lot upon which a home has been completed (Certificate of Occupancy granted) between May 1 and August 31 must be sodded and each such Lot shall, at a minimum, contain foundation landscaping within ninety (90) days following the date the Certificate of Occupancy is granted. For purposes hereof, "foundation landscaping" shall refer to rock, mulch, bushes or other landscaping that shall be installed between the foundation of a home and the drip line of the roof for such home. Notwithstanding the foregoing provisions of this Section 6, landscaping requirements of model homes will be governed by the Committee. The Committee, at its sole discretion, must review and approve a landscape plan for each Lot prior to the start of any construction. All homes built on any Lot must have a minimum of \$1,000.00 of initial landscaping. No compost bins, piles or materials may be maintained or stored upon any drainage or utility easements reserved or dedicated on the recorded Plat. Any dead trees, bushes or shrubs shall be promptly removed by the owner of any Lot upon which they may be situated.

(b) Each Owner shall sod the boulevard area and all drainage ways, if any, on each Lot and place seed or sod on all disturbed areas of the Lot in accordance with the landscaping requirements of the City. At the time each Lot is sold by Declarant, a financial guarantee of \$1,500.00 (the "Landscaping Deposit") in the form of cash or a letter of credit from a financial institution approved by Declarant shall be provided to Declarant by the purchaser of the Lot, to be held by Declarant as security for the performance of such work and to be refunded when such improvements are installed. If the Owner fails to install landscaping improvements on the subject Lot that comply with

the terms of this Section 6.16 or the City's landscaping requirements, Declarant shall have the right to perform all work necessary to comply with the requirements of the City and this Declaration and shall apply the Landscaping Deposit against the cost of doing so. To the extent the Landscaping Deposit is insufficient to pay the costs incurred by Declarant in completing such work, the Owner of the subject Lot shall reimburse Declarant for any deficiency. To the extent that a balance remains in the Landscaping Deposit after the Declarant's completion of such work, such balance shall be refunded to the then current Owner of the subject Lot. Declarant is hereby granted a right of access to, over and across any Lot for the purpose of performing said landscaping work.

6.17 Wetland and Orchid Buffer Areas. No Owner or other person shall change or disturb the landscaping, open spaces, wetlands, or vegetation that exists in the Wetland Buffer Area or in the Orchid Buffer Area. Without limiting the generality of the foregoing, the following activities shall be prohibited in the Wetland Buffer Area and the Orchid Buffer Area (except those areas used for ponding or conduction of runoff and mitigated for road or trail purposes): vegetative removal and cutting (except for exotic and invasive species), filling, grading, drainage, dumping of yard waste (including leaves or grass clippings), deposition of soil, and erection or placement of actual structures. Any fertilizers used on Lots adjacent to the Wetland Buffer Area or the Orchid Buffer Area shall be phosphorus free.

6.18 Mailbox. A \$400 fee will be payable at closing by each Owner of a Lot to be used to install one mailbox on the Lot that is uniform in size shape, design, and exterior color, to all mailboxes in the Property. Once installed, it will be the Owner's sole responsibility to maintain the mailbox in a good state of repair and, if necessary, repair or replace the mailbox with one which is uniform in size, design, and exterior color, to all mailboxes in the Property. The design, style, etc., shall be determined by the Committee.

6.19 Terms. Except as otherwise set forth herein, these covenants, restrictions, and conditions are to run with the title to each Lot within the Property and shall be binding on all parties and all persons owning any right, title or interest in any such Lot for a period of twenty-nine (29) years from the date these covenants, restrictions, and conditions are recorded, after which time the same shall be automatically extended for successive periods of ten (10) years unless an instrument signed by the then Owners of a majority of the Lots has been recorded, agreeing to change the same in whole or in part. Declarant shall have the right, but not the obligation, to enforce the terms and conditions hereof.

Section 7 - Maintenance

7.1 Maintenance by Association. The Association shall have the responsibility of maintaining the Common Areas, including all improvements constructed thereon now or in the future, in a good state of repair. Without limiting the generality of the preceding sentence, the Association's obligations shall include the following:

(a) The Association shall, at its sole cost and expense, maintain in a good state of repair, and when necessary, repair or replace (in the style as originally constructed), all fencing constructed within any of the Common Areas, either by the Declarant, the Association or the City. All landscaping within any of these areas between

any fencing and the adjacent public right of way shall, in all respects, be maintained by the Association in an aesthetically pleasing landscaped state using an architectural style and vegetative mixture that complements the Lots and enhances the aura of the Property. If an area is irrigated, the Association shall maintain, repair, and when necessary, replace, the irrigation system and shall pay all utility costs associated therewith.

(b) The Association shall bear, at its sole cost and expense, maintain in a good state of repair, and when necessary, repair or replace (in the style as originally constructed), all landscaping and improvements constructed, now or in the future, in the Landscaped Median Areas. The Association shall pay all utility and service costs, if any, associated with any improvements constructed in such areas.

(c) The Association shall, at its sole cost and expense, maintain in a good state of repair, and, when necessary, repair or replace all monument signage and related improvements within the Monument Easement Area in the style as originally constructed.

(d) The Association shall, at its sole cost and expense, maintain the Wetland Buffer Area and the Orchid Buffer Area in its natural state in accordance with the terms of this Declaration and the Quarry Woods Natural Resource Management Plan, and shall maintain in a good state of repair, and when necessary, repair and replace all monuments denoting the boundaries of the Wetland Buffer Area and the Orchid Buffer Area and the restrictions pertaining thereto. The Association shall also ensure that all Owners and other persons comply with the Quarry Woods Natural Resource Management Plan and with the provisions of section 6.17 of this Declaration. In particular, the Association shall ensure that there is no use of any fertilizers containing phosphorus on any Lots adjacent to the Wetland Buffer Area or the Orchid Buffer Area and shall ensure that the following activities are restricted (except those areas used for ponding or conduction of runoff or mitigated for road or trail purposes): vegetative removal (including mowing) and cutting (except for exotic and invasive species), filling, grading, drainage, dumping of yard waste (including leaves or grass clippings), deposition of soil, and erection or placement of actual structures.

7.2 Maintenance by Owner. All maintenance of the Lots, and all interior and exterior maintenance and repair of any structures or dwellings constructed thereon, shall be the sole responsibility and expense of the respective Owners thereof, including, without limitation, snow removal from driveways, painting and maintenance or replacement of patios, roofs, gutters, downspouts, decks, garage doors, entry doors, door hardware, air conditioning equipment, glass and window frames, foundations, foundation walls and all structural elements, and exterior siding and other building surfaces. In addition, each Owner shall, at its sole cost, maintain, mow and when necessary, repair or replace any landscaping located on the Owner's respective Lot in an attractive condition.

Section 8- Insurance

8.1 Association Insurance. Commencing not later than the time the conveyance of a Lot to any Owner other than Declarant is made, the Association may procure and maintain, at

its sole discretion, commercial general liability, and other reasonable insurance coverage related to some or all of the Common Areas, improvements thereon and the Association's responsibilities hereunder.

8.2 Owner Insurance. Each Owner shall procure and maintain, at the Owner's sole discretion, such insurance coverage the Owner deems necessary for the Owner's Lot, and any dwellings, structures or improvements constructed thereon. The Association shall have no obligation to maintain coverage for any improvements located on any Lot.

Section 9 - Amendments

Any amendment of this Declaration shall require the consent of: (i) Owners of Lots to which are allocated at least sixty-seven percent (67%) of the total voting power in the Association (except any amendment of Section 2, which shall require the consent of Owners of Lots to which are allocated at least seventy-five percent (75%) of the votes in the Association); (ii) the percentage of Eligible Mortgagees (based upon one vote per first mortgage owned) required by Section 10 as to matters prescribed by said Section; and (iii) as long as Declarant owns any unsold Lot, the Declarant. Consent of the Owners may be obtained in writing or at a meeting of the Association duly held in accordance with the Bylaws. Consents of Eligible Mortgagees and the Declarant shall be in writing. The Amendment shall be effective when recorded. An affidavit by the Secretary of the Association as to the outcome of the vote, or the execution of the foregoing agreements or consents, shall be adequate evidence thereof for all purposes, including without limitation, the recording of the amendment.

Section 10 - Rights Of Eligible Mortgagees

Notwithstanding anything to the contrary in the Governing Documents, Eligible Mortgagees shall have the following rights and protections:

10.1 Consent to Certain Amendments. The written consent of Eligible Mortgagees representing at least fifty-one percent (51%) of the Lots that are subject to First Mortgages held by Eligible Mortgagees (based upon one vote per Lot encumbered by a First Mortgage) shall be required for any amendment to the Governing Documents which establishes, provides for, governs or regulates any of the following: (i) voting rights; (ii) assessments, assessments liens, or priority of assessment liens; (iii) reserves for maintenance and repair of the Common Areas; (iv) responsibility for maintenance and repairs; (v) reallocation of interests in the Common Area, or rights to their use; (vi) convertibility of Lots into Common Areas or vice versa; (vii) imposition of any restrictions on an Owner's right to sell or transfer his or her Lot; (viii) any provisions that expressly benefit Eligible Mortgagees, or insurers or guarantors of mortgages; or (ix) change the allocations of voting rights or Common Expense obligations; (x) abandon, partition, subdivide, encumber or sell the Common Area; or (xi) termination of the Association.

10.2 Priority of Taxes and Other Charges. All taxes, assessments and charges which may become liens prior to the first mortgage under Minnesota law shall relate only to the individual Lots and not to the Property as a whole.

10.3 Priority for Condemnation Awards. No provision of the Governing Documents shall give an Owner, or any other party, priority over any rights of the Eligible Mortgagee of the Lot pursuant to its mortgage in the case of a distribution to such Owner of condemnation awards for a taking of all or any portion of the Lot. Except with respect to the Street Expansion Area, the Association shall give written notice to all Eligible Mortgagees of any condemnation or eminent domain proceeding affecting the Property promptly upon receipt of notice from the condemning authority.

10.4 Access to Books and Records/Audit. Eligible Mortgagees shall have the right to examine the books and records of the Association upon reasonable notice during normal business hours, and to receive free of charge, upon written request, copies of the Association's annual reports and other financial statements. Financial statements shall be available within one hundred fifty (150) days of the end of the Association's fiscal year.

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

- (a) a condemnation loss which affects a material portion of the Common Areas; and
- (b) a proposed action which requires the consent of a specified percentage of Eligible Mortgagees.

Section 11 - Special Declarant Rights

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

11.1 Complete Improvements. To complete all improvements indicated on the Plat, or otherwise included in Declarant's development plans or allowed by the Declaration;

11.2 Sales Facilities. To construct, operate and maintain model homes or dwellings or a temporary sales office, and other development, sales and rental facilities within any Lots owned by Declarant from time to time.

11.3 Easements. To have and use easements, for itself, its employees, contractors, representatives, agents and prospective purchasers through and over the Property for the purpose of exercising its special Declarant rights.

11.4 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 all Class B Memberships are terminated or extinguished.

11.5 Consent to Certain Amendments. As long as Declarant owns any unsold Lot, Declarant's written consent shall be required for any amendment to the Governing Documents.

11.6 Annexation of Additional Property. Declarant shall have the option, at any time and from time to time, subject to the provisions of this Declaration, to annex to the Property all or any portion of the real property described in Exhibit E attached hereto and by reference made a part hereof (hereinafter referred to as the "Annexation Property"). If the Declarant is not the fee owner of the Annexation Property, such Annexation shall be subject to the consent of the fee owners of the Annexation property and the consent of the mortgagee(s) thereof. Prior to doing so, Declarant shall deliver notice (the "Annexation Notice") of the Declarant's intent to annex to the Property to the Owners, but such notice shall be for informational purposes only and shall not grant the Owners any right of veto on Declarant's option to annex the Annexation Property. The Annexation Notice shall include the following:

- (a) The legal description of the Annexation Property; and
- (b) A designation of the number of additional Lots in the Annexation Property; and
- (c) In the event that the Annexation Property shall be used for townhouses, apartments or other residential uses that are not single family lots, the Annexation Notice shall designate the relative voting power and assessment obligation allocable to the properties that are the subject of such Annexation Notice, which allocation shall be determined by Declarant in a reasonably equitable manner.

Such annexation shall be accomplished by a filing in the public records of Stearns County, Minnesota, by Declarant as fee owner of the Annexation Property or, if Declarant is not the fee owner, with the consent of the fee owner thereof, of a Subsequent Amendment to this Declaration annexing such property. Any Subsequent Amendment executed and recorded for the purpose of subjecting additional property to this Declaration pursuant to this Section 11.6 may impose, but is not required to do so, expressly or by reference, additional restrictions and obligations on the real property that is submitted by such Subsequent Amendment to the provisions of this Declaration. Any such annexation shall be effective upon the filing for record of such Subsequent Amendment unless otherwise provided therein.

Section 12 - Miscellaneous

12.1 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.

12.2 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.

12.3 Notices. Unless specifically provided otherwise in the Governing Documents, 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.

12.4 Conflicts Among Documents. In the event of any conflict among the provisions of the Declaration and the Bylaws, this Declaration shall control.

12.5 Binding Effect; Covenants Running With Land. The easements, covenants, conditions and restrictions described and set forth in this Declaration shall be perpetual and constitute covenants running with the land that benefit and burden all of the land located in the Property. Such easements, covenants, conditions and restrictions shall inure to the benefit of the Association, to the extent provided herein, and to the benefit of the Owners of the Lots and their respective successors and assigns, and shall be binding upon the Owners and Occupants of the Lots and their respective successors and assigns.

12.6 Enforceability. The provisions of this Declaration are for the benefit of the Owners of Lots located within the Property. No Occupant or other Person (except the Owners and their mortgagees) shall have any rights to enforce, or be deemed a beneficiary of, any of the provisions contained herein. As the Owner of one or more Lots, Declarant shall have the right, but not the obligation, to enforce the covenants, easements and restrictions that benefit its respective Lots.

12.7 Waiver. Failure to enforce any covenant or condition of this Declaration shall not be deemed to be a waiver of the right to do so thereafter. No waiver by any Person of any covenant or condition of this Declaration shall be effective or binding on such Person unless made in writing and no waiver shall be implied from any omission by a Person to take action with respect to such covenant or condition. The express written waiver of any covenant or condition shall not be a waiver of any other covenant or condition or cover any other period of time except for the covenant or condition and/or period of time specified in such express waiver.

12.8 Not a Public Dedication. Nothing contained herein shall be deemed to be a gift or dedication of any portion of the Property to the general public for any public use or purpose whatsoever.

12.9 Governing Law. This Declaration shall in all respects be interpreted, construed and enforced according to the laws of the state of Minnesota.

12.10 Captions. The captions and headings contained in this Declaration are for convenient reference only and shall not affect the interpretation of this Declaration.

[signature page follows]

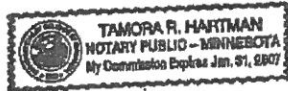
THIS DECLARATION OF COVENANTS, CONDITIONS, EASEMENTS AND RESTRICTIONS is executed and delivered as of the date first above written.

INSIGNIA DEVELOPMENT LLC,
a Minnesota limited liability company.

By: David L. Sebold
David L. Sebold
Vice President

STATE OF MINNESOTA)
) ss.
COUNTY OF HENNEPIN)

The foregoing instrument was acknowledged before me this 7th day of August, 2005, by David L. Sebold, the Vice President of Insignia Development LLC, a Minnesota limited liability company, on behalf of the limited liability company.



Tamora R. Hartman
Notary Public

This instrument was drafted by:

Fabyanske, Westra, Hart & Thomson, P.A. (GCE)
800 LaSalle Ave. So., Suite 1900
Minneapolis, Minnesota 55402
(612) 359-7600

Quarry Woods Declaration

Exhibit A

Legal Description of Property:

Lots 1, 2, 3, 4, 5, 6, and 7 of Block 1; AND Lots 1 and 4 of Block 2; the Park; AND Outlots A, C, D and G, all of Quarry Woods, according to the recorded plat thereof, Stearns County, Minnesota.

ALSO:

Lot 1 of Block 1; Lots 1, 2, 3, 4, 5, 6 and 7 of Block 2; Lots 1, 2, 3, 4 and 5 of Block 3; Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11 and 12 of Block 4; Lots 1, 2, 3, 4, 5, 6, 7 and 8 of Block 5; Lots 1, 2, 3, 4 and 5 of Block 6; Lots 1, 2, 3, 4, 5 and 6 of Block 7; Lots 1, 2, 3, 4, 5 and 6 of Block 8; Lots 1, 2, 3, 4, 5 and 6 of Block 9; and Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14 and 15 of Block 10; Outlots A and B and the Park, all in Quarry Woods Second Addition, according to the recorded plat thereof, Stearns County, Minnesota.

ALSO:

Lots 1 and 2 of Block 2, of Quarry Woods Third Addition, according to the recorded plat thereof, Stearns County, Minnesota.

Quarry Woods Declaration

Exhibit B

Legal Description of Street Expansion Area:

Outlots A and C, Quarry Woods, according to the recorded plat thereof, Stearns County, Minnesota

Quarry Woods Declaration

Exhibit C

Description of Landscaped Median Areas:

Median area designated as "Park" on the recorded plat of QUARRY WOODS, Stearns County, Minnesota, situated at the intersection of Orchid Loop South and Orchid Lane South.

Median area designated as "Park" on the recorded plat of QUARRY WOODS SECOND ADDITION, Stearns County, Minnesota, situated at the intersection of 26th Avenue South and Sherwood Loop South.

Cul de Sac on the recorded plat of QUARRY WOODS SECOND ADDITION, Stearns County, Minnesota, situated at the intersection of Topaz Lane South and Topaz Parkway South.

Quarry Woods Declaration

Exhibit D

Legal Description of Monument and Open Space Area:

Outlot A, Quarry Woods, Second Addition, according to the recorded plat thereof, Stearns County, Minnesota.

ALSO

Outlot D, Quarry Woods, according to the recorded plat thereof, Stearns County, Minnesota.

ALSO

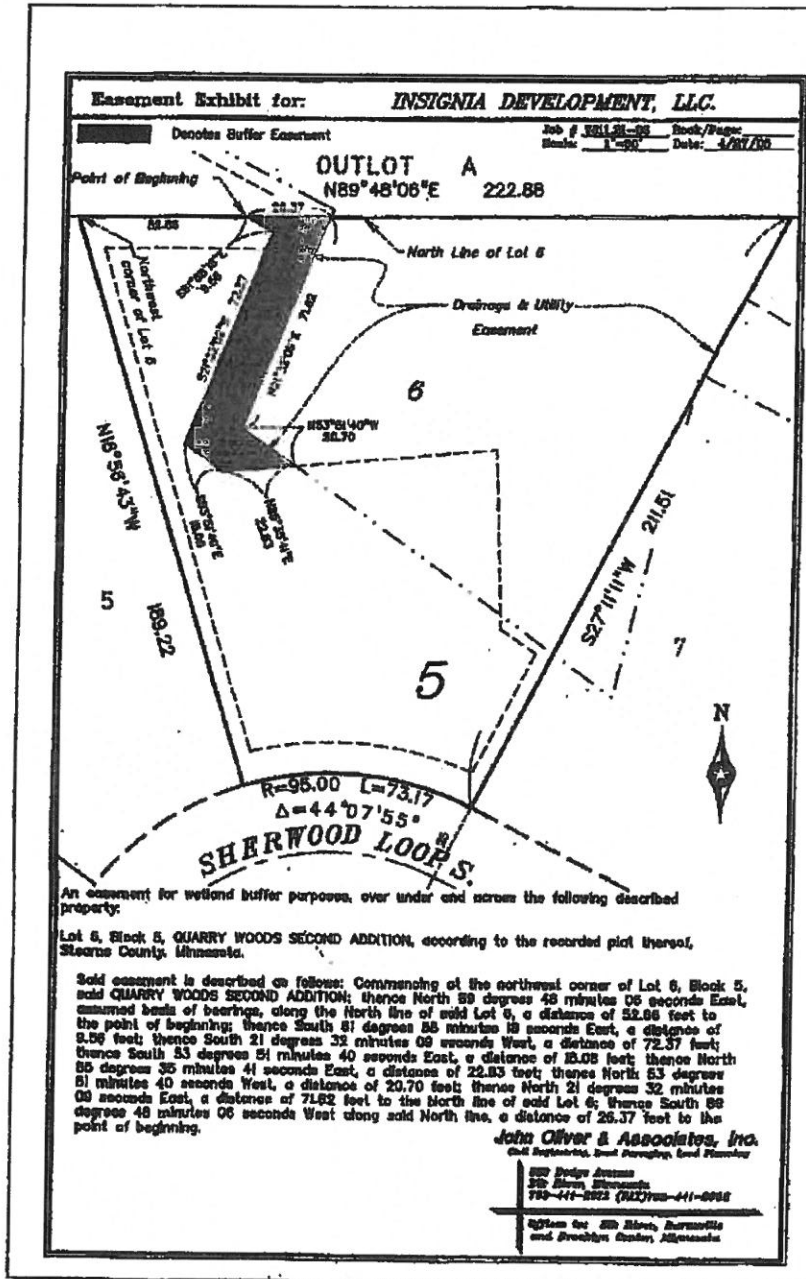
Outlot G, Quarry Woods, according to the recorded plat thereof, Stearns County, Minnesota.

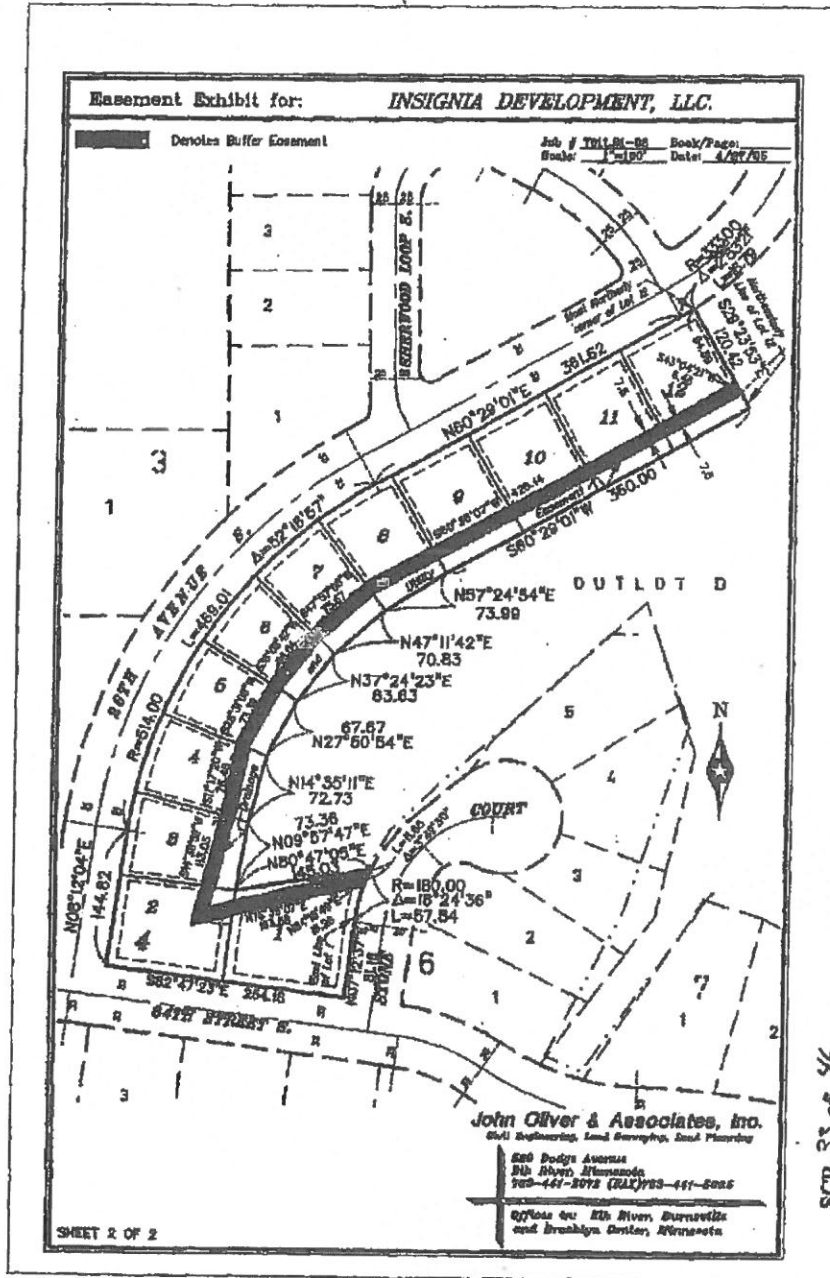
Quarry Woods Declaration

Exhibit E

Legal Description of Annexation Property:

Lots 1 and 2 of Block 1, Quarry Woods Third Addition, according to the recorded plat thereof, Stearns County, Minnesota.





Easement Exhibit for: *INSIGNIA DEVELOPMENT, LLC.*

An easement for wetland buffer purposes over, under and across the following described property:
Outlot D, QUARRY WOODS, and Lots 1, 2, 3, 4, and 5, Block 8, QUARRY WOODS SECOND ADDITION, according to the recorded plats thereof, Stearns County, Minnesota.

Said easement is described as follows: Commencing at the most northerly corner of Lot 5, Block 8, said QUARRY WOODS SECOND ADDITION; thence South 47 degrees 06 minutes 17 seconds West, assumed basis of bearings, along the northwesterly line of said Lot 5, a distance of 50.84 feet to the point of beginning of easement to be described; thence North 89 degrees 22 minutes 51 seconds East, a distance of 43.21 feet; thence South 19 degrees 21 minutes 39 seconds East, a distance of 105.70 feet; thence South 15 degrees 29 minutes 25 seconds West, a distance of 175.49 feet; thence North 27 degrees 39 minutes 40 seconds West, a distance of 175.49 feet; thence North 67 degrees 14 minutes 56 seconds West, a distance of 15.08 feet; thence North 27 degrees 39 minutes 40 seconds East, a distance of 175.48 feet; thence North 18 degrees 29 minutes 25 seconds East, a distance of 193.48 feet; thence North 10 degrees 21 minutes 39 seconds West, a distance of 89.80 feet; thence South 89 degrees 22 minutes 51 seconds West, a distance of 32.38 feet; thence South 47 degrees 35 minutes 37 seconds West, a distance of 186.57 feet to the southerly line of said Lot 5; thence along the southerly line of said Lot 5 along a non-tangential curve concave to the southeast, having a radius of 50.00 feet and a central angle of 16 degrees 42 minutes 05 seconds, a distance of 17.49 feet to the most westerly corner of said Lot 5; thence North 42 degrees 24 minutes 23 seconds West not tangent to said curve, a distance of 11.64 feet; thence North 47 degrees 35 minutes 37 seconds East, a distance of 209.14 feet; thence North 89 degrees 22 minutes 51 seconds East, a distance of 0.85 feet to the point of beginning.

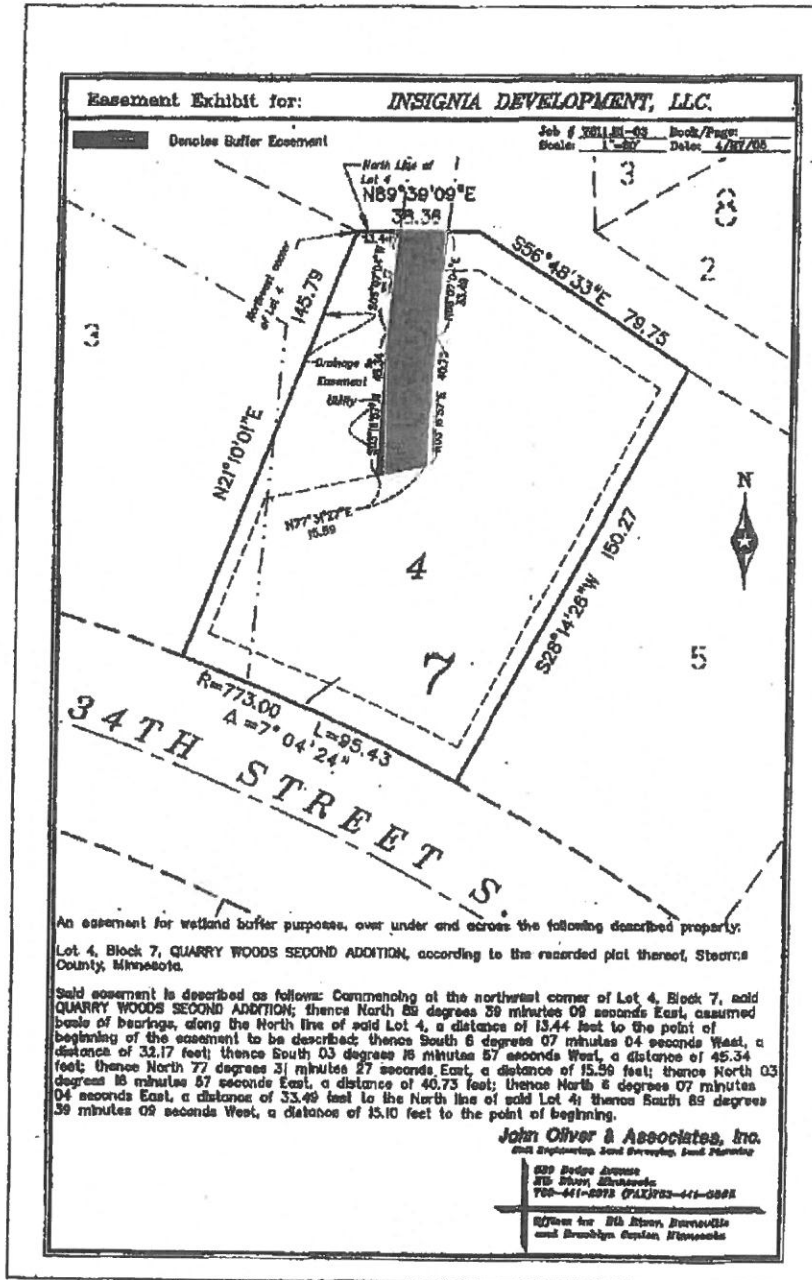
John Oliver & Associates, Inc.

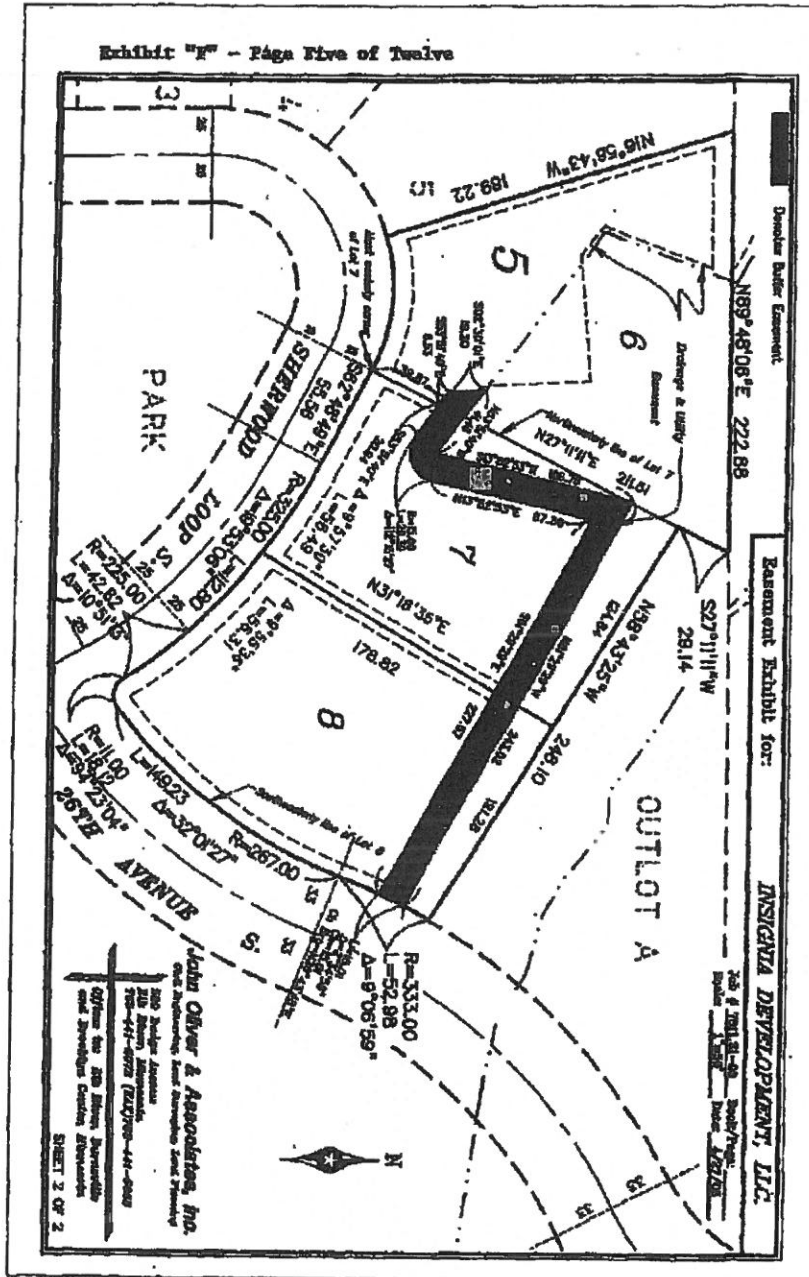
Civil Engineering, Land Surveying, Land Planning

620 Dodge Avenue
Riv. River, Minnesota
952-441-2072 (RFX) 952-441-2888

Office in: Riv. River, Minnesota
and Brooklyn Center, Minnesota

SCR 34 of 42





Developer: Butler Eastman

N89°48'08"E 222.86'

Basement Exhibit for:

INSIGNIA DEVELOPMENT, LLC

Job # 1011-01-01
 Scale: 1"=40'
 Date: 1/27/08

John Oliver & Associates, Inc.
 200 Ridge Avenue
 210 West Broadway
 781-441-9979 (202)700-44-0000
 400 West 4th Street, Ste 200
 Fort Worth, Texas 76102
 SHEET 2 OF 2

Easement Exhibit for:

INSIGNIA DEVELOPMENT, LLC.

A 15.00 foot easement for wetland buffer purposes over, under and across the following described property:

Lots 1 through 12 inclusive, Block 4, QUARRY WOODS SECOND ADDITION, according to the recorded plat thereof, Stearns County, Minnesota.

The center line of said easement is described as follows: Commencing at the most northerly corner of Lot 12, Block 4, said QUARRY WOODS SECOND ADDITION; thence South 28 degrees 23 minutes 53 seconds East, assumed back-sight bearings, along the northeasterly line of said Lot 12, a distance of 84.59 feet to the point of beginning of the center line to be described; thence South 43 degrees 04 minutes 21 seconds West, a distance of 5.46 feet; thence South 60 degrees 36 minutes 07 seconds West, a distance of 436.14 feet; thence South 47 degrees 57 minutes 00 seconds West, a distance of 75.87 feet; thence South 38 degrees 08 minutes 32 seconds West, a distance of 89.04 feet; thence South 28 degrees 31 minutes 08 seconds West, a distance of 73.39 feet; thence South 11 degrees 17 minutes 20 seconds West, a distance of 78.48 feet; thence South 14 degrees 35 minutes 59 seconds West, a distance of 113.05 feet; thence North 78 degrees 38 minutes 07 seconds East, a distance of 183.59 feet; thence North 84 degrees 18 minutes 48 seconds East, a distance of 18.29 feet to the east line of said Lot 1, Block 4 and there terminating said center line.

The side lines of said easement are prolonged or shortened to terminate on the northeasterly line of said Lot 12 and the east line of said Lot 1.

John Oliver & Associates, Inc.

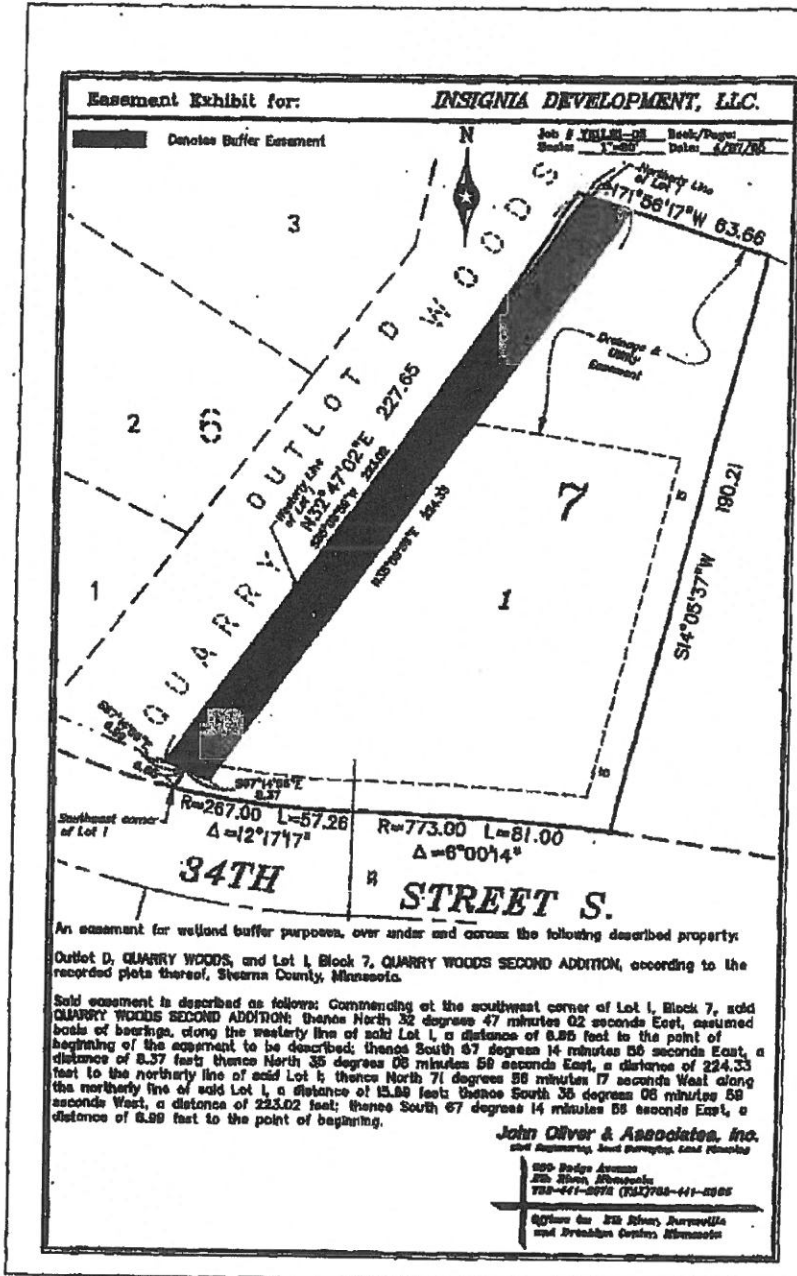
Civil Engineering, Road Surveying, Road Planning

500 Dodge Avenue
5th Street, Minneapolis
763-441-3474 (MN) 763-441-8900

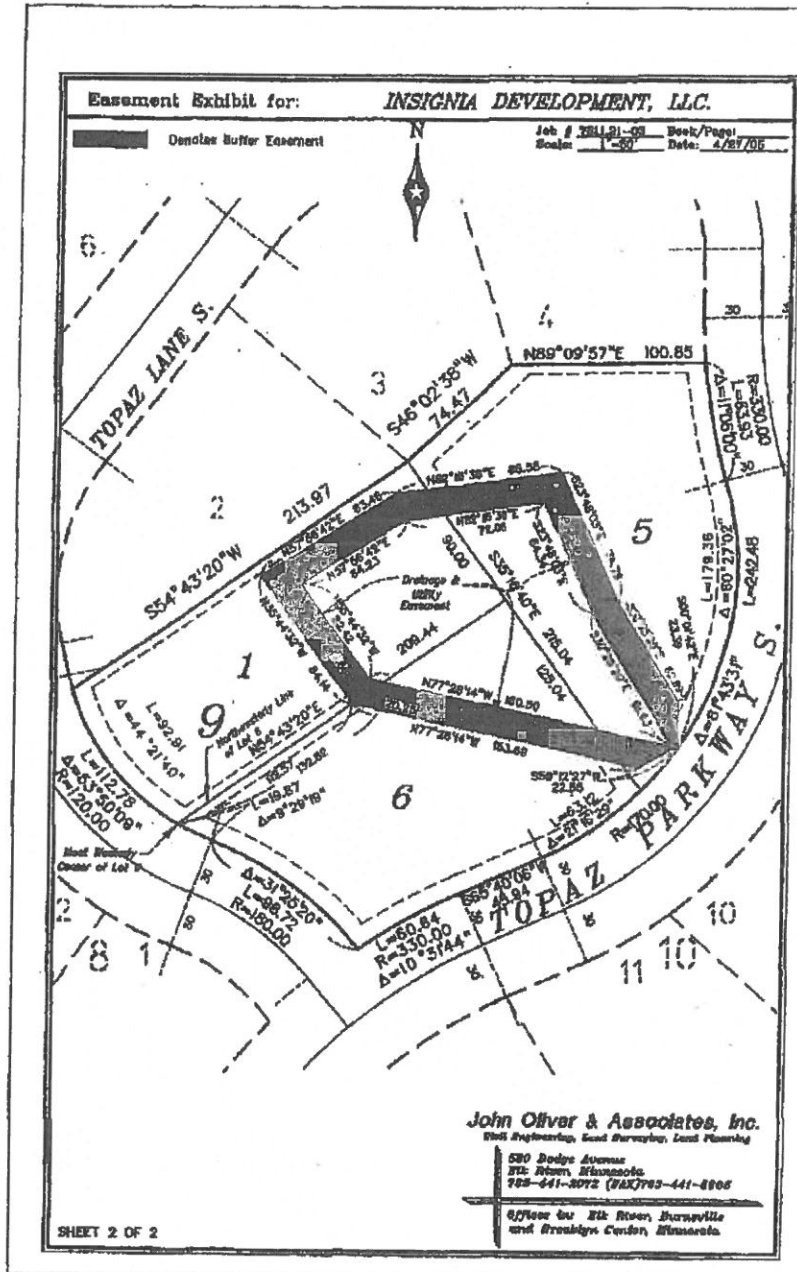
Office for 5th Street Burnsville
and Brooklyn Center, Minnesota

SHEET 1 OF 2

SCR 37 of 46



SCR 38 of 46



SCR 32 of 46

Easement Exhibit for:

INSIGNIA DEVELOPMENT, LLC.

An easement for wetland buffer purposes over, under and across the following described property:

Lots 6, 7, and 8, Block 5, QUARRY WOODS SECOND ADDITION, according to the recorded plat thereof, Stearns County, Minnesota.

Said easement is described as follows: Commencing at the most westerly corner of Lot 7, Block 5, said QUARRY WOODS SECOND ADDITION; thence North 27 degrees 11 minutes 11 seconds East, assumed basis of bearings, along the northeasterly line of said Lot 7, a distance of 38.67 feet to the point of beginning of easement to be described; thence South 63 degrees 51 minutes 40 seconds East, a distance of 20.94 feet; thence southeasterly, easterly and northeasterly along a tangential curve concave to the north, having a radius of 10.00 feet and a central angle of 112 degrees 15 minutes 27 seconds, a distance of 29.38 feet; thence North 13 degrees 52 minutes 53 seconds East tangent to said curve, a distance of 57.36 feet; thence South 61 degrees 29 minutes 29 seconds East, a distance of 227.57 feet to the southeasterly line of said Lot 8; thence northeasterly along the southeasterly line of said Lot 8 along a non-tangential curve having a radius of 333.00 feet and a central angle of 2 degrees 34 minutes 58 seconds, a distance of 45.01 feet, the chord of said curve bears North 28 degrees 43 minutes 45 seconds East; thence North 61 degrees 29 minutes 29 seconds West not tangent to the last described curve, a distance of 243.02 feet; thence South 13 degrees 52 minutes 53 seconds West, a distance of 108.78 feet; thence North 53 degrees 51 minutes 40 seconds West, a distance of 4.48 feet; thence South 2 degrees 30 minutes 01 seconds East, a distance of 19.20 feet; thence South 63 degrees 51 minutes 40 seconds East, a distance of 8.65 feet to the point of beginning.

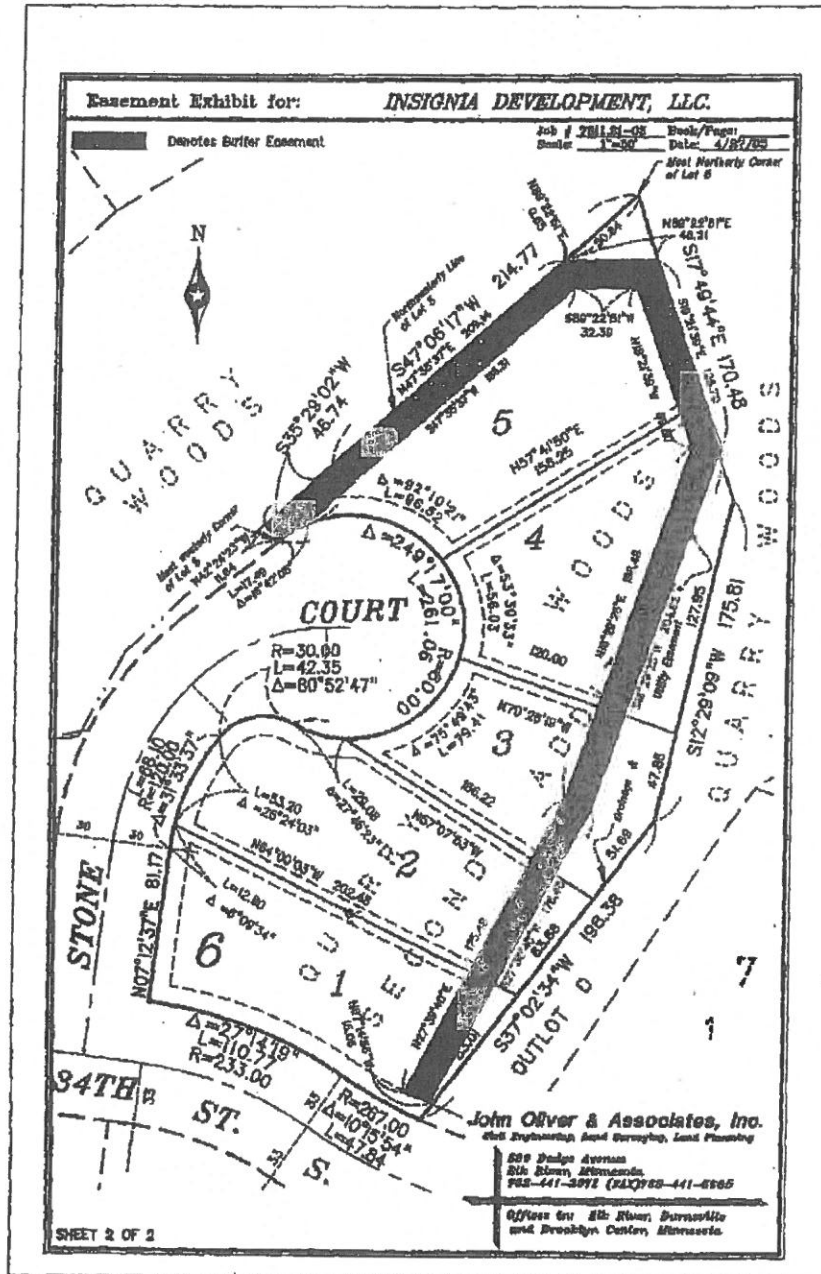
John Oliver & Associates, Inc.
Civil Engineering, Land Surveying, Land Planning

800 Ridge Avenue
St. River, Minnesota
763-441-2072 (RLX) 763-441-8888

Office for St. River, Burnsville
and Brooklyn Center, Minnesota

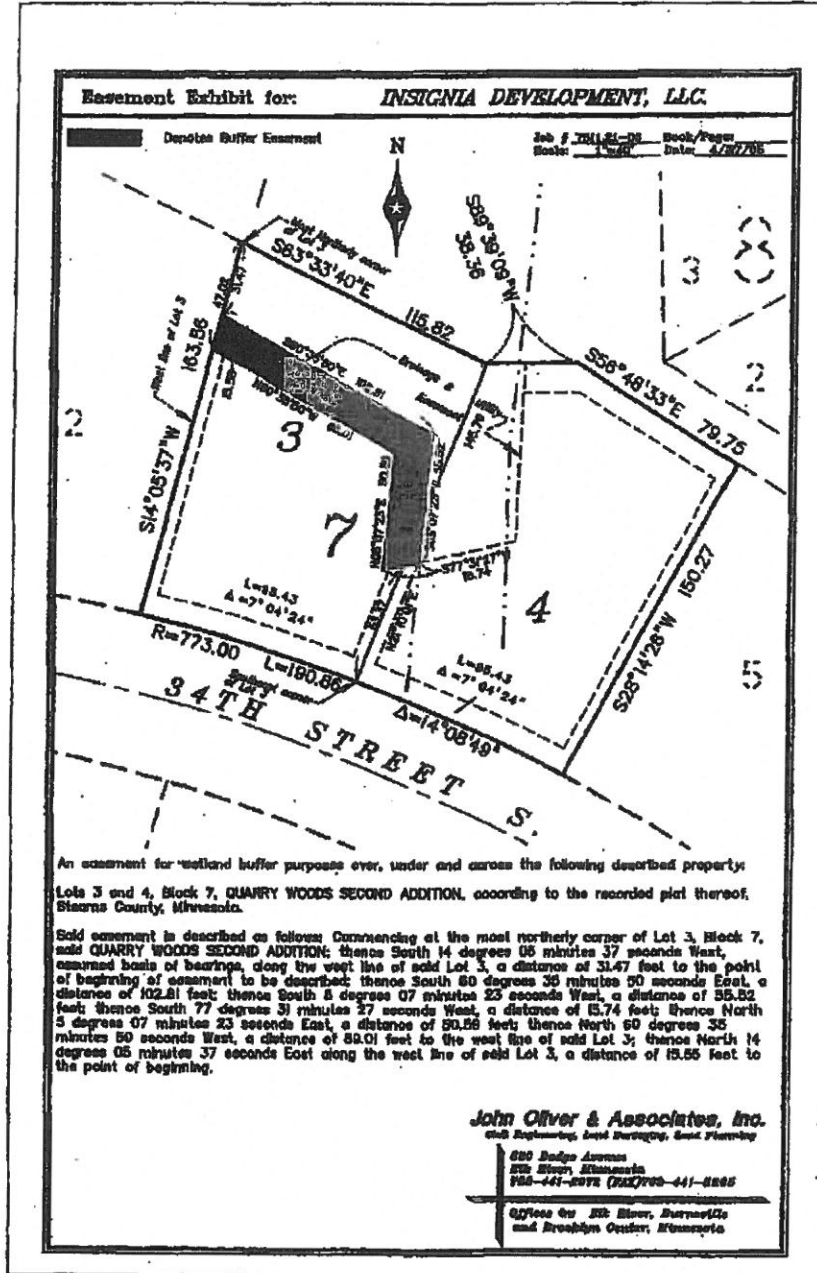
SHEET 1 OF 2

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SCR 4/1 of 4/6

Exhibit "F" - Page Eleven of Twelve



Easement Exhibit for:

INSIGNIA DEVELOPMENT, LLC.

An easement for wetland buffer purposes over, under and across the following described property:
Lots 1, 5, and 6, Block D, QUARRY WOODS SECOND ADDITION, according to the recorded plat thereof, Stearns County, Minnesota.

Said easement lies inside of the following described Parcel A and lies outside of the following described Parcel B.

Parcel A is described as follows: Commencing at the most westerly corner of Lot 6, Block D, said QUARRY WOODS SECOND ADDITION; thence North 54 degrees 43 minutes 20 seconds East, assumed basis of bearings, along the northwesterly line of said Lot 6, a distance of 112.57 feet to the point of beginning of said Parcel A; thence North 35 degrees 44 minutes 32 seconds West, a distance of 84.4 feet; thence North 57 degrees 56 minutes 42 seconds East, a distance of 83.48 feet; thence North 82 degrees 18 minutes 36 seconds East, a distance of 74.78 feet; thence South 23 degrees 48 minutes 03 seconds East, a distance of 74.78 feet; thence South 30 degrees 28 minutes 20 seconds East, a distance of 62.89 feet; thence South 0 degrees 01 minutes 42 seconds East, a distance of 23.38 feet; thence South 59 degrees 12 minutes 27 seconds West, a distance of 22.86 feet; thence North 77 degrees 28 minutes 14 seconds West, a distance of 133.69 feet to the point of beginning.

Parcel B is described as follows: Commencing at the most westerly corner of Lot 6, Block D, said QUARRY WOODS SECOND ADDITION; thence North 54 degrees 43 minutes 20 seconds East, assumed basis of bearings, along the northwesterly line of said Lot 6, a distance of 132.82 feet to the point of beginning of said Parcel B; thence North 77 degrees 28 minutes 14 seconds West, a distance of 7.88 feet; thence North 35 degrees 44 minutes 32 seconds West, a distance of 62.42 feet; thence North 57 degrees 56 minutes 42 seconds East, a distance of 84.23 feet; thence North 82 degrees 18 minutes 36 seconds East, a distance of 72.08 feet; thence South 23 degrees 48 minutes 03 seconds East, a distance of 84.34 feet; thence South 30 degrees 28 minutes 20 seconds East, a distance of 81.63 feet; thence North 77 degrees 28 minutes 14 seconds West, a distance of 132.82 feet to the point of beginning.

CONSENT AND JOINDER OF OWNER

THIS CONSENT AND JOINDER OF OWNER (the "Consent") is attached to that certain Declaration of Covenants, Easements, Conditions and Restriction, dated as of the 2nd day of August, 2005 (the "Declaration").

THE UNDERSIGNED, the owner of real property legally described on Exhibit "A" attached hereto (the "Noble Property"), hereby consents to the terms of the Declaration and agrees that the Noble Property shall be subject to the covenants, easements, conditions and restrictions set forth in the Declaration and that same shall be binding upon the undersigned and all successors and assigns of the undersigned. The undersigned hereby further confirms that it shall execute and deliver, in recordable form, such confirming documentation as any future owner or mortgagee of any portion of the Noble Property may reasonably request in order to give full effect to this Consent.

THIS CONSENT AND JOINDER OF OWNER is executed and delivered as of the date first above written.

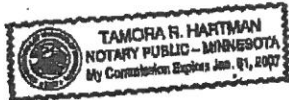
Noble Construction & Development, Inc.,
a Minnesota corporation

By: [Signature]

Its: CFB

STATE OF MINNESOTA)
) ss.
COUNTY OF HENNEPIN)

The foregoing instrument was acknowledged before me this 2nd day of August, 2005, by Rick Noble, the Chief Financial Officer of Noble Construction & Development, Inc., a Minnesota corporation, on behalf of the corporation.



Tamora R. Hartman
Notary Public

THIS INSTRUMENT WAS DRAFTED BY:

Fabyanske, Westra, Hart & Thomson, P.A. (DSL)
800 LaSalle Avenue South, Suite 1900
Minneapolis, MN 55402
(612) 338-0115

EXHIBIT A

Legal Description of Subject Property

Lots 1, 2, 3, 4, 5, 6, and 7 of Block 1; AND Lots 1 and 4 of Block 2, all located in Quarry Woods according to the recorded plat thereof on file and of record in the office of the County Recorder in and for Stearns County, Minnesota;

ALSO:

Lots 1 and 2 of Block 2, Quarry Woods Third Addition, according to the recorded plat thereof on file and of record in the office of the County Recorder in and for Stearns County, Minnesota.

2675959

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