

**DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS
for part of THREE LAKES, BLUE EARTH COUNTY, MINNESOTA**

THIS DECLARATION, made this 27 day of May, 2006, by Progress Land Company, Inc., a Minnesota Corporation, hereinafter individually and collectively referred to as "Declarant":

WHEREAS, Declarant is the fee owner of the below described lots in THREE LAKES, BLUE EARTH COUNTY, MINNESOTA:

LOTS 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18 and 19, BLOCK 1;
LOTS 1, 2, 3, 4, 5, 6, 7 and 8, BLOCK 2;
LOTS 1, 2, 3, 4, 5, 6 and 7, BLOCK 3;
LOTS 1, 2 and 3, BLOCK 4;
and LOTS 1 and 2, BLOCK 5

according to the plat thereof on file and of record in the office of the County Recorder in and for Blue Earth County, Minnesota, all of which lots are hereinafter collectively referred to as the "Property".

WHEREAS, the purpose of this Declaration is to establish certain minimum standards for the development of a high quality single family residential neighborhood within the Property, and to insure proper use and appropriate development and improvement of each residential site therein contained so as to:

1. Protect all owners of land in the Property against such improper use of property that will depreciate the value of their property;
2. Encourage the erection of attractive improvements appropriately located to promote harmonious appearance and function; and
3. Provide for a development that will promote the general welfare of the neighborhood.

NOW THEREFORE, Declarant hereby declares that all of the Property shall be held, transferred, sold, conveyed and occupied subject to the following covenants, restrictions, conditions and easements which are part of the Property, and which shall run with the Property and be binding on all parties that have a right, title, or interest in the Property or a part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

SECTION 1. ORDINANCES. In addition the provisions of this Declaration, the ordinances of the City of Madison Lake, Minnesota (hereinafter "City"), in effect as of the date of this Declaration shall be binding hereafter.

SECTION 2. DEFINITIONS. "Lot" or "Lots" shall mean any lot or lots within the Property, as defined above.

SECTION 3. LAND USE AND BUILDING TYPE. No structure shall be erected, altered, placed, or permitted to remain on any platted single family residential Lot other than an unattached single family dwelling not to exceed two and one-half stories in height and private garage of not more than 3 cars, except as specifically approved by the Architectural Control Committee. The ground floor area of any dwelling erected or placed on any Lot, exclusive of open porches and garages, shall be not less than the areas indicated below unless previously approved by the Architectural Control Committee after a determination based upon unusual exterior design considerations. Builders may maintain temporary construction structures during construction and may use completed dwellings for model and sales

purposes. Any new structures or changes to the exterior or existing structures must have prior approval from the Architectural Control Committee before construction may commence.

SECTION 4. ARCHITECTURAL CONTROL. No structure shall be erected, placed, or altered on any Lot until the construction plans and specifications showing among other details, detail of design, finished appearance, including color selections, elevations, site materials, and a plan showing the location on the Lot of all structures, walkways and driveways, have been approved by the Architectural Control Committee as to the type of materials, harmony of external design with existing structures, and as to location with respect to topography and finished grade elevation. Approval shall be as provided in **Section 17**, below. No application to the City for variance from the City Zoning Ordinances as to any Lot shall be filed without the prior approval of the Architectural Control Committee. Additionally, the portion of each structure which faces a public road or street must have an exterior totally of brick or a combination of brick and wood or brick and maintenance free siding, except that the Architectural Control Committee reserves the right to amend and/or waive this requirement (in order to overcome practical and reasonable difficulties in the enforcement thereof), or in the event that a substantial front porch is constructed which faces the applicable public road or street.

- A. Setbacks. No structure shall be located on any Lot nearer to the front Lot line or nearer to the side Lot line than the minimum building setback lines permitted by applicable ordinances of the City in effect on the date hereof. Any application for a variance from the City must be approved by the Architectural Control Committee prior to representation to the City.
- B. Open Porches. For the purposes of Section 5, eaves, steps, and open porches shall not be considered as a part of building; provided, however, that this shall not be construed to permit any portion of a building on a Lot to encroach upon another Lot.
- C. Garages. A minimum of a two car attached garage is required on all home styles. Garages shall be directly attached to the dwelling.
- D. Type of Structure Permitted. Structures erected or placed on any Lot must be in harmony with respect to workmanship, materials and external design.
- E. Building Area / Home Size Requirements. For the purpose of enforcement of the following minimum size restrictions the Lots are split into two (2) classifications as follows:

Conventional Single Family Lots, (hereinafter referred to as "single family lots"):

LOTS 1, 2, 3, 4, 5, 6, 7, 8, 9 and 10, BLOCK 1;

LOTS 1, 2, 3, 4, 5, 6 and 7, BLOCK 3;

LOTS 1, 2 and 3, BLOCK 4;

and LOTS 1 and 2, BLOCK 5

Single Family Villa Lots, (hereinafter referred to as "villa lots"):

LOTS 11, 12, 13, 14, 15, 16, 17, 18 and 19, BLOCK 1;

and LOTS 1, 2, 3, 4, 5, 6, 7 and 8, BLOCK 2;

The minimum size of any residential dwelling structure, exclusive of basements, garages and one-story open porches, shall be:

- (a) Rambler/Ranch. For single family lots, in the case of a single floor structure (with or without attic dormers) not less than 1,250 square feet of finished living space on the main floor.

For villa lots, in the case of a single floor structure (with or without attic dormers) not less than 1,100 square feet of finished living space on the main floor.

- (b) Two-Story. **For single family lots**, in the case of a two-story structure (with or without attic dormers) not less than a combined total of finished living space for both the ground and second floors of 1,950 square feet (two-story structures shall have a footprint of not less than 1,000 square feet).

For villa lots, in the case of a two-story structure (with or without attic dormers) not less than a combined total of finished living space for both the ground and second floors of 1,750 square feet (two-story structures shall have a footprint of not less than 900 square feet).

- (c) Story and a Half and Modified Two Story.

For single family lots, in the case of a story and a half and/or modified two-story structure, not less than a combined total of finished living space for both the ground and second floors of 1,800 square feet (two-story structures shall have a footprint of not less than 1,000 square feet).

For villa lots, in the case of a story and a half and/or modified two-story structure, not less than a combined total of finished living space for both the ground and second floors of 1,600 square feet (two-story structures shall have a footprint of not less than 900 square feet).

- (d) Split Entry or Multi-level.

For single family lots, in the case of a split entry or multi-level structure not described in subparagraphs (a) through (c), not less than a combined total of finished living space (above grade) for both the ground and upper level of 1,250 square feet of finished living space. (Not to include the lower (below grade) third and/or fourth levels).

For villa lots, in the case of a split entry or multi-level structure not described in subparagraphs (a) through (c), not less than a combined total of finished living space (above grade) for both the ground and upper level of 1,100 square feet of finished living space. (Not to include the lower (below grade) third and/or fourth levels).

- F. Roof Pitches. All roof pitches shall be a minimum of 6/12, except front facing roofs to street 8/12 pitch unless approved by the Committee.

G. Exterior Materials. Front elevation exterior materials must be masonry, brick, stone, cedar, redwood, "Hardi-plank", cedar or vinyl shakes and maintenance-free. Significant amounts of brick, stone or other architectural features must be included. Side and rear exterior materials may be masonry, brick, "Hardi-plank", vinyl or aluminum. Identical front elevations will not be permitted on adjacent lots or lots across the street from one another unless approved by the Committee. Only earth tone or neutral house colors and trim colors will be permitted.

- H. Design Elements. Extra design elements can include shutters, raised panel or cedar faced garage doors and window/flower boxes, where appropriate.

- I. Landscaping. The front and side yards of each Lot shall have sod installed and the rear yard shall have either seed or sod installed within 90 days of occupancy, weather permitting. If weather does not permit prior to occupancy, then all sod and/or seed shall be installed not later than the first day of June following such occupancy. All existing trees, ponds, wetlands, wetland buffer vegetation and other quality vegetation on the Lot are expected to be preserved as much reasonably possible. Lot buyers shall use the approved landscaping plan, attached hereto as "Exhibit A" when selecting a house type and footprint. The Lot owner shall, maintain driveway from garage to street.
- J. Boulevard Trees. Each Lot owner shall be responsible for planting and maintaining any and all boulevard trees shown on his or her Lot according to the approved landscaping plan attached hereto as "Exhibit A", and shall also be responsible for reasonable watering and care of any such boulevard trees.
- K. Antenna and Satellite Dishes. All antenna and satellite dishes are subject to review and approval of the Architectural Control Committee prior to installation. The Architectural Control Committee specifically reserves the right to prohibit the installation of or require the relocation of any such device, at any time, in its reasonable discretion.

SECTION 6. EASEMENTS. Easements for installation and maintenance of utilities and drainage facilities are reserved as shown on the recorded plat. Within these easements, no structure 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 of flow or drainage channels in the easements, or which may obstruct or retard the flow of water through drainage channels in the easements, except that a bituminous or concrete driveway or walk which does not impede surface water runoff and drainage may be installed and maintained across the easement subject to disturbance of installation and maintenance of utilities. Each Lot owner (and/or any builder hired to construct a structure on any Lot by the Lot owner) shall be responsible to insure that the finished grades of the Lot are in compliance with the approved grading plan on file with the City prior to installation of any sod, seed, trees, shrubs, fences, walls, sprinkler systems or other permanent improvement being installed on the Lot.

SECTION 7. BUSINESS ACTIVITIES. No business may be continuously conducted or operated in or from a Lot which causes inconvenience, excess traffic, parking congestion or annoyance to the neighborhood.

SECTION 8. NUISANCES. No noxious or offensive activity shall be carried on upon any Lot, nor shall anything be done upon or with the structure(s) built upon any Lot which may be or may become an annoyance or nuisance to the neighborhood.

SECTION 9. TEMPORARY STRUCTURES. No structure of a temporary character, recreational vehicles, trailer, basement, tent, shack, garage, barn or other outbuilding shall be used on any Lot at any time as a residence either temporarily or permanently, except that each residence may have a garden or yard storage shed not to exceed 200 square feet, provided that its exterior and roof are of the same architectural design and are constructed with the same materials and colors as the dwelling, and provided that no part of any such yard storage shed is placed over any easement as shown on the recorded final plat of THREE LAKES.

SECTION 10. STORAGE OF VEHICLES, ETC. All commercial vehicles, recreational vehicles, trailers, boats, snowmobiles, and wheeled or tracked vehicles, or commercial equipment of any kind (not including any equipment used in construction or repair of the Property) shall be stored within a garage or enclosure on a Lot, and shall be not visible from outside the Lot.

SECTION 11. SIGNS. No signs of any kind shall be displayed to the public view on any Lot except one professional sign of not more than five square feet advertising a Lot for sale or rent, or signs used by the Developer or builder to advertise the Property during the construction and sales period and approved by the Architectural Control Committee prior to erection.

SECTION 12. ANIMALS, LIVESTOCK AND POULTRY. No animals, livestock or poultry of any kind shall be raised, bred or kept on any Lot, except that dogs, cats, fish, birds or other household pets may be kept provided that they are not kept, bred, or maintained for any commercial purpose. All animals must be leashed, if allowed to exit any Lot. All animals must be fenced in completely on any part of any Lot where such animal or animals are allowed to remain outside of the dwelling or garage built on that Lot.

SECTION 13. GARBAGE AND REFUSE DISPOSAL. No Lot shall be used or maintained as a dumping ground for rubbish. Trash, garbage or other waste shall not be kept except in sanitary containers. All incinerators or other equipment intended for the storage or disposal of such material shall be kept in a clean and sanitary container and shall be kept in a clean and sanitary condition and shall be placed or screened on each Lot in such a manner as not to be visible from outside such Lot.

SECTION 14. SOIL, GRADING. No soil, sand, gravel, sod or timber shall be sold or removed from a Lot except for the purpose of excavating for the construction or alteration of a dwelling or permitted appurtenance thereto, or for the proper grading of the Lot. All surplus soil, sand, gravel, sod or timber must be removed from the Property at the Lot owner's expense unless requested as fill for another Lot by the owner thereof.

SECTION 15. CONSTRUCTION DEBRIS. Each Lot shall be kept reasonably free of construction debris and excess materials shall be located in the rear yards only.

SECTION 16. WALLS AND FENCES. No walls or fences shall be erected which are more than 6 feet above grade at any point. All fencing shall be located in the rear yards only, and shall be subject to review and approval by the Architectural Control Committee, prior to installation.

SECTION 17. ARCHITECTURAL CONTROL COMMITTEE.

A. There shall be an Architectural Control Committee of three (3) members elected by recorded contract purchaser of the Lots. The initial committee shall be comprised of members designated in writing by Declarant. The initial committee shall serve until 100% of the Lots in the Property have been conveyed by warranty deed to second parties. Subsequent to conveyance of 100% of the Lots by warranty deed to second parties a majority of the then record owners of the Lots shall have the power to change the membership of the committee, or through a duly recorded instrument, change the powers or duties of the committee. The committee may designate in writing a representative to act for it. Decisions of the committee shall be by majority vote of the members thereof. Neither the members of the committee nor its designated representative shall be entitled to any compensation for services performed pursuant to this covenant.

B. The committee's approval or disapproval as required in the Declaration shall be in writing. If the committee, or its designated representative, fails to approve or disapprove within 30 days after plans and specifications have been submitted to it, or if no plans to enforce the Declaration has been commenced within one year of the completion of construction thereof, approval will not be required and the related covenants shall be deemed to have been fully complied with. All construction must conform strictly to approved plans and specifications, or plans and specifications which have been amended to the approval of the committee.

SECTION 19. DILIGENT COMPLETION. All construction of structures and other improvements of Lots shall be commenced promptly after approval by the Architectural Control Committee and shall proceed diligently to completion, in all events within twelve (12) months of such approval.

SECTION 20. TERM. These covenants shall run with the land and shall be binding on all parties and all persons claiming an interest in any part of the Property for a period of 30 years from the date these covenants are recorded, after which time said covenants shall be automatically extended for successive periods of 10 years unless an instrument signed by the then record owners of a majority of the Lots has been recorded, agreeing to change said covenants in whole or in part.

SECTION 21. ENFORCEMENT. Enforcement shall be by proceedings at law or in equity against any person or persons violating or attempting to violate any covenant of this Declaration either to restrain violations or to recover damages and may be brought by any owner who is being harmed by such activities. If a plaintiff enforcing the terms of this Declaration obtains a favorable judgment in such proceedings, the defendant shall pay and indemnify plaintiff against any and all attorney's fees and expenses incurred by plaintiff in exercising its rights and remedies hereunder.

SECTION 22. SEVERABILITY. Invalidation of any one of these covenants by judgment or court order shall not, in any manner whatsoever, affect any of the other provisions, which shall remain in full force and effect.

SECTION 23. FAILURE TO ENFORCE. No provisions contained in the Declaration shall be deemed to have been waived by reason of any failure to enforce the same.

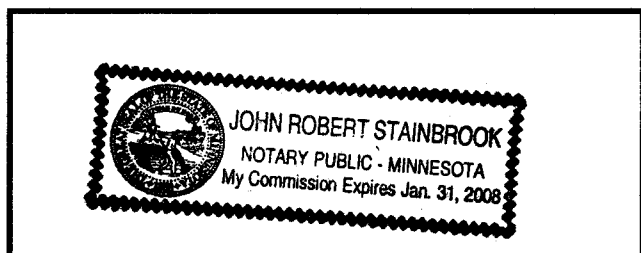
IN WITNESS WHEREOF, the undersigned Declarant has caused this Declaration to be executed on the date appearing next to its signature(s) below.

Progress Land Company, Inc.

By: *Amy E. Skillestad*
Its: VP Date: 5-24-06

STATE OF MINNESOTA

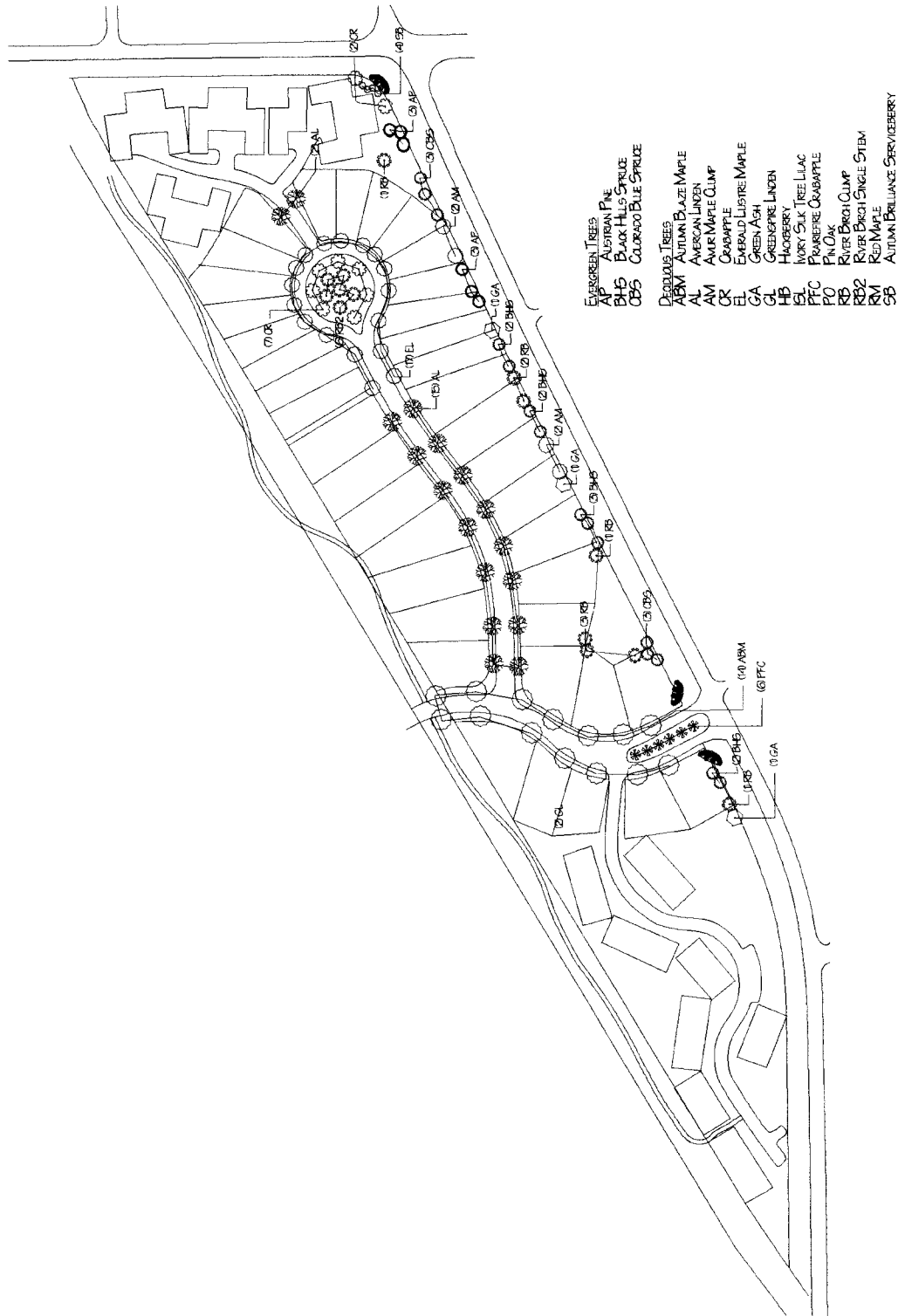
COUNTY OF DAKOTA The foregoing instrument was acknowledged before me this 24 day of May, 2006, by Amy E. Skillestad, Vice President of Progress Land Company, Inc., a Minnesota Corporation, on behalf of said Corporation.



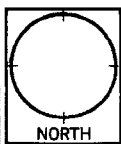
John Robert Stainbrook
Notary Public, Dakota County, Minnesota
My Commission Expires Jan 31, 08

THIS INSTRUMENT WAS DRAFTED BY:
Progress Land Company, Inc.
6001 Egan Drive, Suite 100
Savage, MN 55378
952) 226-3200

"EXHIBIT A"



- EVERGREEN TREES**
 AP AUSTRALIAN PINE
 BLG BLACK HILLS SPRUCE
 CBS COLORADO BLUE SPRUCE
- DECIDUOUS TREES**
 AEM AUTUMN BLAZE MAPLE
 AL AMERICAN LINDEN
 AM AMERICAN MAPLE
 CR CRABAPPLE
 EL EMERALD LUSTRE MAPLE
 GA GREEN ASH
 GL GREENSPRING LINEN
 HB HAWK BERRY
 ISL IVORY SILK TREE LILAC
 PTC PRAIRIE QUINQUA
 PO PIN OAK
 RD RIVER BIRCH CLUMP
 RM RED MAPLE
 SB AUTUMN BRILLIANCE SERVICE BERRY



MULLIGAN'S
 "On the move, and making a difference."

P.O. BOX 623 MIN. WATTS (800) 232-8733
 NORTHFIELD, MN. 55057 (507) 688-0393

CLIENT: PROGRESS LAND COMPANY, INC.
 THREE LAKES DEVELOPMENT PRELIMINARY LANDSCAPE PLAN - BOULEVARD AND SITE TREE DESIGN
 MADISON LAKES, MN

Client Phone Number



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DATE:	November 11, 2005
SCALE:	1"=100'-0"
DRAWN BY:	Mae Gordon
CHECKED BY:	
JOHN A.	
PROJECT:	Revision 2