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Sheet 2 of 5 sheets

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DECLARATION		
THIS DECLARATION is made on this day of by Town & Country Homes, Inc., a Minnesota corporation ("Declarant").	, 2003,	

RECITALS

- A. Declarant is the Owner of certain real property located in the City of Chaska, Carver County, Minnesota, legally described in attached **Exhibit A** (collectively the "**Property**").
- B. The "Jonathan Association" is a non-profit association of "Owners" within that portion of the City of Chaska known as "Jonathan." All Owners in Jonathan are "Members" of the Jonathan Association. The Jonathan Association owns and maintains certain "Common Properties" in Jonathan for the benefit of the Members of the Jonathan Association and their designees. In connection with such ownership, administration, and maintenance of these Common Properties, the Jonathan Association levies Jonathan Assessments" comprised of annual assessments and special assessments.
- C. Declarant wishes to develop the Property for residential purposes, in the form of one or more planned community or condominium developments subject to the provisions of the Minnesota Common Interest Ownership Act ("MCIOA"), one or more detached single family home communities, or any combination thereof.
- D. The Jonathan Association requires that persons developing land within Jonathan subject that land to: (i) covenants to pay Jonathan Association Expenses; and (ii) protective covenants and restrictions intended to achieve the goals, limitations, guidelines and criteria of the Jonathan Association (the "Development Standards") set forth below:

- (i) To protect the Owners against improper use of surrounding property as will depreciate the value of their property;
- (ii) To guard against the erection of structures built of improper or unsuitable materials;
- (iii) To insure adequate and reasonable development of the Property;
- (iv) To encourage the erection of attractive buildings appropriately located to foster a harmonious appearance and function;
- (v) To ensure compatibility with existing structures:
- (vi) To ensure appropriateness of any structure, exterior design, construction materials, size of improvement, or color scheme thereof;
- (vii) To provide for reasonable set backs and off-street parking as specified in this Declaration; and
- (viii) Minimum building standards.

DECLARATION

Declarant, by recording this Declaration, subjects the Property to the covenants, conditions, restrictions, rights, and obligations of this Declaration, declaring that this Declaration shall constitute covenants running with the Property, and that the Property shall be owned, used occupied and conveyed subject to the terms of this Declaration, all of which shall be binding upon all persons acquiring any right, title or interest in the Property, and their heirs, personal representatives, successors and assigns.

Article 1

DEFINITIONS

1.1 <u>Definitions</u>. Certain words in this Declaration are given special definitions herein (collectively, the "Defined Terms"). A list of the Defined Terms and their meanings is set forth in the Glossary attached to this Declaration as <u>Exhibit B</u>.

Article 2

JONATHAN ASSOCIATION MEMBERSHIP; RIGHTS AND OBLIGATIONS

- 2.1 <u>Membership in the Jonathan Association</u>. Each Owner owning a "Lot" within any portion of the Property developed as a residential single family home community, or a "Unit" within any portion of the Property developed as a condominium or planned community form of common interest community, shall be a Member of the Jonathan Association and shall be entitled to one vote for each Lot or Unit owned. When more than one person holds an interest in any Lot, or Unit, all such persons shall be Members. The vote for such Lot or Unit shall be exercised as the Owners of the Lot or Unit may among themselves determine, but in no event shall more than one vote be cast with respect to each Lot or Unit. Owners of developments within Jonathan, but outside of the Property, also are Members of the Jonathan Association.
- Membership Rights for Multiple Dwellings. If any portion of the Property is developed as multi-family residential rental property (a "Multiple Dwelling"), the Owner of the Multiple Dwelling shall be a Member of the Jonathan Association, entitled to cast one vote for each rental unit in the Multiple Dwelling. On any vote taken by the Jonathan Association on Jonathan Association business, the total votes by Members who are Owners of Multiple Dwellings shall not exceed forty-nine percent (49%) of the total votes voted by Members of all Lots, Units, and Multiple Dwellings in Jonathan and, if necessary, each Multiple Dwellings vote shall be appropriately weighted so that the total thereof does not exceed this maximum of forty-nine percent (49%) of the total votes voted. On all votes taken in the Jonathan Association, votes of Members who are Owners of Multiple Dwelling votes shall be taken and counted separately to effectuate the forty-nine percent (49%) vote limit policy set forth herein.
- 2.3 <u>Obligation to Pay Jonathan Assessments</u>. By virtue of being a Member of the Jonathan Association, the Owner of any Lot, Unit, or Multiple Dwelling, shall be deemed to have covenanted to pay Jonathan Assessments in accordance with <u>Article 6</u> of this Declaration.

ARTICLE 3

BUILDING AND USE RESTRICTIONS

- 3.1 <u>Use Restrictions</u>. All Owners, occupants, by their acceptance or assertion of an interest in the Property, or by their occupancy of a Lot or Unit, covenant and agree that the occupancy, use, operation, and transfer of the Property shall be subject to the following restrictions on use:
 - a. Lots within any portion of the Property developed as private, single family homes, and Units within any portion of the Property developed as a planned community or condominium form of common interest community shall be used only for residential purposes. Residential purposes shall include all uses which are customarily considered residential.

- b. A Lot or Unit may be used for office or similar use as an accessory to the use of the Lot or Unit for residential purposes, so long as such use does not materially adversely affect any other Lot or Unit in the Property. However, no such use shall be allowed if such use would not be permissible under applicable law.
- c. During any period when homes are being constructed on Lots, or a building containing condominium or planned community Units is being constructed within the Property, portions of Lots or Units may be used by Declarant and/or home builders for temporary offices, model homes and/or for entrance monuments or other signs identifying the Property.
- d. Residential purposes shall permit the development of homes, condominium or planned community living units, attached or detached garages, swimming pools, spas, tennis courts and attendant structures, such as storage sheds, pump dwellings and cabanas, so long as architectural approval is obtained in accordance with this Declaration.
- e. Residential Purposes does not include "bed and breakfast" operations, hotels, boarding houses, or group-homes.
- f. Any portion of the Property developed as a condominium or planned community shall be developed as a common interest community subject to the requirements of MCIOA, unless that community is exempt from MCIOA under the provisions of 515B.1-102.
- 3.2 <u>Building Restrictions and Covenants</u>. All Owners, occupants, by their acceptance or assertion of an interest in the Property, or by their occupancy of a Lot or Unit, covenant and agree that the Property shall be subject to the following covenants and restrictions regarding alteration or improvement of the Property:
 - a. No Owner of a Lot or Unit shall construct, relocate, heighten, lower or otherwise move or change any home, living unit, garage, structure, fence, wingwall or other wall, deck or patio or other improvement except as provided in Article 6 of this Declaration. Owners of Lots or Units in the Property shall be bound by the architectural review provisions of the Jonathan Association described in Article 6. Community Covenants (as hereafter defined) may require Lots or Units within the Property to undergo architectural review and approval of the Community Association in addition to that provided for in Article 6 of this Declaration, pursuant to the terms of the Community Covenants (as defined below).
 - b. In connection with portions of the Property developed as a single family home community, no home shall be erected, altered or placed on a Lot or permitted to remain there other than one (1) detached single-family home not to exceed two (2) stories in height, as measured from grade. If a home will include a walk-out basement to the rear, the basement shall not be counted as a story. Each home in a

- portion of the Property developed as a single family home community shall include a garage with space for at least two (2) cars.
- c. Any single family home constructed within the Property shall be completed within one year following commencement of construction. Promptly following completion of a single family home, the Lot shall be fully landscaped in material compliance with the Plans (as hereafter defined) approved by the Board of Directors of the Jonathan Association.
- d. In portions of the Property developed as condominiums or planned communities, any building constructed as part of that common interest community shall be completed within one year following commencement of construction, and promptly following completion of the condominium building or planned community building in question, the applicable common elements shall be appropriately landscaped.
- e. If any structure or improvement on a Lot or Unit for which completion is required within one (1) year pursuant to <u>Subsections c</u> or <u>d</u> above, that is not completed materially in accordance with the Plans approved by the Board of Directors of the Jonathan Association within one (1) year after the commencement of construction, the Jonathan Association, at its sole option, may take such steps as may be necessary, in its reasonable discretion, to improve the appearance so as to make the Lot or Unit harmonious with other Lots or Units, and the amount of any expenditure of the Jonathan Association made in so doing shall be the personal, joint and several obligation of the Owner or Owners of the Lot or Unit involved, as the case may be, and shall be a lien on the Lot or Unit, enforceable by the Jonathan Association as set forth in <u>Article 5</u> of this Declaration.
- f. All driveways shall be hard surfaced with concrete or bituminous material in accordance with design and material standards reasonably acceptable to the Board of Directors of Jonathan as described in <u>Section 6</u> below, and which meet applicable requirements of the City of Chaska.
- g. "Manufactured homes," as defined in Minnesota Statutes 327.31, are prohibited on the Property.
- h. Improvements and alterations constructed within the Property shall be subject to the following additional requirements:
 - (i) Ancillary structures erected or placed on any Lot or Unit must be in harmony with the principal home or living unit on a Lot or Unit in respect to workmanship, materials and external design.
 - (ii) With respect to Lots, no structure shall be erected or placed nearer to the front lot line, or nearer to a side street line, or nearer to the rear lot line than permitted by the City of Chaska as of the date thereof, and the side

yards shall be not less than five (5) feet on garage side and five (5) feet on the house side. For the purpose of this restriction, eaves, steps and open porches shall not be considered a part of a home on a Lot; provided, however, that this shall not be construed to permit any portion of the home on any Lot to encroach upon other residential Lots.

- (iii) In connection with single family homes, the entire Lot area between rear lot line and the public street shall be seeded or sodded within sixty (60) days of occupancy; provided, however, that in the event of inclement weather, or other circumstances reasonably beyond a party's control, as soon thereafter as reasonably possible.
- (iv) In connection with the construction of a building that will contain condominium or planned community living units, the set backs shall be as approved by the City of Chaska, and the common elements and other portions of the Property associated with such building shall be seeded, sodded or otherwise appropriately landscaped in material compliance with the Plans approved by the Board of Directors of the Jonathan Association within sixty (60) days of occupancy of the last living unit in the building; provided, however, that in the event of inclement weather, or other circumstances reasonably beyond a party's control, as soon thereafter as reasonably possible.
- (v) No change in the grading of any portion of any Lot, Unit or other portion of the Property shall be undertaken except in conformance with the requirements of the Jonathan Association and Article 6 hereof. Under no circumstances shall fill or other material be removed from the Property except as may be reasonably necessary to construct a home or other improvement.
- (vi) All utility meters shall be located and treated in conformance with plans approved by the City of Chaska. After initial construction is completed, any future utility meters or relocation of utility meters located on the exterior of a building shall be concealed from view from off the Lot or Unit, or architecturally treated to blend with a building.
- (vii) All buildings shall be served by underground utility distribution facilities. Poles, wires, or other above-ground utility service distribution facilities may be temporarily installed during the construction or repair of the underground utility cables and facilities.
- (viii) "Manufactured homes" as defined in Minnesota Statutes 327.31 are prohibited on the Property.

- Restrictions on Subdivision. Declarant may subdivide the Property into Lots and Outlots (in a single family home community) and Units, common elements and Outlots (in a condominium or planned community form of common interest community) in one or more plats of the Property. Thereafter, any Outlots may be subdivided into one or more Lots, Outlots, or condominium or planned community Units and common elements. All such subdivisions shall be undertaken and completed in a manner that complies with the requirements of the City of Chaska. Subject to the foregoing, Lots and Units once created within the Property shall not be further subdivided without the express written consent of the Jonathan Association.
- Development of the Property. Declarant reserves the right to create additional "Community Covenants" that will bind the Lots or Units in the Property so long as those covenants do not conflict with the covenants created in this Declaration. Such Community Covenants may include creation of a "Community Association" to serve the residential community subject to the Community Covenants, and may provide for the right of the Community Association to levy "Community Association Expenses" comprised of general or special assessments that are for purposes of paying the costs of administering and maintaining any "Community Common Properties" within the Property that are not administered and maintained by the Jonathan Association. The creation of a Community Association shall not affect the duty of Owners of Lots or Units in the Property to comply with the requirements of this Declaration, including the obligation to pay Jonathan Assessments.
- Codes Nothing shall be done or kept on any Lot or Unit, which would be a violation of any statute, rule, ordinance, regulation, permit or other validly imposed requirement of any governmental body, or of the Jonathan Association. No damage to, or waste of, a Lot or Unit or the improvements thereon shall be committed by any Owner or any family Member, guest or invitee of any Owner, and each Owner shall indemnify and hold the other Owners within the Property harmless against all loss resulting from any such damage or waste caused by him or her or his or her family Members, guests and invitees, to any Owner or his or her family Members, guests, or invitees. No noxious, destructive, illegal or offensive activity shall be allowed on any Lots or Units or any part thereof, nor shall anything be done thereon which may be or may become an unreasonable annoyance or nuisance to any other Owner or to any other person at any time lawfully on the Property or which will increase the hazard insurance premiums payable by Declarant or other Owners in connection with their Lots or Units, and the improvements thereon or therein.
- Covenant Regarding Leases. Leasing of Lots and Units shall be allowed, subject to the following conditions: (i) that no Lot shall be leased for transient or hotel purposes, (ii) that all leases shall be in writing, and (iii) that all leases shall provide that they are subordinate and subject to the provisions of the this Declaration and the Rules and Regulations of the Jonathan Association, and that any failure of the tenant to comply with the terms of this Declaration or such Rules and Regulations shall be a default under the lease. Any lease of any Lot or Unit in the Property must include language conforming to this Section, and otherwise requiring the tenants and occupants to be bound by this Declaration.

- 3.7 <u>Temporary Structures</u>. No structure of a temporary character, trailer, tent or shack shall be maintained on the Property except by Declarant or builders designated by Declarant during the period of construction of one or more homes, living units, or appurtenant structures or improvements on the Property.
- Outside Storage of Vehicles. While the Declarant owns any portion of the Property, no trailers, boats, buses, motor homes, campers, snowmobiles, or other types of recreational vehicles shall be parked on any Lot or Unit within the Property for more than forty-eight (48) consecutive hours unless such vehicle is parked within a garage located on such Lot or Unit. However, once the Declarant no longer owns any portion of the Property, and unless modified by written policy of the Jonathan Association through a two-thirds (2/3) vote of the Board of Directors of the Jonathan Association, the following storage and parking restrictions apply upon the Property:
 - a. The storage or parking of "Winter Season" vehicles is only allowed upon the driveway of the Lot and is only allowed from November 1 through March 31.
 - b. The storage or parking of "Summer Season" vehicles is only allowed upon the driveway of the Lot and is only allowed from April 1 through November 1.
 - c. The storage or parking of "All Season" vehicles is only allowed upon the driveway of the Lot and is allowed all year.

For purposes of this Section, the following definitions apply:

- d. "Winter Season" vehicles are defined as snowmobiles and any trailer upon which they are stored or transported.
- e. "Summer Season" vehicles are defined as all boats (motorized or non-motorized including sailboats, pontoon boats and houseboats), canoes, rafts, surfboards, windsurfers, jet skis, go carts, campers, trailer homes, and any trailers upon which the above are stored or transported.
- f. "All Season" vehicles are defined as vans less than twenty (20) feet in length.

In addition, no abandoned vehicles shall be parked on any Lot or Unit or any street appurtenant thereto for a period longer than three (3) consecutive days. For purpose of this restriction, an automobile, van, motorcycle or other motor vehicle which is parked in the same location without use for more than seventy-two (72) consecutive hours shall be presumed to be an abandoned vehicle. No vehicles twenty (20) feet or more in length shall be parked on any lot or appurtenant street at any time.

3.9 <u>Odors, Nexious Plants, Unreasonable Noise</u>. The storage or accumulation of rubbish of any character whatsoever, any material that emits foul or obnoxious odors, the growing of any noxious weed or other noxious natural substance, and the harboring of any source of unreasonable

noise or activity which disturbs the peace, comfort or serenity of Owners, is prohibited. No cottonwood or box elder trees shall be planted or permitted to remain on the Property.

- 3.10 **Trash**. Usual trash and garbage shall be kept in sanitary containers in a neat and clean condition, shall be regularly collected, and may be kept outside only if screened in a manner complying with the requirements of the Jonathan Association and this Declaration.
- 3.11 <u>Signs</u>. No sign of any kind shall be displayed to the public view on any Lot or Unit except as follows:
 - a. Subdivision entrance monuments that may be installed at Declarant's option.
 - b. During the initial construction and sales period of the communities developed by Declarant within the Property, Declarant and builders may place such directional and subdivision advertising signs as are permitted by ordinance, and the applicable guidelines of the Jonathan Association, and one sign no larger than 3 feet by 4 feet in size may be placed on each Lot or Unit advertising the Lot or Unit for sale; provided, however, that multiple signs, and/or signs in excess of 3 feet by 4 feet in size are permitted on Lots or Units being used as model homes.
 - After the initial construction and sales period for a Lot or Unit, one sign of not more than 3 feet by 3 feet in size advertising the Lot or Unit for sale or lease shall be permitted.
- 3.12 <u>Telecommunications</u>. Television and radio antennae and satellite receiving dishes may be erected or placed upon Lots and Units in accordance with the guidelines of the Jonathan Association; provided, however, that such antenna and receiving dishes may require the approval of any architectural review committee provided for in any Community Covenants created by Declarant in the future. If the guidelines of the Jonathan Association call for the approval of the Board of Directors of the Jonathan Association, the giving or withholding of such approval shall be governed by applicable laws.
- 3.13 <u>Crops and Vegetables</u>. The planting or maintenance of vegetable gardens on Lots is permissible provided they are of a reasonable size, planted and maintained in that portion of a Lot behind the home, (or on the side yard areas of Lots) and are reasonably screened from view from the public road serving said Lot. In connection with portions of the Property developed as a condominium or planned community form of common interest community, the Community Covenants creating the common interest community shall contain appropriate restrictions governing such matters that will be sufficient to carry out the intent of this Section.
- 3.14 <u>Animals</u>. Dogs, cats and other pets of a customary nature shall be permitted provided that: (i) no more than three (3) dogs and/or cats may be maintained on a Lot or within a Unit; (ii) no commercial or hobby breeding operation may be maintained; (iii) all pets are at all times reasonably secured; (iv) all kennels and/or runs are constructed only in conformance with the requirements of

the Jonathan Association, and Article 6 of this Declaration; and (v) Owners clean up after their animals.

- 3.15 <u>Homes and Living Units Restricted to Single Family Purposes</u>. Under no circumstances shall any home on a Lot or Unit within a condominium or planned community form of common interest community be used: (i) to house more than a single family, (ii) for hotel or other transient purposes, (iii) for group home purposes, and (iv) in any manner that is not in conformance with this Declaration. Guests may stay in a home on a Lot or a condominium or planned community living unit for reasonable periods provided that such use does not intensify the use of a Lot or Unit to a level which is burdensome to other Owners of other Lots or Units within the Property.
- Covenant to Maintain and Repair. Any Lot or Unit within the Property now or in the future, and the improvements thereon, shall be maintained in a state of good order and repair by the Owner thereof or the Community Association which is responsible for such maintenance. If any Owner of a Lot or Unit within the Property, entitled and required to belong to the Jonathan Association or a Community Association, shall fail to maintain the Lot or Unit and/or any improvements thereon, the Board of Directors of the Jonathan Association, after approval by two-thirds (2/3) vote of the Board of Directors of the Jonathan Association, shall have the right, through its agents and employees, to enter upon said Lot or Unit to repair, maintain, and restore the Lot or Unit, and the exterior of the buildings and any other improvements erected thereon. The cost of such exterior maintenance shall be added to and become part of the Jonathan Assessment to which such Lot or Unit is subject.

ARTICLE 4

COMMON PROPERTIES

- 4.1 Rights of Owners to Use Common Properties. Every Owner of a Lot or Unit in the Property shall have a right and easement of enjoyment, in common with other Owners within Jonathan, in and to the Common Properties. This right and easement which shall be appurtenant to and shall pass with the title to every Lot and Unit in the Property, subject to the following provisions:
 - a. The right of the Jonathan Association to charge reasonable admission and other fees for the use of any recreational facilities situated upon the Common Properties.
 - b. The right of the Jonathan Association to suspend the voting rights in the Jonathan Association and right to use the recreational facilities owned or administered by the Jonathan Association by an Owner for any period during which any Jonathan Assessment on the Owner's Lot or Unit remains unpaid, and for a period not to exceed sixty (60) days for any infraction of the published rules and regulations of the Jonathan Association. The Jonathan Association is hereby given the right to establish uniform rules and regulations for the Common Properties.

- Common Properties to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the Members of the Jonathan Association. No such dedication or transfer shall be effective unless assented to by two-thirds (2/3) of the Members who are voting in person or by proxy at a meeting or meetings duly called for that purpose. Notice of such meeting or meetings shall be given, and the required quorum shall be determined, in the same manner as provided in Section 5.5. The rights of the Jonathan Association contained in this Subsection 4.1 c shall be in addition to and shall in no way limit the rights granted to the Jonathan Association in this Article 4.
- d. The Jonathan Association shall have the right to lease portions of the Common Properties to commercial recreational developers for the purpose of providing recreational facilities or services or both to Members provided that the net income from any said lease shall be applied to developing and maintaining the Common Properties in Jonathan.
- 4.2 <u>Maintenance of Common Properties</u>. The Jonathan Association shall provide for all maintenance and repair of the Common Properties.
- 4.3 <u>Maintenance of Community Common Properties</u>. If Declarant creates Community Common Properties within the Property that will not be maintained by the Jonathan Association, the Community Covenants shall provide for maintenance of those Community Common Properties by the applicable Community Association.

ARTICLE 5

COVENANT FOR JONATHAN ASSESSMENTS

- Obligation to Pay Jonathan Assessments; Lien for Assessments. Each Owner of a Lot or Unit, as to the Lot(s) or Unit(s) within the Property owned by that Owner, is hereby deemed to covenant and agree, whether or not it shall be expressed in his or her deed, or contract for deed, to pay to the Jonathan Association Jonathan Assessments comprised of: (i) annual assessments or charges, and (ii) special assessments for capital improvements, such Jonathan Assessments to be established and collected as hereinafter provided. The annual and special Jonathan Assessments, together with interest, costs, and reasonable attorneys' fees, shall be a charge on the Property and shall be a continuing lien upon the Lot or Unit against which a Jonathan Assessment is made. Each such Jonathan Assessment, together with interest, costs and reasonable attorneys' fees, shall also be the personal obligation of the Owner of such Lot or Unit at the time when the Jonathan Assessment fell due. The personal obligation for delinquent assessments shall not pass to a successor Owner of a Lot or Unit unless expressly assumed by them. Notwithstanding anything contained herein to the contrary, the Declarant shall not have any liability to the Jonathan Association or to any other party for any Jonathan Assessments, whether general or special, it being specifically understood that the Jonathan Assessments shall not be imposed against any Lot or Unit until the home or living unit has been constructed thereon or therein, a certificate of occupancy issued therefor, and such Lot or Unit and the home and/or living unit have been sold and conveyed by Declarant to an Owner.
- 5.2 <u>Use of Jonathan Assessments</u>. The assessments levied by the Jonathan Association shall be used exclusively to promote the recreation, health, safety, and welfare of the residents in Jonathan and for the improvement and maintenance of the Common Properties.
- 5.3 <u>Limit on Amount of Jonathan Assessments</u>. The maximum annual assessment for 2003 shall be \$207.00 per Lot, Unit, or per rental unit in a Multiple Dwelling.
 - a. The maximum annual Jonathan Assessment may be increased each year not more than five percent (5%) above the maximum assessment for the previous year without a vote of the Members of the Jonathan Association.
 - b. The maximum annual Jonathan Assessment may be increased above five percent (5%) by a vote of two-thirds (2/3) of the Members who are voting in person or by proxy, at a meeting duly called for that purpose.
 - c. The Board of Directors of the Jonathan Association may fix the annual Jonathan Assessment at an amount not in excess of the maximum.
- 5.4 <u>Jonathan Assessments May Include Special Assessments</u>. In addition to the annual component of Jonathan Assessments authorized above, the Jonathan Association may levy, in

any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Properties, including fixtures and personal property of the Jonathan Association related thereto, provided that any such special assessment shall have the assent of two-thirds (2/3) of the votes of the Members who are voting in person or by proxy at a meeting duly called for that purpose.

- Notice of Assessments. Written notice of any meeting called for the purpose of taking any action authorized under Sections 5.3 or 5.4 shall be sent to all Members of the Jonathan Association not less than thirty (30) nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of Members or of proxies entitled to cast sixty percent (60%) of all the votes of the Members of the Jonathan Association shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (½) of the quorum required at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.
- 5.6 <u>Uniform Rate of Assessment</u>. Both annual and special assessment components of Jonathan Assessments must be fixed at a uniform rate for all Lots, Units, and rental units and may be collected on a monthly, quarterly, semi-annual or annual basis as determined by the Board of Directors of the Jonathan Association.
- Jonathan Association shall fix the amount of the annual component of Jonathan Assessments against each Lot, Unit, or rental unit in a Multiple Dwelling at least thirty (30) days in advance of each annual assessment period. Written notice of the annual component of Jonathan Assessments shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The Jonathan Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Jonathan Association setting forth whether the Jonathan Assessments on a specified Lot, Unit or rental unit in a Multiple Dwelling have been paid. A properly executed certificate of the Jonathan Association as to the status of Jonathan Assessments shall be binding upon the Jonathan Association as of the date of its issuance.
- Unpaid Assessments to Bear Interest. Any installment of a Jonathan Assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of eight percent (8%) per annum. The Jonathan Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose its lien against the non-paying Owner's Lot, Unit or rental unit in a Multiple Dwelling. The unpaid installment of the Jonathan Assessment, together with the interest thereon at eight percent (8%) per annum, plus all costs and reasonable attorneys' fees, shall be the personal obligation of the person who was the Owner of the Lot, Unit or rental unit in a Multiple Dwelling at the time when the installment of the Jonathan Assessment was due. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Properties or abandonment of the Owner's Lot, Unit or rental unit in a Multiple Dwelling.

- 5.9 <u>Lien Subordinate to Existing Mortgage</u>. The lien of the Jonathan Assessment provided for herein shall be subordinate to the lien of any first mortgage. The sale or transfer of any Lot or Unit shall not affect the lien for said assessment. However, the sale or transfer of any Lot or Unit pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessment as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve the Owner of such Lot or Unit from personal liability for any installment of a Jonathan Assessment thereafter becoming due or from the lien thereof.
- 5.10 <u>Community Common Assessments</u>. Declarant may include in any future Community Covenants provisions requiring the Owners of the portions of the Property subject to such Community Covenants to pay Community Assessments that are for purposes of administering, operating, maintaining, repairing, replacing, and insuring common elements or common areas within the portion of the Property subject to the Community Covenants.

ARTICLE 6

ARCHITECTURAL APPROVAL

- Architectural Review Required. Subject to the provisions of Article 3, homes and structures shall be constructed on the Lots and Units from time to time existing within the Property in a manner consistent with Plans approved by the City of Chaska, including proposed paint colors and exterior materials. Once a Certificate of Occupancy for a home on a Lot or a living unit in a condominium or planned community building is issued by the City of Chaska, Minnesota, no additional building or improvements, including changes in exterior color and/or exterior materials, shall be commenced, erected, placed or substantially altered on the exterior nor any substantial landscape work done on any Lot or Unit until the "Plans" consisting of drawings, specifications, elevations, architect's rendering, and a plat, common interest community plat, or survey showing the location of the improvement on the particular Lot or Unit, and general landscape plans, are submitted to and approved in writing by the Jonathan Association as to fulfilling the purposes criteria of the Development Standards set forth in this Declaration.
- Limitation on Liability of the Jonathan Association. By accepting a deed to a Lot or Unit, or entering into a lease for a rental unit in a Multiple Dwelling, Owners and occupants shall be deemed to have agreed that the Jonathan Association shall not be liable to anyone for monetary damages to any person who has submitted Plans for approval or to any Owner by reason of mistake in judgment, negligence, or nonfeasance of itself, its agents or employees, arising out of or in connection with the approval or disapproval of any Plans, nor shall the approval of Plans be considered a representation, assurance, or warranty regarding: (i) the adequacy of the proposed alteration or improvement for its intended purpose, (ii) the safety or soundness of the alteration or improvement; (iii) whether special construction means or methods are necessary or advisable; (iv) whether there are inconsistencies between the plans and specifications; (v) the existence of defects or other shortcomings in the Plans; (vi) the adequacy

of soil conditions, drainage, or other site conditions; (vii) the financial strength, experience, or adequacy of the proposed contractor; or (viii) other similar matters or circumstances. Neither Declarant nor the Jonathan Association or its Members shall be responsible for any death, bodily injury, personal injury, damages, delays or other loss arising out of or in connection with an improvement or alteration reviewed by the Jonathan Association pursuant to this Article 6. By requesting the approval of the Jonathan Association, an Owner shall be deemed to have agreed to indemnify, defend, and hold Declarant and the Jonathan Association and its Members harmless from any claims, loss or expense which may be incurred in connection with such a request, the approval of the Jonathan Association, the undertaking of an improvement or alteration approved by the Jonathan Association, or any related circumstance or matter.

- Standard for Giving Approval. The Jonathan Association shall not unreasonably withhold approval of any Plans submitted pursuant to this Section 6.1; provided, however, that failure to meet: (i) the Development Standards; (ii) other covenants or provisions of this Declaration, (iii) the incompleteness or failure to meet the standards provided for in this Declaration regarding Plans and their submission; (iv) the standards of the Jonathan Association as to compatibility with existing structures, and (v) the standards of the Jonathan Association regarding appropriateness of any structure, exterior design, construction materials, size of improvements, location within a Lot or Unit, or color scheme thereof, shall be grounds for the Jonathan Association's reasonable disapproval of any such Plans. Failure of the Jonathan Association to send written notice of disapproval of any Plans submitted to it within sixty (60) days after submission of said Plans shall be deemed to be approval of the Plans as submitted. All construction work shall, upon approval of Plans by the Jonathan Association, be carried on with dispatch and completed within one (1) year from the date construction is commenced. Upon completion of construction of the structure or alteration, the Lot or Unit shall be promptly landscaped in conformance with the Plans.
- Covenant of Each Owner Not to Sue the Jonathan Association. Anyone submitting Plans to the Jonathan Association, for approval, by the act of submitting such Plans, and any person who becomes an Owner of a Lot or Unit within the Property agrees that he or she shall be deemed to have covenanted not to bring any action or suit against the Jonathan Association in connection with the improvement or alteration that was the subject of the Plans, and if this provision should at any time and under any circumstances be adjudicated to be unenforceable, the sole remedy in the case of the wrongful refusal of the Jonathan Association to approve a request, shall be injunctive relief.
- 6.5 <u>Compliance with Law</u>. All improvements shall be constructed in conformity with: (i) the Building and Use provisions contained in <u>Article 3</u> above; (ii) the then existing building codes and other applicable codes, ordinances and regulations of the City of Chaska; and (iii) and the other provisions of this Declaration.
- Rights and Remedies of the Jonathan Association. If construction of an alteration or improvement is commenced without approval of the Plans by the Board of Directors of the Jonathan Association, or if construction of an improvement or alteration is completed other than in conformance with the Plans approved by the Board of Directors of the Jonathan Association,

the Jonathan Association, Declarant, or any Owner may bring an action to enjoin further construction and/or to compel the Owner to cause the non-conforming improvement or alteration to conform to the Plans as approved by the Board of Directors of the Jonathan Association; provided, however, that such action shall be commenced, and a notice of lis pendens shall be filed, no later than ninety (90) days after the date on which a certificate of occupancy is issued by the City of Chaska for the improvement or alteration in question.

6.7 <u>Additional Architectural Review</u>. Declarant reserves the right to include in any Community Covenants additional architectural review provisions applicable to Lots in any single family home development or Units within any condominium or planned community form of common interest community created by Declarant in the Property, and in any such case, the affected Lots shall be subject to those architectural review provisions in addition to the architectural review provisions described in this <u>Article 6</u>.

ARTICLE 7

COMPLIANCE AND REMEDIES

- 7.1 Enforcement of this Declaration. The covenants, restrictions and other provisions of this Declaration shall be enforceable by the Jonathan Association, or any Owner, their successors and assigns, for the maximum period allowed by law. In enforcing this Declaration, the Jonathan Association, or any Owner, and the successors and assigns of either, shall be entitled to obtain:
 (i) injunctive relief, prohibitive or mandatory, to prevent the breach of or to enforce the performance or observance of this Declaration, and/or (ii) a money judgment for damages by reason of a breach of this Declaration.
- 7.2 In addition to the remedies provided for in Section 7.1, the Jonathan Association shall also be entitled to: (i) a money judgment against the Owner or Owners responsible therefor; or foreclose the lien running in favor of the Jonathan Association provided for hereunder. A lien for assessments may be foreclosed against a Lot or Unit under the laws of this state as if it were a lien under a mortgage containing a power of sale. The Jonathan 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 or Unit so acquired. The Owner, by the acceptance of any conveyance of any interest in the Lot or Unit grants to the Jonathan Association full authority, including without limitation a power of sale, to accomplish such foreclosure, acquisition and sale, together with the power and right to exercise any other remedy available under the laws of this state of Minnesota governing such foreclosures. The Jonathan Association shall, in addition, have the right to pursue any other remedy at law or in equity against an Owner who fails to pay any Jonathan Assessment or other charge against the Owner's Lot or Unit. In any action brought by the Jonathan Association against an Owner in violation of this Declaration, including, but not limited to the recovery of delinquent Jonathan Assessments, the Jonathan Association shall further be entitled to recover all costs of the action, including without limitation interest on the delinquent amount at the rate of eight percent (8%) per annum and reasonable attorneys' fees.

- 7.3 <u>Waiver</u>. The failure of the Jonathan Association and any Owner, their successors or assigns, to enforce any covenants, restrictions, or other provisions of this Declaration upon the violation thereof shall in no event be deemed to be a waiver of the right to do so at any later time, or as to any subsequent violation.
- 7.4 <u>Severability</u>. Invalidation of any of the covenants, restrictions or other provisions of this Declaration, whether by court order or otherwise, shall in no way affect any of the other covenants, restrictions or provisions hereof, which shall remain in full force and effect.
- Attorneys' Fees. Any party to a proceeding who succeeds in enforcing one or more covenants, restrictions or other provisions hereof, or foreclosing or otherwise properly dealing with a lien, or enjoining the violation of this Declaration against an Owner may be awarded a reasonable attorneys' fee against the breaching Owner and shall be entitled to interest at the rate of eight percent (8%) per annum on any monetary amount awarded from the date such amounts shall be determined to have been payable until the date the same are paid.
- Affect of Enforcement on Mortgages. No violation of any of the covenants, restrictions or other provisions of this Declaration shall defeat or render invalid the lien of any mortgage made in good faith and for value upon any portion of the Property; provided, however, that any mortgagee in actual possession, or any purchaser at any mortgagees' or foreclosure sale shall be bound by and subject to this Declaration as fully as any other Owner of any Lot or Unit subject hereto.
- 7.7 Variances. The Jonathan Association may grant variances from the strict application of the provisions of this Declaration if the Board of Directors of the Jonathan Association determines, by the affirmative vote of two-thirds (2/3) of the voting power of the Board of Directors, that extraordinary and/or exceptional conditions exist with respect to any portion of the Property, or other exceptions circumstances exist which justify a variation from the strict application of any covenant, restriction or other provision of this Declaration, on the basis that a strict application would result in peculiar and/or practical difficulties or exceptional or undue hardship upon the Owner of any portion of the Property, provided any such variance shall meet the Development Standards provided for in this Declaration.

ARTICLE 8

AMENDMENTS

8.1 <u>Amendment</u>. This Declaration may be amended only with the consent of the Board of Directors of the Jonathan Association.

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

	TOWN & COUNTRY HOMES, INC.
	By:
	Its:
STATE OF MINNESOTA)	
COUNTY OF	
The foregoing instrument was accepted and the second secon	knowledged before me this day of
the	of Town & Country Homes, Inc.,
a Minnesota corporation, on behalf of the	corporation.
	Notary Public

The foregoing Declaration is hereby approved and accepted by The Jonathan Association.

THE JONATHAN ASSOCIATION

	By:
	Its:
CTATE OF MORE CONT.	
STATE OF MINNESOTA)
) ss
COUNTY OF HENNEPIN)
The foregoing instrumer	it was acknowledged before me this day of
2003, by	, the
of The Jonathan Associa	tion, on behalf of the association.
	and the second of the second o
	Notary Public
	notary rubic

This instrument was drafted by: Fredrikson & Byron, P.A. (LJB) 4000 Pillsbury Center 200 South Sixth Street Minneapolis, MN 55402

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EXHIBIT A

Legal Description of the Property

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Lots 1 through 10, inclusive, Block 1;
Lots 1 through 7, inclusive, Block 2;
Lots 1 through 25, inclusive, Block 3;
Lots 1 through 12, inclusive, Block 4;
Lots 1 through 10, inclusive, Block 5;
Lots 1 through 9, inclusive, Block 6;
Lots 1 through 7, inclusive, Block 7;
Lots 1 through 8, inclusive, Block 8;
Lots 1 through 9, inclusive, Block 9;
Lots 1 through 12, inclusive, Block 10;
Lots 1 through 10, inclusive, Block 11; and
Lots 1 through 6, inclusive, Block 12;
Traditions at Clover Ridge, all in Carver County, Minnesota.
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EXHIBIT B

Defined Terms

- "Common Properties" shall mean the properties within Jonathan that are for the benefit of the Members of the Jonathan Association.
- "Community Association" shall mean an association of Owners of Lots or Units within the Property created in connection with future Community covenants.
- "Community Association Expenses" shall mean general or special assessments levied by a Community Association for purposes of paying the costs of administering the Community Association and/or maintaining any Community Common Properties.
- "Community Common Properties" shall mean the common elements owned by a Community Association in the case of a planned community form of common interest community, or by the Owners of the Lots and/or Units in a Community Association in the case of a condominium form of common interest community.
- "Community Covenants" shall mean additional covenants and restrictions that may be created in the future and which will apply to and be binding upon certain portions of the Property. Community Covenant shall include covenants and restrictions created in connection with a future common interest community within the Property. The provisions and restrictions in any Community Covenants may not conflict with the covenants and restrictions created in the Declaration.
- "Declaration" shall mean the Declaration to which this Exhibit B is attached.
- "Development Standards" shall mean the standards applicable to the Property set forth in $\underline{\mathbf{Recital}}$ $\underline{\mathbf{D}}$ of the Declaration.
- "Jonathan" shall mean the portion of the City of Chaska known as Jonathan.
- "Jonathan Association" is the association of Owners of real estate within the portion of the City of Chaska known as Jonathan. All Owners of Lots or Units in the Property that is subject to the Declaration are Members of the Jonathan Association.
- "Jonathan Assessments" shall mean general or special assessments levied by the Jonathan Association for purposes of paying the costs of administering the Jonathan Association and/or maintaining any Common Properties in Jonathan.

- "Lot" shall mean a legal lot of record within Jonathan, and is also used in the Declaration to describe a legal lot of record within the Property.
- "MCIOA" shall mean the Minnesota Common Interest Ownership Act, found in Chapter 515B of the Minnesota Statutes.
- "Manufactured Home" shall mean a dwelling that meets the definition set forth in Minnesota Statues Section 327.31. Manufactured Homes are not permitted within the Property.
- "Members" shall mean the Owners of Lots or Units in Jonathan who by virtue of ownership of a Lot or Unit are Members of the Jonathan Association. Members shall also mean those Owners of Lots or Units in the Property who by virtue of ownership of a Lot or Unit in a portion of the Property that is subject to a Community Association are Members of that Community Association.
- "Multiple Dwelling" shall mean any portion of the Property developed as a multi-family residential rental property.
- "Owners" shall mean a person or entity who owns a Lot or Unit within Jonathan, and is also used in this Declaration to describe a person or entity who owns a Lot or Unit within the Property. All Owners in Jonathan are Members of the Jonathan Association. All Owners of Lots or Units in a portion of the Property that is subject to a Community Association shall be deemed to be Members of that Community Association in accordance with the terms thereof.
- "Plans" shall mean the drawings, specifications, elevations, architect's renderings and a plat, common interest community plat, or survey showing the location of a proposed improvement on a particular Lot or Unit in the Property, which are being submitted for review by the City of Chaska, as more fully described in <u>Section 6.1</u> of the Declaration.
- "Property" shall mean the land located in Carver County, Minnesota, that is subject to the Declaration. A legal description of the Property is found in **Exhibit A** of the Declaration.
- "Unit" shall mean a unit within a within a common interest community in Jonathan, and is also used in the Declaration to describe a unit in a common interest community in the Property that is subject to MCIOA.

CONSENT OF MORTGAGEE

COMMON INTEREST COMMUNITY NO. 60

TRADITIONS AT CLOVER RIDGE CONDOMINIUMS

mortgagee ("Mortgagee Assignment of Rents ar corporation, dated Augus 6784450 in the office of been supplemented from Supplement to Combinate Fixture Filing which was in the office of the Carve the foregoing Declaration	") under that Common Fixture Filing values 27, 1997 and files the County Record in time to time, it ion Mortgage and filed of recorded or county Recorder and agrees to be be	Savings Bank, an Illinois banking corporation, the abination Mortgage and Security Agreement with with Town & Country Homes, Inc., a Minnesota ed of record September 17, 1997 as Document No. der, Hennepin County, Minnesota, as the same has including but not limited to, the Twenty-second Security Agreement with Assignment of Rents and a, 2003 as Document No (collectively, the "Mortgage") hereby consents to bund by the terms thereof and agrees that its interest wenants and easements described therein.
Dated this	day of	, 2003.
tilk see		HARRIS TRUST AND SAVINGS BANK
		By:
		Its:
STATE OF ILLINOIS COUNTY OF)	
COUNTY OF) ss.)	
The foregoing inst	rument was acknow	ledged before me thisday of
the		of Harris Trust and Savings
Bank, an Illinois banking o	corporation, on bena	all of the corporation.
		Notary Public
This instrument was drafte Fredrikson & Byron, P.A.	(LML)	

This instrument was drafted by: Fredrikson & Byron, P.A. (LML) 4000 Pillsbury Center 200 South Sixth Street Minneapolis, Minneapolis 55402