

DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS

THIS DECLARATION, made on the date hereinafter set forth by U. S. Home Corporation, hereinafter referred to as "Declarant,"

W I T N E S S E T H :

WHEREAS, Declarant is the developer of certain property in the City of Apple Valley, Dakota County, Minnesota, which is more particularly described on Exhibit A attached hereto and hereby made a part hereof.

NOW, THEREFORE, Declarant hereby declares that all of the properties described above shall be held, sold and conveyed subject to the following easements, restrictions, covenants and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with, the real property and be binding on all parties or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I.

DEFINITIONS

Section 1. "Association" shall mean and refer to Morningview Cottage Association, its successors and assigns.

Section 2. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 3. "Property" or "Properties" shall mean and refer to that certain real property described on Exhibit A attached hereto; and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 4. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties with the exception of any tracts or parcels designated as "outlots".

Section 5. "Private Common Driveway" shall mean and refer to access driveways from public streets to the Living Units.

Section 6. "Living Unit" shall mean and refer to a residential housing unit consisting of (i) a group of rooms and hallways which are designed and intended for the use and living quarters for one family and (ii) an attached or detached garage, located or to be located on one Lot.

Section 7. "Private Yard Area" shall mean and refer to that portion of a Lot not covered by a Living Unit or by a Private Common Driveway.

Section 8. "Declarant" shall mean and refer to U. S. Home Corporation, its successors and assigns, if such successors or assigns should acquire more than one undeveloped Lot from the Declarant for the purpose of development.

ARTICLE II.

PROPERTY RIGHTS

Section 1. In the event that any building or other structure originally constructed by Declarant or constructed or

erected thereafter on any Lot in accordance with the provisions of Article VII hereof, encroaches upon any other Lot, such Lot shall have an exclusive easement appurtenant to said encroaching Lot for such encroachment and the maintenance thereof.

Section 2. Each Lot shall have appurtenant thereto an exclusive easement over and upon every other Lot (exclusive of the Living Unit thereon) for common utility services for said Lot and for maintenance and repair of the Living Unit on said Lot and for the maintenance of encroachments of any structure originally constructed by Declarant.

Section 3. Each Lot and the easements appurtenant thereto shall be subject to the exclusive easement in the Association, in and upon said Lot for the purpose of maintenance as provided for in Article V, and for constructing, operating, adding to, repairing, maintaining, and removing public or private utility services and installations, together with rights of ingress and egress for said purposes.

Section 4. Declarant has, or will by separate declaration, establish limited Private Common Driveway easements for ingress and egress to and from each of the Living Units served by such driveways. Maintenance of such Private Common Driveways (including, without limitation, maintenance of the private apron from the common driveway to a Living Unit) shall be performed by the Association and shall be assessable against all Lots as a part of exterior maintenance.

Section 5. Except as hereinafter provided, each Owner shall be fully entitled to the exclusive use and occupancy of the Private Yard Area in his Lot to the exclusion of all others; provided, the Properties generally and all other Owners shall be entitled to a visual easement over all Private Yard Areas, subject to and limited by the original structures erected thereon by the Developer. Except as approved by the Architectural Control Committee as provided in Articles VII and VIII, all planting, landscaping and private yard maintenance shall be performed by the Association and assessable against all Lots as a part of exterior maintenance.

Section 6. Declarant has, or will by separate declaration, provide easements for utility purposes to and from all Lots in the Properties. The Association or its proper representatives shall have the right of free access to any Lot or Living Unit for the purpose of maintaining any utility service to any Lot. The Association shall have the further right to maintain on the exterior of any Living Unit a separately metered water line or lines for the purpose of maintaining the Private Yard Areas.

ARTICLE III.

MEMBERSHIP AND VOTING RIGHTS

Section 1. Every Owner of a Lot which is subject to assessment shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment.

Section 2. The Association shall have two classes of voting membership:

Class A. Class A members shall be all Owners with the exception of the Declarant and shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot.

Class B. Class B member(s) shall be the Declarant and shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

(a) When the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership; or

(b) December 31, 1985.

ARTICLE IV.

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Lot owned within the Properties, hereby covenants, and each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the

Association: (1) Annual assessments or charges, and (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interest, costs and reasonable attorneys' fees, shall be a charge upon the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs and reasonable attorneys' fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successor in title unless expressly assumed by them.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the pleasure, health, safety and welfare of the residents of the Properties, including without limitation the improvement and maintenance of the Properties, the improvements thereon, the Private Yard Areas, the Private Common Driveways, and private service water and sewer pipelines as herein elsewhere provided.

Section 3. Maximum Annual Assessment. Until January 1st of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment shall be Seven Hundred Twenty and no/100 Dollars (\$720.00) per Lot.

(a) From and after January 1st of the year immediately following the conveyance of the first Lot to an

Owner, the maximum annual 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 membership.

(b) From and after January 1st of the year immediately following the conveyance of the first Lot to an Owner the maximum annual assessment may be increased above five percent (5%) by a vote of two-thirds (2/3) of each class of members who are voting in person or by proxy, at a meeting duly called for this purpose.

(c) The Board of Directors may fix the annual assessment at an amount not in excess of the maximum annual assessment as hereinbefore provided in this Section and the Board of Directors may modify the annual assessment upwards or downwards but not in excess of the maximum annual assessment hereinbefore provided in this Section. Written notice of any modification of the annual assessment shall be sent to every Owner subject thereto.

Section 4. Special Assessment for Capital Improvements.

In addition to the annual assessments authorized above, the 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, including fix-

tures and personal property related thereto, provided, however, that any such assessment shall have the assent of two-thirds ($2/3$) of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose.

Section 5. Notice and Quorum for any Action Authorized Under Sections 3 and 4. Written notice of any meeting called for the purpose of taking any action authorized under Sections 3 and 4 shall be sent to all members not less than thirty (30) days 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 each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirements, and the required quorum at the subsequent meeting shall be one-half ($1/2$) of the required quorum of the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 6. Uniform Rate of Assessment. Both annual and special assessments on all Lots owned by persons, firms or corporations other than Declarant must be fixed at a uniform rate and annual and/or special assessments may be collected on a monthly basis.

Section 7. Date of Commencement of Annual Assessments; Due Dates. The annual assessments provided for herein shall commence as to all Lots on the first day of the month following the conveyance of a Lot to an Owner. Lots owned by Declarant shall

be assessed amounts equal to one-fourth (1/4) the amounts assessed against Lots owned by other than Declarant.

Notwithstanding the foregoing to the contrary, a Lot owned by Declarant shall be assessed amounts equal to the amounts assessed against Lots owned by other than Declarant from and after the time that a building constructed upon such Lot is (a) used by Declarant as a model for regular public inspection, (b) finally inspected by the United States Department of Housing and Urban Development, Federal Housing Administration, or (c) occupied by a tenant of Declarant as a residential dwelling.

The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors 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. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate of the Association as to the status of assessments on a Lot is binding upon the Association as of the date of its issuance.

Section 8. Effect of Nonpayment of Assessments; Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest from the

due date at a rate of six percent (6%) per annum. The Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property. No Owner may waive or otherwise escape liability for the assessments provided for herein by abandonment of his Lot.

Section 9. Subordination of the Lien to Mortgages. The lien of the assessment provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot 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 the date of the expiration of any right of redemption in the mortgagor (in the case of foreclosure of such mortgage) or prior to the date of sale or transfer to the mortgagee free from the claims of mortgagor (in the case of a proceeding in lieu of foreclosure or delivery of deed in lieu of foreclosure). No sale or transfer shall relieve such Lot from liability for any assessment thereafter becoming due or from the lien thereof.

ARTICLE V.

EXTERIOR MAINTENANCE

In order to preserve the uniform and high standards of appearance of the Property, the Association shall provide and be solely responsible for the maintenance and repair of the exterior

of all Living Units, and the walkways, Private Yard Areas and Private Common Driveways of the Lots which responsibility shall include, but not be limited to the following: (i) The maintenance and repair of the exterior surfaces of all buildings on the Property, including, without limitation, the painting of the same as often as necessary, the replacement of trim and caulking, the maintenance and repair of roofs, gutters, downspouts, and overhangs (but excluding all maintenance and repair to glass and other window surfaces), (ii) mowing, trimming, watering and other care of grass, trees, and other plants upon the Private Yard Areas, (iii) the maintenance and repair of walks, driveway aprons, driveways and walkways, including snow removal therefrom, and (iv) maintenance of that portion of all private service water and sewer pipelines from the exterior walls of each Living Unit to the point at which such service pipelines connect to the lateral water and sewer pipelines located within the street right-of-way. All maintenance and repair of individual Living Units and garages shall be the sole obligation and responsibility and expense of the individual Owners thereof, except to the extent that the exterior maintenance and repair is provided by the Association. In the event that any maintenance or repair measures are necessitated by willful or negligent acts of any Owner, his family, guests, or invitees, the cost of all such maintenance and repairs shall be added to and become a part of the assessments to which the Lot of such Owner is subject. The Association or its representatives shall have the right to enter upon any Lot for the purpose of maintenance as herein provided.

The Association shall be responsible for all damage done to the Lots and the improvements thereon in the course of such maintenance and repair and shall perform or pay for the restoration of and repairs to such improvements. Any cause of action against third parties relating to matters which are maintained by the Association shall belong solely to the Association for the benefit of all Owners even though such cause of action relates to property owned by one or more Owner.

ARTICLE VI.

PARTY WALLS

Section 1. General Rules of Law to Apply. Each wall which is built as a part of the original construction of the homes upon the Properties and placed on the dividing line between the Lots shall constitute a party wall, and, to the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

Section 2. Sharing of Repair and Maintenance. The cost of reasonable repair and maintenance of a party wall shall be shared by the Owners who make use of the wall in proportion to such use.

Section 3. Destruction by Fire or Other Casualty. If a party wall is destroyed or damaged by fire or other casualty, any Owner who has used the wall may restore it, and if the other Owners thereafter make use of the wall, they shall contribute to

the cost of restoration thereof in proportion to such use without prejudice, however, to the right of any such Owners to call for a larger contribution from the others under any right of law regarding liability for negligent or willful acts or omissions.

Section 4. Weatherproofing. Notwithstanding any other provision of this Article, an Owner who by his negligent or willful act causes the party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protections against such elements.

Section 5. Right to Contribute Runs With Land. The right of any Owner to contribution from any other Owner under this Article shall be appurtenant to the land and shall pass to such Owner's successors in title.

Section 6. Arbitration. In the event of any dispute arising concerning a party wall, or under the provisions of this Article, each party shall choose one arbitrator, and such arbitrators shall choose one additional arbitrator, and the decision shall be by a majority of all the arbitrators.

ARTICLE VII.

ARCHITECTURAL CONTROL.

Section 1. The Architectural Control Committee shall be a committee composed of three or more representatives appointed by the Board of Directors of the Association. The Architectural Control Committee of the Association may designate a representative to act for it. If the Directors of the Association shall fail to appoint an Architectural Control Committee, or in the

event of the death or resignation of all of the members of the Architectural Control Committee, any reference in Article VIII or elsewhere herein to the Architectural Control Committee shall mean the Board of Directors of the Association.

Section 2. Whenever in Article VIII, or elsewhere herein, provision is made for obtaining the approval of the Architectural Control Committee of the Association, the request therefor and the approval or disapproval of the Architectural Control Committee of the Association shall be in writing, provided, however, that the provisions of Article VIII contemplating the approval or disapproval of the Architectural Control Committee of the Association shall not apply to Declarant and provided further that so long as there is Class B membership in the Association all decisions of the Architectural Control Committee of the Association may be vetoed by Declarant. In the event the Architectural Control Committee of the Association fails to approve or disapprove within thirty days after the request for approval and the plans and specifications therefor have been submitted to it, approval will not be required and the related covenants shall be deemed to have been fully complied with.

Section 3. If there shall be a violation or an attempt to violate any of the covenants or restrictions contained in Article VIII, it shall be lawful for any Owner to prosecute any proceedings at law or in equity against the person or persons violating or attempting to violate any such covenant or

restriction, and either to prevent him or them from so doing or to recover damages or other dues for such violation, provided, however, no suit to enjoin or remove such violation may be commenced if unapproved additions, alterations, improvements or changes have been completed for a period of 90 days and thereafter a deed to a new owner is recorded, such addition, alteration, improvement or change having been deemed to have been approved by the Architectural Control Committee of the Association.

Section 4. Invalidation of any one or more of the covenants or restrictions contained in Article VIII by judgment or court order shall in nowise affect any of the other covenants, restrictions or provisions hereof which shall all remain in full force and effect.

ARTICLE VIII.

ADDITIONAL RESTRICTIONS

Section 1. No Lot shall be used except for residential purposes except that Declarant shall be entitled to maintain business and sales offices and model Living Units upon the Lots during the construction and sales period.

Section 2. No sign of any kind shall be displayed to the public view on any Lot except one professional sign of not more than one (1) square foot, one sign of not more than five (5) square feet advertising the property for sale, except that Declarant shall be permitted to erect and maintain upon the Property such signs as it deems appropriate to advertise the Property until the first anniversary of the date on which Declarant owns no Lots within the Properties.

Section 3. No television or other antennas visible from the exterior of any Living Unit shall be erected or maintained except with the approval of the Architectural Control Committee of the Association.

Section 4. No animals, livestock or poultry of any kind shall be raised, bred or kept on any Lot except that dogs, cats or other household pets may be kept, provided they are not kept, bred or maintained for any commercial purpose.

Section 5. No building, fence (whether of vegetation or otherwise), wall or other structure shall be erected, placed or maintained upon the Properties, or any part thereof, nor shall any exterior addition to or change or alteration therein (including, without limitation, the placing or maintaining of any trees, shrubs, plants, flowers or bushes) be made until the plans and specifications showing the nature, kind, shape and height thereof, the materials therefor, and a plan showing the location thereof shall have been submitted to and approved in writing by the Architectural Control Committee of the Association as to quality of workmanship, materials, harmony of external design with existing structures, and as to location with respect to topography and finished grade elevation. If any such erection, placement or alteration shall be approved by the Architectural Control Committee of the Association, it shall not be removed or modified except with the written approval of said Architectural Control Committee.

Section 6. No Lot shall be used or maintained as a dumping ground for rubbish, trash, garbage or other waste. No part of any Lot shall be used at any time for the storage or abandonment of junked automobiles or other motor equipment. Garbage, rubbish and trash shall not be kept on any Lot, except in sanitary containers. All incinerators or other equipment used or kept for the storage or disposal of such material shall be kept in a clean and sanitary condition.

Section 7. Except as approved by the Architectural Control Committee of the Association, no sod, soil or gravel shall be sold or removed from any Lot. All soil or gravel available from any excavation for the construction or alteration of any Living Unit or any appurtenance on any Lot and by whomsoever owned shall be hauled and disposed of at other points within the boundaries of the subdivision at the discretion of the Architectural Control Committee of the Association. Except as approved by said Architectural Control Committee, the finished landscaping, sod and shrubbery shall not be removed, added to or altered in any manner.

Section 8. No Lot shall be resubdivided into nor shall any dwelling be erected or placed on any Lot having an area of less than 7,500 square feet. In the event any Lot is so subdivided, the restrictions contained herein shall apply to the Lot lines of said Lot as resubdivided.

Section 9. Easements for installation and maintenance of utilities and drainage facilities are reserved as shown on the

recorded plat. Within these easements no structure, planting 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 of flow or drainage channels in the easement, or which may obstruct or retard the flow of water through drainage channels in the easements.

Section 10. Nothing shall be done or kept on any Lot or any part thereof which would (i) increase the rate of insurance on any other Lot over what the Owner of such other Lot, but for such activity, would pay, without the prior written consent of the Architectural Control Committee of the Association, or (ii) which would be in violation of any statute, rule, ordinance, regulation, permit or other validly imposed requirement of any governmental body. No damage to, or waste of the Property or the buildings situated thereon shall be committed by any Owner or any invitee of any Owner and each Owner agrees to indemnify and hold harmless the Association and the other Owners from and against all loss resulting from any such damage or waste caused by him or his invitees. No noxious, destructive or offensive activity shall be allowed on any Lot, nor shall anything be done thereon which may be or may become an annoyance or nuisance to any other Owner or to any other person at any time lawfully residing on the Property.

Section 11. No playground equipment, furnishings or furniture, whether temporary or permanent, shall be erected or placed on any Lot except as approved by the Architectural Control

Committee of the Association and, if so approved, shall not be altered, modified, or removed except if approved by said Architectural Control Committee. No structure of a temporary character, trailer, basement, tent, shack, garage, barn, or other building shall be used on any Lot at any time as a residence, either temporarily or permanently.

Section 12. No live trees or shrubs shall be removed, damaged or altered in appearance except in connection with initial construction by Declarant. Nothing in this provision, however, shall prevent careful removal of dead trees, diseased limbs of said trees, pruning of shrubs or removal of dead shrubs by the Association.

Section 13. All garage facilities, as originally erected by Declarant, shall be retained as and used for a garage facility for the off-street interior storage of vehicles and no such facility shall be converted by construction or usage to any other purpose. No boats, trailers, automobiles or other motor equipment shall be stored or parked anywhere on any Lot except for short-term parking on a Private Common Driveway.

Section 14. Nothing contained in the foregoing Sections of this Article VIII shall be construed to limit the rights of Declarant to alter the Properties or to construct or modify improvements thereon, nor to limit the manner in which such improvements, alterations or modifications may be made, during the construction and sales period.

ARTICLE IX.

INSURANCE AND RECONSTRUCTION

Section 1. Liability Insurance; Fidelity Bonds. The Board of Directors of the Association, or its duly authorized agent, shall obtain a broad form of public liability insurance insuring the Association, with such limits of liabilities as the Association shall determine to be necessary, against all acts, omissions to act and negligence of the Association, its employees and agents. The Association's Board of Directors shall also provide fidelity bonds providing protection to the Association against loss by reason of acts of fraud or dishonesty on the part of the Association's directors, managers, officers, employees or volunteers who are responsible for the handling of funds of the Association, in an amount sufficient to provide no less protection than one and one-half (1-1/2) times the estimated annual operation expenses and reserves of the Association.

Section 2. Destruction and Reconstruction.

A. If (i) a building or buildings containing a Living Unit is partially or totally damaged or destroyed by fire or other casualty and if (ii) the Owner(s) of the Living Unit(s) so damaged or destroyed elect to repair or reconstruct such building, no such reconstruction shall be commenced without the written approval of the plans and specifications therefor by the Architectural Control Committee of the Association.

B. If (i) a building or buildings containing a Living Unit is partially or totally damaged or destroyed by fire or

other casualty and if (ii) pursuant to the provisions of Paragraph A of this Section reconstruction of the so damaged or destroyed building is not substantially completed within 120 days of such damage or destruction (within 180 days of such damage or destruction if within 120 days thereof reconstruction has been commenced and is being prosecuted to completion with reasonable diligence) then one or more of the remaining Owners of Living Units within the building or buildings in which such damage or destruction has occurred may, by giving prior written notice thereof to the Owner of the Living Unit so damaged or destroyed and after receiving the written approval of the plans and specifications of the proposed repairs or reconstruction by the Architectural Control Committee of the Association, at his (or their) expense, cause to have such damage or destruction repaired or restored and the actual out-of-pocket cost thereof shall be a lien upon the Lot on which the so repaired or reconstructed Living Unit is situated.

C. If (i) a building or buildings containing a Living Unit is partially or totally damaged or destroyed by fire or other casualty and if (ii) pursuant to the provisions of either Paragraph A or B of this Section reconstruction of the damaged or destroyed building is not substantially completed within 180 days of such damage or destruction (within 210 days of such damage or destruction if within 180 days thereof reconstruction has been commenced and is being prosecuted to completion with reasonable diligence), then the Association may, by giving prior written

notice thereof to the Owner(s) of Lot(s) affected and with the approval of the members of the Association as is required for capital improvements (Sections 4 and 5 of Article IV), at the expense of the Association, either (i) cause to have repaired or reconstructed the damage or destruction or (ii) cause to have removed debris caused by the damage or destruction or (iii) raze such Living Unit(s) which have been damaged or destroyed (making provision, however, for any Living Unit which is a part of the damaged or destroyed building or buildings which Living Unit has not been so damaged or destroyed), and the actual out-of-pocket cost thereof shall be a lien upon the Lot on which such repairs, reconstruction, cleaning, or razing has been effected.

D. For purposes of this Article, the expression "damage or destruction" shall mean damage or destruction to the exterior of any building or buildings containing a Living Unit which damage or destruction is visible from the exterior of such Living Unit and shall not include damage or destruction (by fire or otherwise) to exclusively the interior of such Living Unit which damage or destruction is not visible from the exterior of a Living Unit and does not affect the structural integrity of a party wall. For purposes of this Article, the expression "reconstruction" shall mean repair or rebuilding in accordance with plans and specifications approved by the Architectural Control Committee of the Association.

ARTICLE X.

GENERAL PROVISIONS

Section 1. Enforcement. The Association, or any Owner, shall have the right to enforce, by any proceeding by law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. In addition to such legal and equitable relief as may be awarded to the Association or any Owner by a court of competent jurisdiction for enforcement of all restrictions, conditions, covenants, reservations, liens or charges as hereinbefore provided, such Owner or the Association shall be entitled to recover his or its costs and expenses in prosecuting such proceeding, including, without limitation, such attorneys' fees as the court may deem reasonable.

Section 2. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no wise affect any other provisions which shall remain in full force and effect.

Section 3. Amendment. The covenants and restrictions of this Declaration shall run with and bind the land, for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be

amended during the first twenty (20) year period by an instrument signed by not less than ninety percent (90%) of the Lot Owners, and thereafter by an instrument signed by not less than seventy-five percent (75%) of the Lot Owners. Any amendment must be recorded.

Section 4. FHA/VA Approval. As long as there is a Class B membership, the following actions will require the prior approval of the Federal Housing Administration or the Veterans Administration: Annexation of additional properties, and amendment of this Declaration of Covenants, Conditions and Restrictions.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, have hereunto set their hands this 6 day of July, 1988.

U. S. HOME CORPORATION

By [Signature]
Its Division V.P. Controller

STATE OF MINNESOTA)
) ss.
COUNTY OF HENNEPIN)

On this 6th day of July, 1988, before me, a Notary Public within and for said County, appeared Vincent Burger, to me personally known, who being by me duly sworn, did say that is the Division V.P. Controller of U.S. Home Corporation, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, and that said instrument was executed on behalf of said corporation by authority of its Board of Directors and the said Division V.P. Controller acknowledged said instrument to be the free act and deed of said corporation.

[Signature: Leslee J. Thompson]
Notary Public

This instrument drafted by:

Kaplan, Strangis and Kaplan, P. A.
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Minneapolis, MN 55402
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