

DECLARATION OF RESTRICTIONS AND COVENANTS
FOR SAUNDERS LAKE SOUTH
PLANNED UNIT DEVELOPMENT (PUD)

This Declaration is made this 14 day of DECEMBER 1999, 1999, by Wara Real Estate, Incorporated, a Minnesota corporation, hereinafter called "Wara".

WITNESSETH:

WHEREAS, Wara is the fee owner of certain real property ("Property") located in Hennepin County, Minnesota, legally described as follows:

Lots 1 through 22, Block 1;
Lots 1 through 11, Block 2;
Lots 1 through 4, Block 3;
Lots 1 through 7, Block 4;
Lots 1 through 20, Block 5;
Lots 1 through 2, Block 6;
Lots 1 through 4, Block 7; and
Lots 1 through 3, Block 8;

all in Saunders Lake South, according to the plat thereof on file in the office of the Registrar of Titles and recorded in the office of the County Recorder, both of Hennepin County, Minnesota.

WHEREAS, Wara desires to provide for the preservation of the value, desirability and amenities of the Property;

NOW, THEREFORE, in consideration of the foregoing, Wara declares that the Property is, and shall be, held, transferred, sold, conveyed and occupied subject to the restrictions and covenants of this Declaration, which restrictions and covenants: (i) are for the purpose of protecting the value, desirability and amenities of the Property and every Lot (as hereinafter defined) therein; and (ii) shall operate as equitable covenants, restrictions and reservations, which shall run with the Property and all Lots therein and which shall be binding on all parties having any right , title or interest in the same or part thereof, their heirs, successors, assigns, and shall inure to the benefit of each owner thereof; and (iii) are imposed upon each Lot as a servitude in favor of the other Lots.

1. Definitions.

As used in this declaration, the following terms shall have the meanings as follows:

- (a) "Association" shall mean and refer to Saunders Lake South Homeowners Association, Inc. a Minnesota non-profit corporation.
- (b) "Lot" shall mean and refer to any tract or parcel of land designated as a Lot shown upon any registered or recorded plat or subdivision of the Property.
- (c) "Member" shall mean and refer to a member of the Association as defined in the articles and bylaws of the Association.
- (d) "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot, including a vendor, whether one or more persons or entities, under a contract for deed covering any Lot. "Owner" shall not include vendees under a contract for deed or holders of an interest in any Lot merely as security for performance of an obligation.
- (e) "Residence" shall mean and refer to a detached single-family residence, including attached garage and porch, if any, located upon the Lot. When reference is made in this Declaration to a "one-story" or "two-story" Residence, said reference shall refer to a Residence of one story plus basement or two stories plus basement, respectively.

2. Architectural Review Committee. (a) From and after the date hereof, there shall exist an Architectural Review Committee which, subject to the provisions of this Section 2, shall be selected by a majority vote of the Members, in accordance with the article of incorporation and bylaws of the Association.

(b) So long as Wara shall be the Owner of any Lot, the Architectural Review Committee shall consist of Wara, its representatives or such other persons, including without limitation, architects, engineers, builders, Owners and designers, as may be designated by Wara from time to time in its sole discretion, provided that Wara shall have the right to make conclusively any and all decisions, approvals or disapprovals for and on behalf of the Architectural Review Committee. Notwithstanding the foregoing, upon earlier of such date that Wara will no longer be the Owner of any Lot or such date as Wara may determine in its sole discretion, Wara shall, within two (2) weeks after Wara gives notice as set forth in Paragraph 33 hereof, conduct a meeting for the purpose of designating as Architectural Review Committee elected by a majority of the Members, in accordance with the articles and bylaws of the Association, which Architectural Review Committee shall be composed of five members who shall be owners, and which elected members shall have

terms of one (1) year. Such elected members and all members elected for subsequent terms shall, no later than one month prior to the expiration of their respective one-year terms, give notice by mail to the last known address of all Owners indicating the date, time, place and purpose of electing new members of the Architectural Review Committee by a majority of the Members present at the meeting. After the expiration of said two (2) weeks, Wara shall have no further responsibility, obligation or liability in connection with the Architectural Review Committee.

(c) The Architectural Review Committee shall perform the functions described in this Declaration. The purpose of the Architectural Review Committee shall be to promote and maintain a quality residential development within the Property. Members of the Architectural Review Committee shall not receive compensation for services performed as members of the Architectural Review Committee.

(d) The Architectural Review Committee shall have the authority and power to issue from time to time such rules, regulations and guidelines, including without limitation, any amendments or modifications thereof, as the Architectural Review Committee may deem needed in its sole discretion to protect the value, desirability and amenities of the Property and every Lot and for the purposes of this Declaration.

(e) Notwithstanding any provision to the contrary contained herein, the Architectural Review Committee may, at its sole discretion and in order to promote and maintain a quality residential development within the Property, waive, modify, approve, disapprove and permit exceptions from the terms and requirements set forth in the following paragraphs of this Declaration: 5(a & b); 6; 7; 10; 15; 17; 18(a & b); 19; 21; 22; 24; 25; 26; 27; and 28.

3. Initial Construction Of Residence On A Lot. No Residence or other structure shall be commenced, constructed, erected or placed on any Lot until the Plans and Specifications for the Residence or other structure shall have been approved in writing by the Architectural Review Committee. Plans and Specifications ("Plans and Specifications") shall be those as the Architectural Review Committee may require from time to time, including without limitation the following:

- (a) Floor plan of proposed Residence or other structure;
- (b) Site and grading plan indicating setbacks, topography, driveways, swimming pools and other amenities (and showing all aspects of the improvements to be constructed thereon, including without limitation, decks, porches, terraces, and patios);
- (c) Elevations including all four directional views, proposed exterior fixtures, window placement and type, front entry design, and specification of height above street grade;

- (d) Exterior finishing materials (including without limitation, siding material and color, front door style, and garage door style) specifying type or kind, with sample color chips of materials specified;
- (e) Exterior lighting plan as more fully described in paragraph 18 hereof;
- (f) Landscape plan, including without limitation, all plantings, lighting, shrubbery, fencing, walls, hedges, sidewalks, auxiliary buildings, patios, and terraces; provided, however, that shedding poplars, box elder, willows or other objectionable trees or shrubbery shall not generally be approved;
- (g) Mailboxes and newspaper delivery boxes as more fully described in Paragraph 26 hereof.

Upon receipt by the Architectural Review Committee of the Plans and Specifications in the form required by the Architectural Review Committee, the Architectural Review Committee shall have twenty (20) days to review and approve or disapprove the Plans and Specifications. In the event no approval or disapproval is forthcoming within said twenty (20) day period, no further approval shall be required pursuant to this Paragraph 3, which shall be deemed to have been fully complied with. All Plans and Specifications approved by the Architectural Review Committee shall be kept on file for future reference. Failure to submit Plans and Specifications to the Architectural Review Committee as provided for herein shall constitute grounds for a suit to enjoin any such construction. If the Architectural Review Committee prevails in any such action brought to enforce this paragraph 3, the Architectural Review Committee shall be entitled to recover from the other party reasonable attorney's fees together with all necessary costs and disbursements in connection therewith. Notwithstanding any provision to the contrary contained in this Declaration, in the event no Notice of Lis Pendens exists of record challenging any such construction on grounds set forth in paragraph 3, then as of the date of completion of such construction, such construction shall be conclusively deemed to have complied with the approval requirements set forth in paragraph 3.

4. Post-Sale Review By Architectural Review Committee. From and after completion of construction of the initial Residence on any Lot, no building, fence, wall, patio or other structure shall be removed from or commenced, erected or maintained upon such Lot, nor shall any exterior addition, change or alteration to any Residence located thereon be removed, commenced, constructed, erected or placed, nor shall anything of a permanent nature be removed, commenced, constructed, erected or placed within said Lot and exterior to said Residence, until the Plans and Specifications showing the nature, kind, shape, height, materials and location of the same (and in the case of alteration to any Residence, the applicable information described in Paragraph 3 hereof) shall have been approved in writing by the Architectural Review Committee. Upon receipt by the

Architectural Review Committee of the Plans and Specifications in the form required by the Architectural Review Committee, the Architectural Review Committee shall have thirty (30) days to review and approve or disapprove the Plans and Specifications. In the event no approval or disapproval is forthcoming within said thirty (30) day period, no further approval shall be required pursuant to this Paragraph 4, which shall be deemed to have been fully complied with. Failure to submit Plans and Specifications to the Architectural Review Committee as provided for herein shall constitute grounds for a suit to enjoin any such addition or change. If the Architectural Review Committee prevails in any such action brought to enforce this Paragraph 4, the Architectural Review Committee shall be entitled to recover from the other party reasonable attorney's fees together with all necessary costs and disbursements incurred in connection therewith. Notwithstanding any provision to the contrary contained in this Declaration, in the event no Notice of Lis Pendens exists of record challenging any such construction on grounds set forth in this Paragraph 4, then as of the date of completion of such construction, such construction shall be conclusively deemed to have complied with the approval requirements set forth in this Paragraph 4.

5. Residential Use. (a) Except as otherwise permitted in Paragraph 7 hereof, no structures shall be commenced, constructed, erected, altered, placed or permitted to remain on any Lot other than one detached single-family Residence which shall be used for residential proposed only. Maximum height of a Residence shall be two stories above grade. Residences shall be of the following minimum square footage of finished living space:

<u>Residence Type</u>	<u>Minimum Total Square Feet</u>
Two Story	2,000 (minimum 1200 sq. ft. footprint without garage)
Split Level	2,000 (minimum 1200 sq. ft. footprint without garage)
Single Story	1,500

In computing the above-described square footages, the dimensions shall be taken to outside of foundation wall, exclusive of basements, garages, porches, terraces and patios. The maximum building coverage on any lot shall be twenty-five (25%) unless otherwise approved by the Architectural Control Committee. No occupancy of any Residence shall be permitted prior to completion of the exterior thereof.

(b) No Lot shall be further split, subdivided or replatted.

6. Garages. All garages shall be attached to the Residence and shall be deemed to be a part of the Residence. Garages shall correspond in architectural style and finishing to the Residence. Garages shall be designed in size for no less than two automobiles. No garage shall be constructed on any Lot prior to construction of a Residence thereon. Plain concrete or asphalt is required for driveways. Driveway design shall provide sufficient concrete or asphalt

surface outside of the garage door for the parking of two standard size passenger vehicles side by side. Fiberglass garage doors and murals on garage doors shall not be permitted.

7. Auxiliary Buildings. No auxiliary buildings (including without limitation, solar heat gathering systems) shall be permitted on any Lot without the prior written approval of the Architectural Review Committee. No auxiliary building shall be constructed on any Lot prior to construction of a Residence thereon. Notwithstanding the forgoing, Wara or other third party designated by Wara, in its sole discretion, shall be permitted to erect or place upon Lots certain temporary structures during the initial construction and development of a Residence on any Lot.

8. Construction Time Table And Reacquisition Option. Any Owner of a Lot not containing a Residence shall comply with the following requirements (" Requirements"):

(a) Obtain a building permit for a Residence (as described in the Plans and Specifications approved by the Architectural Review Committee pursuant to Paragraph 3 hereof) within one hundred twenty (120) days of the date of original conveyance of the Lot by Wara to Owner or Owner's predecessor in title; and,

(b) Complete construction of the Residence and other improvements on the Lot (in accordance with said Plans and Specifications as approved by the Architectural Review Committee) within two hundred forty (240) days of the date of receipt of the building permit described in Paragraph 8 (a) hereof.

In the event either of the Requirements is not complied with on a timely basis, then Wara may enforce this Paragraph 8 pursuant to Paragraph 32 and in addition shall have the option, but not the obligation, to reacquire any such Lot by tendering to Owner the purchase price received by Wara upon the original conveyance thereof by Wara (net of the unpaid principal balance of any seller financing given by Wara). Upon written request, Wara may, but shall not be under no obligation to, execute and furnish a written statement in recordable form indicating that the reacquisition option in favor of Wara described in Paragraph 8 has been waived by Wara. Notwithstanding any provision to the contrary contained in this Declaration, in the event no Notice of Lis Pendens exists of record relating to compliance with the Requirements of this Paragraph 8, then as of the date of completion of such construction, such construction shall be conclusively deemed to have complied with the Requirements set forth in Paragraph 8.

9. Setbacks. (a) Individual Lot specific setbacks are as noted on the Preliminary Plat of the Saunders Lake South Planned Unit Development and specifically defined in Paragraph 19 of the conditions of resolution No. 19-99, as approved by the City of Minnetrista on February 16, 1999.; Lot setbacks will not change from these approved setbacks without the specific written approval of the City of Minnetrista.

10. Fences, Walls And Hedges. (a) Maximum height for any fence or wall above the level of the grade adjacent to such fence or wall shall be four feet six inches (4' 6") in the back yard of any Lot. Maximum height for hedges above the level of the grade adjacent to the hedge shall be three feet (3') in the front yard on any Lot. No fence, wall, hedge, shrub or other object or vegetation which obstructs sightline elevations between two (2) and six (6) feet above any roadway shall be erected, planted or permitted to remain on any corner Lot within the triangular area formed by the roadway property lines and a line connecting them at points fifteen (15) feet from the intersection of the roadway lines or in the case of a rounded corner, from the intersection of the roadway lines extended. No trees shall be permitted to remain within such areas unless the foliage line is maintained at sufficient height to prevent obstruction of sightlines. For purposes of this Paragraph 10, the " back yard" of a Lot shall be that portion of such Lot behind a line ("Rear Line") determined by the back wall of the Residence closest to the rear lot line on such Lot as extended from the end corners thereof to the nearest interior lot line of such Lot. For purposes of this Paragraph 10, the "front yard" of any Lot shall be that portion of such Lot in front of the Rear Line up to the front yard curb line (not including the portion of the Lot covered by the Residence).

(b) Exceptions to the requirements of this Paragraph 10 may be granted in writing by the Architectural Review Committee, in its sole discretion, in order to promote and maintain a quality residential development within the Property; including, without limitation, the permitting of higher fences for safety reasons around any approved in-ground swimming pool, provided that such higher fences, if permitted, shall not extend more than fifteen feet (15') beyond the water's edge unless expressly permitted in writing by the Architectural Review Committee, in its sole discretion. Above ground swimming pools are not permitted.

11. Nuisances. No obnoxious or offensive activities which are or may become an annoyance or nuisance shall be permitted on any Lot.

12. Refuse And Trash. No outside incinerators, trash burners or garbage, ashes, refuse or receptacles to store such elements shall be located within uncovered view of any Lot or placed so as to become a nuisance. Provision for storage and retention of trash in sanitary containers prior to disposal thereof must be contained in the Plans and Specifications. All such containers, if kept outside, must be in an enclosed area out of sightlines. It is not the intent of this Paragraph 12 to prohibit the use of outdoor barbecues or fireplaces. Notwithstanding the foregoing, Wara, or other third party designated by Wara in its sole discretion, shall be permitted to temporarily store construction materials or refuse on a Lot during the initial construction and development of a Residence on any Lot.

13. Animals and Livestock. No horses, cows, goats, sheep, poultry or fowl of any kind, or any other livestock or non-domesticated animal shall be permitted on any Lot with the exception of cats, dogs and other household pets ("Permitted Pets"); provided, however, that such Permitted Pets shall not be kept for any commercial purpose. If any Permitted Pet requires a kennel, it must be an integral part of the Plans and Specifications approved by the Architectural Review Committee.

14. Fuel And Storage Tanks. No soft coal, except smokeless charcoal, nor fuel of any kind giving off black smoke or strong or obnoxious odors of any kind may be used. All tanks for the storage of fuel shall be underground.

15. Antenna. Radio and satellite dishes and antennas must be located and landscaped so as not to be visible from adjacent homes. No satellite dishes having a diameter greater than eighteen inches (18') shall be permitted. All antennas must first be approved in writing by the Architectural Review Committee prior to installation, which approval may be withheld in the sole discretion of the Architectural Review Committee.

16. No Temporary Residences. No auxiliary building or other structure of a temporary nature, including without limitation trailers, basements, garages or other outbuildings located on any Lot shall be used at any time as a Residence, either temporarily or permanently.

17. Clotheslines. Any clothesline must be retractable and must be housed when not in use.

18. Exterior Lighting. (a) All exterior lighting must be shown on landscape and elevation plans and be approved in writing by the Architectural Review Committee. Flashing or brilliant lighting, lighting directed toward adjacent Lots and lighting exceeding an intensity of greater than two (2) foot candles measured at the lot line of adjacent Lots or ten (10) foot candles measured at the street curb line nearest the light source shall not be permitted. Exterior lighting shall provide for illumination of exterior outlines, plant forms, entries and walks and should be concealed when possible. Exposed exterior lighting fixtures must conform in architectural form and scale to the Residence.

(b) Each exterior lighting plan shall include a minimum of one post-type yard light with photocell which light and photocell shall be maintained in working order by the owner. All post-type yard lights shall conform to guidelines which the Architectural Review Committee may issue from time to time.

19. Sodding And Planting. All lots shall be sodded from the rear line of the Lot, along the sides to the interior lot lines and forward to the front yard curb line at the time of substantial completion of the Residence; provided, however, that in the event such sodding cannot

occur on the date of substantial completion of the Residence because weather does not so permit, then such sodding shall be completed within thirty (30) days after the weather permits such sodding to occur.

20. Fill And Excavated Materials. No sod, soil, sand or gravel shall be sold or removed from any Lot except for the purpose of excavating for the construction or alteration of a Residence thereon or appurtenance thereto or for the proper grading thereof. Cutting or filling will not be permitted. At the option of Wara in its sole discretion, normal dirt and material excavated from any Lot during the construction of a Residence thereon or appurtenance thereto shall be hauled and dumped, at the expense of the Owner of the Lot, in areas designated by Wara and shall remain the property of Wara. After the conveyance of the last Lot by Wara, normal dirt and material excavated from any Lot during the alteration of a Residence shall be hauled and dumped at the expense of the Owner of the Lot in areas designated by the Architectural Review Committee. No area designated for rain water storage shall be filled or otherwise altered by anyone not authorized to do so by all appropriate governmental authorities.

21. Yard Ornaments. No yard ornaments, including but not limited to, pre-cast concrete, wood figurines or plastic statue type, shall be permitted or installed without the proper approval of the Architectural Review Committee.

22. Signs. No "For Sale" signs larger than four hundred thirty-two (432) square inches (standard 18" x 24") will be permitted on any Lot, except those of Wara or third parties designated by Wara prior to the conveyance of the last Lot by Wara. No other signs, including, without limitation, garage sale, identification, advertising or directional signs, shall be permitted without the prior written approval of the Architectural Review Committee.

23. Vehicles And Personal Property. No storage of unhoused recreational vehicles shall be permitted, including without limitation, snowmobiles, boats, trailers, campers and any seasonal equipment. No motorbikes or motorcycles, snowmobiles or noisy vehicles shall be operated on any Lot other than to bring them to an enclosed point of storage. No vehicle shall be parked for repairs on driveways or private roadways except for emergency purposes.

24. Walkout Basements. If the Plans and Specifications for a two-story Residence call for a full or partial walkout basement at the rear of such Residence, then a deck or porch along the rear elevation may be required at the main floor or second story level by the Architectural Review Committee.

25. Roofs. Roof pitch and roofing materials shall be subject to approval in writing by the Architectural Review Committee in accordance with Paragraphs 3 and 4 hereof. Minimum roof pitch shall be 6/12.

26. Newspaper Delivery Boxes And Mailboxes. Newspaper delivery boxes and mailboxes shall be subject to approval in writing by the Architectural Review Committee in accordance with Paragraphs 3 and 4. All mailboxes and newspaper delivery boxes shall conform to guidelines which the Architectural Review Committee may issue from time to time.

27. Exterior Wall Materials. Exterior wall materials will be carefully evaluated by the Architectural Review Committee for compatibility with the overall design concept. The use of natural materials is strongly encouraged throughout the exterior of the residence, with special emphasis for natural materials on the front of the residence. Preference will be shown first for the use of brick and muted colors and second to natural materials. The use of vinyl, aluminum, or manufactured stone exterior treatments will be considered on a case-by-case basis.

28. Exterior Walks. Exterior walks shall be compatible with the overall landscape plan concept as set forth in Paragraph 3 hereof.

29. Conflict With Laws And Regulations. In the event any provision contained in this Declaration shall be prohibited by or in violation of any applicable federal, state or local law, ordinance or regulation (collectively "Applicable Law"), then such Applicable Law shall govern, provided that such Applicable Law shall govern only the prohibited provision and all other provisions herein shall remain unaffected and in full force and effect.

30. Drainage And Utility Easements. Easements for installation and maintenance of utilities and drainage facilities are reserved on the Lots as shown on recorded plats which include the Property. 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 change the direction of the flow of water through drainage channels in the easements. The easement area of each Lot and all improvements thereon shall be maintained continuously by the Owner of such Lot, except for those improvements for which a public authority or utility company is responsible.

31. Amendments. This Declaration may be amended from time to time by written instrument signed by the Owners of a majority of the Lots; provided, however, that so long as Wara is the Owner of any Lot, the written consent of Wara to any such amendment shall be required before any such amendment shall become effective.

32. Enforcement. Wara, its successors or assigns, any Owner or the Architectural Review Committee shall have the right to enforce, by a proceeding at law or in equity, the performance of the covenants and restrictions contained herein, including without limitation, the right to institute and prosecute proceedings against any party violating or attempting to violate said covenants and restrictions, the right to seek recovery of damages and the right to seek any other

legal or equitable remedies. If the party seeking to enforce the performance of these covenants and restrictions prevails, in any such action brought to enforce this Declaration, it shall be entitled to recover from the other party reasonable attorney's fees together with all necessary costs and disbursements incurred in connection therewith. Failure by any party to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. All rights and remedies provided for herein are cumulative and are not intended to be exclusive of any other remedies available at law or in equity.

33. Notices. Any notice required to be sent to any Owner or Member, as the case may be, under the provisions of this Declaration shall be in writing and shall be deemed to have been properly sent when mailed, postage prepaid, to the last known address of the person who appears as Owner or Member, as the case may be; on the records of the Association at the time of the mailing.

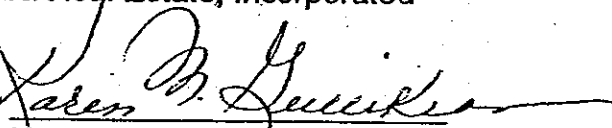
34. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provision hereunder, which other provisions shall remain in full force and effect.

35. No Liability. Notwithstanding any provision to the contrary contained in this Declaration, Wara shall not have any liability whatsoever to any Owner or any other person or entity in connection with any action taken or any omission by the Architectural Review Committee.

IN WITNESS WHEREOF, the undersigned has executed this Declaration of Restrictions and Covenants the day and year forts above written.

Wara Real Estate, Incorporated

By



Karen m. Gullikson

Its Corporate Secretary

STATE OF MINNESOTA)

DAKOTA) SS.
COUNTY OF HENNEPIN)

The foregoing instrument was acknowledged before me this 14th day of December, 1999, by Karen M. Gullikson, Corporate Secretary of Wara Real Estate, Incorporated, a Minnesota Corporation, on behalf of the corporation.

Kent L. Pfister
Notary Public

