

**DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS AND
RESERVATIONS FOR WOODS OF BALD EAGLE LAKE,
WASHINGTON COUNTY, MINNESOTA**

THIS DECLARATION is made this 15" day of February 1999, by Royal Oaks Realty, Inc., a Minnesota Corporation.

RECITALS:

WHEREAS, Royal Oaks Realty, Inc. is the Owner of certain real property located in the City of Hugo, County of Washington, State of Minnesota. The legal description of the real property is described in Article II below.

WHEREAS, Royal Oaks Realty, Inc. desires to subject the real property described in Article II to the easements, restrictions, covenants, conditions, reservations, charges and liens set forth in this Declaration for the benefit of the real property and each Owner thereof and to preserve the values and appearances of this residential community.

NOW, THEREFORE, Royal Oaks Realty, Inc. hereby declares that the real property described in Article II hereof is and shall be held, transferred, sold, conveyed and occupied subject to the terms of this Declaration and its restrictions, covenants, conditions, reservations, easements, charges and liens (sometimes referred to as "**Covenants and Restrictions**"), which Covenants and Restrictions shall run with the real property and be binding on all parties having any right, title or interest in the property, their heirs, successors, and assigns, and shall inure to the benefit of each Owner.

**ARTICLE I
DEFINITIONS**

The following words, when used in this Declaration (unless the context shall prohibit) shall have the following meanings:

- (a) Builder: A residential Contractor Licensed by the State of Minnesota involved in the construction of any improvement on any Lot which is subject to this Declaration.
- (b) Declarant: Royal Oaks Realty, Inc., its successors and assigns, and any legal entity to which Royal Oaks Realty, Inc. assigns, in whole or in part, the rights and interests vested in Declarant hereunder. No individual or entity acquiring a Lot from the Declarant shall become the Declarant solely by such acquisition, but only as a result of a specific assignment of Declarant rights, which assignment shall not be effective unless incorporated in the instrument of conveyance.
- (c) Living Unit: A residential housing unit which is designed and intended for use as living quarters and is located on a Lot. A living unit shall include any attached garage.
- (d) Lot: Any Lot subject to this Declaration. A Lot shall contain only one living unit.
- (e) Owner: The record Owner, whether one or more persons or entities, or contract vendee(s) of the fee simple title to any Lot, but excluding contract

vendors, mortgagees or any others having such interest merely as security for the performance of an obligation.

- (f) Woods of Bald Eagle Lake or the Property: The property subject to this Declaration, pursuant to Article II.

ARTICLE II LEGAL DESCRIPTIONS

Section 1. Property Subject to Declaration. The real property subject to this Declaration is described as follows:

Lots 1 through 20, inclusive, Block 2,
Lots 2 through 12, inclusive, Block 3,
Lots 1 through 7, inclusive, Block 4,
Lots 1 through 14, inclusive, Block 5

All in the Woods of Bald Eagle Lake, according to the recorded plat thereof, Washington County, Minnesota.

Section 2. Property Excluded from Declaration. The real property excluded from this Declaration is described as follows:

Lots 1 through 5, inclusive, Block 1;
Lot 1, Block 3 ;
Lots 15 through 27, inclusive, Block 5;
Outlots A through D, inclusive,

All in the Woods of Bald Eagle Lake, according to the recorded plat thereof, Washington County, Minnesota

ARTICLE III ARCHITECTURAL CONTROL

Section 1. Architectural Control Committee. So long as the Declarant shall be the fee Owner of a least one (1) Lot, subject to this declaration, the Declarant shall appoint a two (2) member Architectural Control Committee ("ACC").

Upon the sale of the last of the last Lot subject to this Declaration, the Declarant shall appoint an ACC consisting of two (2) members, each of whom shall be an Owner of a Lot subject to this declaration.

Section 2. Duties of Architectural Control Committee. The duties shall include, but not be limited to:

- (a) Review, comment and give written approval, or disapproval, of new house and garage construction and landscaping; and
- (b) Review, comment and give written approval, or disapproval, of additions or exterior revisions to existing structures; and

(c) Review, comment and give written approval, or disapproval, of all construction or installation of fences, patios, decks, swimming pools, or other exterior appurtenant items (including alterations in color or appearance).

Section 3. Approved Land Use. All Lots shall be used only for residential purposes. No structures shall be erected, altered, placed or permitted to remain on any Lot other than one detached single-family dwelling not to exceed two and a half (2½) stories in height and an attached private garage containing not less than two (2) nor more than four (4) stalls.

Section 4. Zoning Applicability. The Declarant hereby adopts the City of Hugo current zoning for Single Family Urban (SFU), until such time as the City of Hugo rezones the area in which the Development is located to SFU or its equivalent. The Declarant shall have the right, but not the obligation, to enforce the requirements of the SFU zoning until such time as the area in which the Development is located is rezoned to SFU or its equivalent.

Section 5. Architectural Approval. It is the intent of this Declaration to provide a firstclass residential neighborhood. Without in any way limiting the foregoing, the ACC retains the absolute right to deny approval to any proposed house plan due to similarity to existing or proposed structures, non-compatible materials or colors, or styles, or lack thereof, deemed inconsistent with the area. Approval of house plans hereunder in no way waives the obligation to obtain a building permit and meet the requirements of the applicable governmental authorities.

Section 6. Plan Approval. No structure shall be erected on any Lot, and no addition or exterior revision of any existing structure on a Lot shall be permitted without the prior review and written approval of the ACC of plans, specifications, exterior building materials, colors and landscaping. The Owner or his/her Builder shall submit in duplicate the following materials to the ACC for its review prior to obtaining a building permit.

(a) Home Plans. House plans with four (4) detailed exterior elevations drawn to at least a scale of 1/4" = 1'0" . All four (4) elevations, window placement, and type, and front entry system shall be fully detailed;

(b) Site Plans. Certificate of Survey showing the house and garage on the Lot, setback measurements, easements and existing and proposed elevations, drainage plans, driveways and any other significant improvements such as decks, porches, terraces and patios, swimming pools, kennels, etc., and the locations of existing major trees and tree lines. The Certificate of Survey shall be prepared by a Registered Land Surveyor;

(c) Specifications and Exterior Colors. Specifications shall be submitted sufficiently defining all exterior finishing materials, including siding, soffits, fascia, trim, front door style, roofing materials, stone, stucco, brick and other masonry products. As well as deck materials, garage door style type and all exterior light fixtures. Color samples shall be provided for all exterior finishes.

(d) Landscaping Plan. Landscaping plan showing all plantings, (including trees, shrubbery, flowers and other plantings), lighting, fencing, sidewalks, buildings, patios, and terraces to be located on the Lot; provided however, that shedding poplars, box elders, or other objectionable trees or shrubbery shall not generally be approved. The Landscaping plan shall also include at least one tree which meets the requirements of the Developer;

(e) Informational/Exterior Materials Worksheet. An Architectural Control Committee informational and Exterior Material worksheet shall be completely filled out and submitted.

Sections 7. Architectural Requirements.

- (a) Driveways. All driveways must be hard surfaced as defined below. Concrete, exposed aggregate concrete, pattern stamped colored concrete, interlocking concrete pavers, brick, stone, are encouraged and allowed materials for driveway. Driveways may include banding or soldier courses constructed of concrete, exposes aggregate concrete, pattern stamped colored concrete, brick or pavers. Asphalt is not an allowed material for driveways. Driveways are to be narrowed to a maximum of 14' fourteen feet in width when connecting to the curb.
- (b) Address Plaque. All homes must include a plaque with the address clearly identified. All plaques must be of a uniform size, material, color, on and style, and must be approved by the ACC. They must be placed at or near the front entrance to the house in a lighted location that is visible and legible from the street. No other informational signs are allowed without the review and approval of the ACC, except as defined in Article 3, Section 3 (Signage) hereinbelow.
- (c) Fences. Fences shall be allowed where appropriate and necessary for screening, security, containment or aesthetic purposes subject to compliance with local ordinances, but only upon review and approval of the ACC. All fences must be designed to be architecturally compatible with the homes and surroundings. The design of all fences should incorporate landscaping and other aesthetic features (trellises, arbors, unique paving) at the main gateways. Fences may not be higher than 6 feet above grade (average height) except that ornamental post finials may extend above the top of the fence. All fences must be kept in good repair. Fences along a public frontage must include landscape plantings on the public side to reduce the visual length of the fence. Such plantings are to be reviewed and approved by the ACC. Dog runs and doghouses will be discouraged in areas visible to the public. However, they may be allowed subject to review and approval of the ACC, which shall require landscape screening and other mitigation. Chain link fences are not allowed.
- (d) Accessory Structures. Storage buildings, pool mechanical enclosures and children's clubhouses may be allowed in some areas and are subject to review and approval of the ACC. The design of any such structure must be highly integrated and consistent with the architectural style of the home and compatible with the surroundings. Such structures must be no closer than 10 feet from all common lot lines and screened by landscaping. Tree houses are not allowed.
- (e) Children's Play Equipment, Tennis Court and Outdoor Recreation Facilities. Children's play equipment, trampolines, tennis courts and other similar outdoor recreational features are only allowed in rear yard
- (f) Solar Collectors. Solar collectors are allowed only after review and approval of the ACC and only in locations that are not visible to the public or other residences.
- (g) Exterior Home Lighting. The exterior lighting of the private homes will be very important for security, safety and aesthetic purposes. All exterior lighting must be shown on landscape or elevation plans and approved by the ACC. Flashing or brilliant lighting and lighting infringing on adjacent Lots shall not be permitted. Exterior lighting should provide for illumination of exterior outlines whenever possible. Exposed exterior light fixtures must conform in architectural form and scale to the Living Unit. Each lot shall have a minimum of one post-type yard light with photocell or timer which light and photocell or timer shall be maintained in working order by the Owner.

(h) Woodpiles. Logs, split logs and kindling may not be stored in the front yard or in any portion of a side yard. Wood may not be stacked in a location or manner that will cause damage to any other structure (fence, house, etc.). The wood in all woodpiles must meet all State and local fire codes and disease control regulations and best disease management practices.

Section 8. Construction Requirements. The Owner and his/her Builder shall comply with the following:

(a) Approved Builders: All new homes shall be constructed by a Builder approved by the ACC. The ACC may approved or disapprove of a Builder in its sole discretion. Declarant reserves the right to enter into agreements or arrangements with Builders which provide Builders with exclusive rights within the Development.

(b) Surveyor. The Owner or his/her Builder shall arrange to have the house staked with proposed elevations marked on site by a Registered Land Surveyor.

(c) Floor Elevations/Drainage/Erosion Control: No improvement on any lot subject to this Declaration shall be constructed below the lowest floor elevation. The lowest floor elevation shall mean a level which is two (2) feet above the 100-year flood elevation or four (4) feet above the high groundwater elevation, whichever is greater. The lowest floor elevation shall be specifically referenced and designated on a certificate of survey which shall be completed before application is made for a building permit. It shall be the Owner's and Builder's responsibility to field verify that construction of all improvements are at or above the lowest floor elevation.

The Owner and Builder shall comply with the grading, elevation and development agreement for the development. Copies of the grading, elevation and development agreement can be obtained from the City of Hugo. The Owner and Builder are also responsible for erosion control and must comply with all applicable requirements for erosion control.

(d) Excavation/Fill. No sod, soil, sand or gravel shall be sold or removed from any Lot in Woods of Bald Eagle Lake except for the purpose of excavating for the construction or alteration of a structure on said Lot or an appurtenance thereto or for the proper grading of the Lot. In the event that there is any excess dirt on said Lot, the excess dirt, at the option of the Declarnt, shall be hauled and dumped within Woods of Bald Eagle Lake at the Owners expense and at a location specified by the Declarnt. Said excess dirt shall become the property of the Declarnt unless Declarnt requests removal from the development.

(e) Clean Sites. It is the sole obligation of the Owner and Builder to maintain his/her Lot in a neat and orderly condition at all times throughout the term of construction and thereafter. The Owner and Builder shall provide a Dumpster of adequate size for disposal of all construction debris. Construction materials shall be stored neatly on the site at all times. The Owner and Builders shall keep the street clean of mud and dirt in front of the house.

(f) Moving of Structures. No structure shall be moved onto any Lot.

Section 9. Standards of Review. The ACC may promulgate detailed guidelines and procedures governing its areas of responsibility and practice. In addition, the following shall apply: the plans and specifications shall be reviewed as to quality of workmanship, design and harmony of external design with existing structures, topography, and finish grade elevation. No permission or approval shall be required to repaint in accordance with an originally approved color scheme, or to rebuild in accordance with originally approved plans and specifications. Nothing

contained herein shall be construed to limit the right of an Owner to remodel or paint the interior of his or her residence.

Section 10. Procedure. Upon submission to the ACC of a full and complete set of Plans and Specifications in the form required by the ACC, the ACC shall have thirty (30) days to review and approve the Plans and Specifications and in the event no approval or disapproval is forthcoming within said thirty (30) day period, no further approval shall be required hereunder and this requirement shall be deemed to have been fully complied with. In the event of any changes or modifications are required from the initial set of Plans and Specifications, then revised Plans and Specifications shall be required to be submitted reflecting such changes, then the same thirty (30) day approval period described in the immediately preceding sentence shall be applicable to said revised Plans and Specifications. All plans and Specifications approved by the ACC shall be kept on file for future reference. Failure to submit Plans and Specifications to the ACC as provided for herein shall constitute grounds for a suit to enjoin any such construction. The prevailing party in any such action brought to enforce this section shall be entitled to recover from the other reasonable attorney's fees together with all necessary costs and disbursements incurred in connection therewith

ARTICLE III PROHIBITED USES

Section 1. Subdivision. No Lot shall be subdivided or split by any means whatsoever into any greater number of residential Lots, or into any residential plots of smaller size without the express written consent of the applicable governmental authority and the Declarant.

Section 2. Standards. All uses of the Lots shall, at a minimum, comply with the Declaration and the applicable ordinances and regulations of the applicable governmental authority. The standards herein contained shall be considered as requirements in addition to said zoning and other applicable ordinances and regulations.

Section 3. Signage. No sign shall be placed on any Lot or within the Property without the express written consent of the ACC, except that one "for sale" sign may be placed on a Lot by an Owner or the Declarant without ACC approval. Signs relating to political campaigns and candidates shall also be permitted without ACC approval. Builder identification signage also shall be allowed during the construction and marketing of a home on any Lot as approved by the ACC. The Declarant shall be allowed to erect up to two (2) subdivision marketing signs on each Lot owned by the Declarant.

Section 4. Pets and Animals. No horses, cows, goats, sheep, poultry, fowl, or insects of any kind, or any other livestock will be permitted on any Lot with the exception of dogs, cats and other common household pets ("Permitted Pets"). If a Permitted Pet requires a kennel, it must be located and referenced in the Plans and Specifications approved by the ACC. Dogs, cats, and other common household pets must meet any applicable requirements of the governmental authorities and may not be kept, bred or maintained for any commercial purposes.

Section 5. Storage. No trailer, boat of any kind, tractors/trailers, or trucks in excess of (6,000 pounds gross weight) motor home, recreation vehicle (RV's), snowmobile, inoperable automobiles, camping vehicles, camper tent, trailer shack, tent or other structure of a temporary character shall be erected or allowed at any time be stored or parked on any Lot outside of a garage or on public streets, except temporary structures used by contractors and the Declarant for the purposes of construction and sales of residential structures and Lots. This also applies to all vehicles parked outside for periods longer than one week. The Declarant and Builders within Woods of Bald Eagle Lake shall have the right to construct and occupy model homes, and utilize same as an office or offices, until such time as the last of the lots are sold.

Section 6. Leasing. Any lease between an Owner and Non-Owner occupant shall be in writing and shall provide that the terms of the lease shall be subject in all respects to the provisions of this Declaration, and shall provide that any failure by the Non-Owner occupant to comply with the terms of this documents shall be default under the lease.

Section 7. Storage Tanks. No permanent storage tanks of any kind shall be erected, placed or permitted on any Lot.

Section 8. Antennas. Except with prior written approval and authorization of the ACC, no exterior television, satellite dish or radio antenna of any sort shall be placed, allowed or maintained upon any portion of a Lot or the improvements or structures located thereon.

Section 9. Garbage and Refuse Storage and Disposal. Household trash and garbage shall be regularly collected and kept in the garage, no containers will be allowed outside. No Lot shall be used or maintained as a dumping ground for rubbish or other debris, except as approved by Declarant. Trash, garbage, recycle materials, or other debris or waste shall not be kept except in sanitary containers. All equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition, and shall not present an unsightly conditions, and shall be enclosed or screened from the public view.

Section 10. Mailboxes, Newspaper Delivery Boxes. All Lot Owners shall purchase and use the mail box and support post design approved and authorized by the ACC. Mail box post installation shall be at locations as provided and designated by the U.S. Postmaster and the ACC. All newspaper Delivery boxes shall be incorporated into the design of the mail box support post design. All mail box structures shall be maintained in good repair appearance by the Owner.

Section 11. Occupancy/Title Transfer. No title transfer or closing on any Lot upon which a house or other dwelling has been constructed shall occur, and no house or other dwelling shall be occupied, before the City of Hugo issues a Certificate of Occupancy and before all public improvements serving the Lot are substantially completed. Failure of the Lot Owner to observe this condition shall subject the Lot Owner to liquidated damages in the amount of \$10,000 for each closing or occupancy which occurs in violation of this paragraph.

Section 12. Yard Ornaments. No exterior yard ornaments, including but not limited to pre-cast concrete, plastic or wood figurines, wishing wells and windmills, shall be permitted without the prior approval of the ACC.

ARTICLE IV OWNER'S DUTIES

Section 1. Landscape Plan. Owners shall be charged with the responsibility for the installation and maintenance of an approved landscaping plan. It shall be the responsibility of the Owner to maintain such plantings and landscaping.

Section 2. Maintenance and Repair. In order to preserve the uniform and high-standard appearance of the Property, each Owner undertakes responsibility for maintenance and repair of the exterior of his Living Unit, private yard area and private driveway on the Lot.

Section 3. Lot Maintenance. Any Lot purchased and not improved on or built upon shall be maintained by its Owner. Vegetation must be maintained, grasses cut, debris picked up and erosion of soils prevented. Lot appearance must be kept compatible with adjoining properties. Unsightly growth not compatible with adjoining properties and standing refuse piles shall not be allowed to exist. Nothing herein contained in this section shall

require the owner to landscape, sod, seed, or plant any living thing prior to completion of the construction of the improvements.

ARTICLE V EASEMENTS

Section 1. Utility and Drainage Easements. Easements for the installation and maintenance of utilities and drainage 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 easements, or which may obstruct or retard the flow of water through drainage channels in the easements, except that a hard surfaced driveway or walk which does not impede surface water runoff and drainage may be installed and maintained across the easement

Section 2. Drainage Easements. Each Owner shall be responsible for maintenance of all drainage areas within the boundary lines of the Owner's lot. No improvements, landscaping or grading are permitted in drainage easements without the prior written permission of the City of Hugo and the Rice Creek Watershed District.

Section 3. Access by City. The City of Hugo is hereby granted the right to access drainage easements on lots which are subject to this Declaration for maintenance purposes.

Section 4. Maintenance. 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.

ARTICLE VI GENERAL PROVISIONS

Section 1. Development Agreement. The lots are subject to this Declaration are also subject to certain restrictions contained in the Development Agreement between the Declarant and the City of Hugo. The Development Agreement is on file in the Office of the Washington County Recorder.

Section 2. Duration of Declaration of Covenants, Restrictions and Easements. The covenants, restrictions, and easements of this Declaration shall run with and bind the land and shall inure to the benefit of and be enforceable by the Owner of any Lot subject to this Declaration, or their respective legal representatives, heirs, successors and assigns. The easements set forth herein shall be perpetual. The covenants and restrictions herein set forth shall have a term of five (5) years from the date this Declaration is recorded, after which time said covenants and restrictions shall be automatically renewed for successive periods of five (5) years. The covenants and restrictions of this Declaration may be amended during the first five (5) year period by an instrument signed by not less than seventy-five percent (75 %) of the Owners and thereafter by an instrument signed by not less than sixty-seven percent (67%) of the Owners. Any amendment must be properly recorded.

Section 3. Non- Liability. Neither the Declarant, the ACC nor any member thereof nor their respective successors or assigns, shall be liable in damages to anyone submitting drawings or specifications to them for approval, or to any Owner or other person by reason of mistake in judgment, negligence, or nonfeasance arising out of or in connection with the approval or disapproval or failure to approve any drawings or specifications. Every Owner or other person who submits drawings or specifications for approval agrees, by submission of such drawings and specifications, that they will not bring any action or suit against the Declarant, the ACC, or any member thereof to recover damages. Approval by the Declarant, the ACC, or any member thereof shall not be

deemed to be a representation or warranty that the Owner's drawings or specifications or the actual construction of a residence or other improvement comply with applicable governmental ordinances or regulations. It shall be the sole responsibility of the Owner or other person submitting drawings or so specifications to the ACC or performing any construction to comply therewith.

Section 4. Enforcement. In the event any Owner violates or attempts to violate the provisions of this Declaration, such failure will give rise to a cause of action on the part of any aggrieved Owner for the recovery of damages or for injunctive relief, or both. 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. Enforcement of these covenants and restrictions may be by any proceedings at law or in equity. If it is determined by any court or arbitrator that a violation of these covenants and restrictions has occurred, the party found to have violated the covenants or restrictions shall be also required to pay attorney fees together with all necessary costs and disbursements incurred in connection therewith.

Section 5. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provision, which shall remain in full force and effect.

Section 6. Rights of Declarant. Until the last Lot subject to this Declaration is sold and conveyed to an Owner other than a Declarant, the following activities by Declarant or Builder with the written consent of Declarant will not be deemed violations of restrictions contained in this Declaration:

- (a) The use of a Lot or Lots for model home and sales office purposes;
- (b) The storage of a construction trailer, equipment, materials and earth during the construction of new Living Units; and
- (c) The display of signs advertising the Property or new Living Units, and the maintenance of temporary fencing, walkways, landscaping and berming in the vicinity of model and sales units.

IN WITNESS WHEREOF, the undersigned have executed this Declaration of Covenants, Conditions and Restrictions and Reservations this 15' day of February 1999.

ROYAL OAKS REALTY, INC.

Marcel Eibensteiner
Its: President

STATE OF MINNESOTA)
ss.
COUNTY OF RAMSEY)

The foregoing instrument was acknowledged before me this 15' day of February 1999, by Marcel Eibensteiner, President of Royal Oaks Realty, Inc., a Minnesota Corporation, on behalf of the Corporation.

Notary Public

THIS INSTRUMENT WAS DRAFTED BY AND PLEASE RETURN TO:

Felhaber, Larson, Fenlon & Vogt, P.A. (TJH) 2100 Minnesota World Trade Center 30 East Seventh Street Saint Paul, Minnesota 55101-4901 (612) 373-8503