

7684398

DECLARATION OF COVENANTS,  
CONDITIONS AND RESTRICTIONS

THIS DECLARATION, made on this 21 day of February, 2002, by John S. Geis, single (hereinafter referred to as "Declarant").

WITNESSETH: Metro Legal Services Inc.  
Box 491

WHEREAS, Declarant is the owner of the real property described on Exhibit "A" attached hereto and by this reference incorporated herein for all purposes, and desires to create thereon a residential community for the pleasure, recreation and general benefit of the residents of said community; and

WHEREAS, Declarant is desirous of establishing certain minimum If standards for the development of a residential development or developments located in the City of Hanover, County of Hennepin, State of Minnesota, described on Exhibit "A" attached hereto and made a part hereof, to ensure proper use and appropriate development and improvement of each residential site therein contained as to:

- (a) protect the Owners of Lots against such improper use of such surrounding buildings and Lots as will depreciate the value of their property;
- (b) guard against the erection thereon of structures constructed of improper or unsuitable materials;
- (c) ensure adequate and reasonable development of said Property;
- (d) encourage the erection of attractive improvements appropriately located to prevent inharmonious appearance and function;
- (e) provide adequate setbacks, off-street parking; and
- (f) in general, to benefit and burden the Lots for the purpose of facilitating the development and maintaining the desired tone of the community, and thereby securing to the Owner of each Lot the full benefit and enjoyment thereof, with no greater restriction on the free and undisturbed use of the Lots than is necessary to ensure the same advantages to the other Lots which are subject to the terms of this Declaration.

(Letters (a), (b), (c), (d), (e) and (f) above are sometimes hereinafter collectively called the Criteria for Standards").

and;

WHEREAS, the Declarant desires to provide for the preservation of the values and amenities in said community and to this end desires to subject the real property described on Exhibit "A" to the covenants, restrictions, easements, charges and liens hereinafter set forth, each and all of which is and are for the benefit of said Property and each Owner thereof; and

WHEREAS, Declarant has deemed it desirable for the pleasure and recreation of said community, and for the efficient preservation of the values and amenities in said community, to create an agency to receive the power to attend to and effectuate policies and programs that will enhance the pleasure and value of said community, and maintain, administer and enforce the covenants and restrictions, and collect and disburse the assessments and charges hereinafter created; and

WHEREAS, Declarant has incorporated, under the laws of the State of Minnesota, The Bridges at Hanover Association for the purpose of exercising the functions as aforesaid; and

WHEREAS, the residential development subject to this Declaration consists solely of separate parcels of real estate designed or utilized for detached single-family Living Units; and

WHEREAS, The Bridges at Hanover Association, a Minnesota non-profit corporation, has no obligation to maintain any building containing a Living Unit or to maintain or remove snow from any private driveway.

NOW, THEREFORE, in consideration of the premises, the Declarant hereby declares that the real property described on Exhibit "A" and such additions thereto as may hereafter be made pursuant to Article II hereof is and shall be held, transferred, sold, conveyed and occupied subject to the conditions, restrictions, easements, charges and liens hereinafter set forth, which covenants, restrictions and easements shall run with the real property described on Exhibit "A" and any additional property annexed thereto pursuant to the provisions set forth in Article II, and be binding on all parties having any right, title or interest in the hereinafter described properties or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each Owner thereof.

#### ARTICLE I. Definitions

1.1 Definitions. The following words, when used in this Declaration, shall have the following meanings:

- (a) "Association" shall mean and refer to The Bridges at Hanover Association, a non-profit corporation organized and existing under the laws of the State of Minnesota, and its successors and assigns.

- (b) "Common Area" shall mean all real property and improvements thereon owned by the Association for the common use and enjoyment of the Owners and such others to whom the Owners may delegate this right pursuant to this Declaration, or to others that may have rights as appurtenant easements to their lots in the plat of The Bridges at Hanover under instruments recorded or to be recorded in the office of the County Recorder of Hennepin County, Minnesota. The Common Area are legally described in Exhibit "B" attached hereto.
- (c) "Declarant" shall mean and refer to John S. Geis, his heirs and assigns, if such heir or assign shall acquire more than one undeveloped Lot from the Declarant for the purpose of development. Notwithstanding the foregoing, no individual or entity acquiring an undeveloped Lot from the named Developer shall become "Developer" solely by such acquisition, but only as a result of a specific assignment of Developer and/or Declarant rights, which assignment shall not be effective unless incorporated in the instrument of conveyance.
- (d) "Developer" shall mean and refer to the Declarant.
- (e) "Living Unit" shall mean and refer to a residential housing unit consisting of a group of rooms and hallways and attached garage which are designed and intended for use as living quarters for one family and located or to be located upon one Lot.
- (f) "Lot" shall mean and refer to any tract or parcel of land designated as a Lot shown upon any recorded plat or subdivision map of the Property, with the exception of any tracts or parcels designated as Outlots.
- (g) "Member" shall mean and refer to every person or entity who is a record Owner of a fee or undivided fee simple interest in any Lot which is subject by covenants of record to assessment by the Association (excluding contract sellers and including in place thereof their contract purchasers, except as to any Lot where Declarant is the contract seller, in which case Declarant shall continue to be deemed the Owner of such Lot or Lots).
- (h) "Mortgage" shall mean and refer to any mortgage or other security instrument by which a Lot, or any part thereof, or any structure thereon, is encumbered.
- (i) "Mortgagee" shall mean any person or entity named as the Mortgagee under any Mortgage, or any successors or

assigns to the interest of such person or entity under a Mortgage.

- (j) "Owner" shall mean and refer to the record Owner, whether one or more persons or entities, of a fee simple title to any Lot (excluding contract sellers and including in place thereof their contract purchasers, except as to any Lot where Declarant is the contract seller, in which case Declarant shall continue to be deemed the Owner of such Lot or Lots) and excluding any person except Declarant having such interest merely as security for the performance of an obligation.
- (k) "Permit" shall mean any Conditional Use Permit approved by the City Council of the City of Hanover authorizing and imposing restrictions and requirements for the development of the Property as a planned community development, as the same may be amended or modified by the City of Hanover.
- (l) "Private Driveway" shall mean and refer to access driveways from main thoroughfares to individual Living Units.
- (m) "Private Yard Area" shall mean and refer to that portion of a lot not covered by a Living Unit or by a Private Driveway.
- (n) "Property" shall mean and refer to all the real property subject to this Declaration, all of which is more fully described on Exhibit "A" attached hereto and by this reference incorporated herein for all purposes.

#### ARTICLE II.

##### Additional Property Subject to this Declaration

2.1 Additions to Existing Property. Additional real property may become subject to this Declaration in the following manner:

- (a) Additions in Accordance with General Plan of Development. The Developer, its successors and assigns, shall have the right, without the consent of the Members, to bring within the scheme of this Declaration the additional real property described on Exhibit "C" attached hereto and by this reference incorporated herein for all purposes, in future stages of development by December 31, 2011.
- (b) Additions Authorized by Members. Additional residential property may also become subject to this Declaration upon approval of 2/3rds of the Members of each class of Members.

2.2 Manner of Annexation. Additions authorized under this article shall be made by filing a Supplementary Declaration of Covenants, Conditions and Restrictions with respect to the additional property, and after such filing, such additional property shall be subject to the covenants and restrictions of this Declaration. Such Supplementary Declaration shall contain such complementary additions and modifications of the covenants and restrictions contained in this Declaration as may be necessary to reflect the different character, if any, of the added properties and shall not be inconsistent with the scheme of this Declaration. In no event, however, shall such Supplementary Declaration revoke, modify or add to the covenants established by this Declaration within the existing Property.

### ARTICLE III.

#### Membership and Voting Rights in the Association

3.1 Membership. Every person or entity who is an Owner of a fee or undivided fee simple interest in any Lot which is subject by covenants of record to assessment by the Association (excluding contract sellers and including in place thereof their contract purchasers, except as to any Lot where Declarant is the contract seller, in which case Declarant shall continue to be deemed the Owner of such Lot or Lots) shall be a Member of the Association. The foregoing is intended to exclude persons or entities except Declarant who hold an interest merely as a security for the performance of an obligation until such time such person acquires a fee simple interest in such Lot by foreclosure or by any proceeding in lieu thereof. Membership shall be appurtenant to and may not be separated from the ownership of any Lot which is subject to assessment by the Association. Ownership of such Lot shall be the sole qualification for membership.

3.2 Voting Rights. The Association shall not have nor shall it issue any capital stock, and may only have 2 classes of voting membership.

- (a) Class A. Class A members shall be all those Owners as defined in Section 1.1(i), with the exception of the Declarant. Each Class A member shall be entitled to 1 vote for each Lot in which he holds the interest required for membership by Section 3.1. When more than 1 person holds such interest in any Lot, all such persons shall be Members. The vote for such Lot shall be exercised as they, among themselves, shall determine, but in no event shall more than 1 vote be cast with respect to any Lot.
- (b) Class B. The Declarant shall be the sole Class B member and shall be entitled to 3 votes for each Lot owned, including any Lot in which Declarant has an interest as the contract seller. Class B membership shall cease and

be converted to Class A membership upon the occurrence of the first of the following events:

- (i) when the total number of votes outstanding in the Class A membership equals or exceeds the total number of votes outstanding in the Class B membership; or
- (ii) on December 31, 2011.

3.3 Suspension of Voting Rights. The right of any Member to vote shall be suspended during any period in which such Member shall be delinquent in the payment of any assessment levied by the Association. Such rights may also be suspended, after notice and hearing, for a period not to exceed 60 days for any infraction of any rules or regulations published by the Association.

#### ARTICLE IV.

##### Covenants for Maintenance Assessments

4.1 Creation of Lien and Personal Obligation of Assessments. The Declarant, for each Lot owned within the Property, hereby covenants, and each Owner of any Lot by acceptance of a conveyance therefore, whether or not it shall be so expressed in the deed or other conveyance, shall be and hereby is deemed to covenant and agree to pay the Association:

- (a) general assessments or charges; and
- (b) special assessments for capital improvements, such assessments to be established and collected from time to time as hereinafter provided.

The general and special assessments, together with such interest thereon and costs of collection thereof as hereinafter provided, shall be a charge on each such Lot and shall be a continuing lien on each such Lot against which each such assessment is made. Each such assessment, together with interest thereon and all costs of collection thereof as hereinafter provided, shall also be the personal obligation of each person who was the Owner of each such Lot at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to such Owner's successors in title unless expressly assumed by them. All such assessments shall be fixed, established and collected from time to time in the manner provided in this article.

4.2 Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the health, safety and welfare of the Owners and residents of the Property. Assessments shall not be used for maintenance of any Living Units, Private Driveway, or Private Yard Area, but shall be used

for bridge maintenance, landscape maintenance, including lawn mowing and trimming and pruning of trees and shrubberies located in the Common Area; sidewalks, trails and trailways, and Common Area developed for open space and recreational purposes, project monuments and appurtenances, and construction, maintenance, repair and replacement of all pipes, wires or other conduits of matter or energy which are initially installed by the Developer to serve the Common Area.

**4.3 Maximum Assessments.** The amount of the maximum assessments shall be determined by the Board of Directors as hereinafter provided, but subject, however, to the following restrictions:

- (a) Until January 1 of the year immediately following the conveyance of fee title to the first Lot by the Developer to an Owner, the maximum general assessment shall be at the monthly rate of \$75.00 per Lot.
- (b) From and after January 1 of the year immediately following the year of the conveyance of the first Lot by the Developer to an Owner, the general assessment may not be increased each year more than 5% above the general assessment for the previous year without a vote of the membership.
- (c) The general assessment may be increased above such 5% amount by a vote of 2/3rds of each class of Members who are voting in person or by proxy at a meeting called for such purpose.
- (d) The Board of Directors of the Association may, after consideration of the current assessment costs and future needs of the Association, fix the actual assessment for any year at any lesser amount.

**4.4 Special Assessments for Capital Improvements.** In addition to the general assessments authorized by Section 4.3, 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 or reconstruction, unexpected repair or replacement of a capital improvement; provided, however, that any such assessment shall require the assent of 2/3rds of the votes of each class of Members who are voting in person or by proxy at a meeting duly called for this purpose.

**4.5 Notice of Meetings.** Written notice of any meeting called for the purpose of taking any action authorized under Section 4.3 or 4.4 shall be sent to all Members, and to any Mortgagee who shall request such notice in writing, no less than 30 days nor more than 60 days in advance of such meeting. At the first such meeting called, the presence of Members or of proxies entitled to cast 60% of all votes shall constitute a quorum. If

the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be 1/2 of the required quorum at the preceding meeting. No such subsequent meeting shall be held later than 60 days following the preceding meeting.

4.6 **Uniform Rate of Assessment.** General and special assessments must be fixed at a uniform rate for all Lots owned by persons, firms or corporations, except as specifically provided in Section 4.7.

4.7 **Date of Commencement of Assessments; Due Dates.** The assessments provided for herein shall commence on the first day of the month following the date a Certificate of Occupancy for a Living Unit constructed upon a Lot is issued and shall, for the remainder of the year, be payable upon demand. No Lot shall be assessed prior to the issuance of a Certificate of Occupancy for a Living Unit.

4.8 **Duties of the Board of Directors.** The Board of Directors of the Association shall fix the date of commencement and the amount of the assessment against each Lot for each assessment period at least 30 days in advance of such date of commencement of such period, and shall at that time prepare a roll of the Lots and assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any Owner. Written notice of the assessment shall thereafter be sent to each Owner subject to such assessments. The Association shall, upon demand and upon the payment of a reasonable charge, furnish a written certificate signed by an officer of the Association setting forth whether or not assessments upon particular Lots have been paid. Such certificate shall be conclusive evidence of payment of any assessments therein stated to have been paid.

4.9 **Effect of Nonpayment of Assessment; the Personal Obligation of the Owner; the Lien; Remedies of Association.**

- (a) If any assessment is not paid on the date when due, then such assessment shall become delinquent and shall, together with such interest thereon and costs of collection thereof as hereinafter provided, thereupon become a continuing lien on such Lot or Lots, which shall bind such Lot or Lots in the hands of the then Owner, his heirs, devisees, personal representatives, successors and assigns. The personal obligation of the then Owner to pay such assessment, however, shall remain his personal obligation and shall not pass to his successors in title unless expressly assumed by them. Such lien shall run in favor of the Association and shall be superior to all other liens and encumbrances on such Lot except for the following:



- (i) liens for general real estate taxes and special assessments levied by any governmental authority; and
  - (ii) the lien of any first Mortgage as provided in Section 4.10 hereof.
- (b) All other lienors acquiring liens on any Lot after this Declaration shall have been recorded, and whose liens shall also have been recorded, shall be deemed to consent that their liens shall be and remain inferior to future liens provided for herein, whether or not such consent has been expressed in the instruments creating their liens.
- (c) To evidence a lien for sums assessed pursuant to this article, the Association shall prepare a written notice of lien setting forth the amount of the assessment, the date due, the amount remaining unpaid, the name of the Owner of the Lot and a description of the Lot, and shall file or record the same, but such notice of lien shall not be recorded until such assessment has been wholly or partially unpaid for at least 30 days from the due date. Such lien may be enforced and foreclosed by the Association, either by action or advertisement, in the same manner in which mortgages on real property may be foreclosed in Minnesota or, alternatively, in the manner prescribed by Minnesota Statutes for the foreclosure of a mechanic's lien. Each Owner, by acceptance of a deed for any Lot, does further hereby give full and complete power of sale to the Association and does consent to a foreclosure of the assessment lien by advertisement. In the event that the Association shall prevail in any such foreclosure, the person personally obligated to pay the same shall be required to pay all costs of foreclosure, including but not limited to reasonable attorneys' fees. All such costs and expenses and any assessments against the Lot which shall become due during the period of foreclosure and redemption shall be added to and become a part of the amount secured by said lien. The Association shall have the right and power to bid at the foreclosure sale or other legal sale and to acquire, hold, convey, lease, rent, encumber, use and otherwise deal with the Lot as the Owner thereof. A release of the notice of lien shall be executed by an officer of the Association and recorded upon payment of all sums secured by such lien.
- (d) Any encumbrancer holding a lien on any Lot may pay, but shall not be required to pay, any amounts secured by the lien created and authorized by this section, and upon payment of such sums, such encumbrancer shall be subrogated to and shall be entitled to an assignment of

all rights of the Association with respect to such lien, including but not limited to priority as to any other lien or interest in such Lot, except the right of first mortgagees as provided in Section 4.10.

- (e) The Association shall, upon written request, report to any first Mortgagee or other encumbrancer of a Lot the amount of the assessments remaining unpaid for a period longer than 30 days after the same shall become due.
- (f) Any assessments not paid within 30 days after the due date shall bear interest from the due date until paid at the rate of 8% per annum. No Owner may waive or otherwise escape personal liability for the assessments provided for herein by abandonment of his or her Lot. A suit to recover a money judgment for such expenses, with costs of collection and interest as provided for herein, shall be maintainable by the Association without foreclosing or waiving the lien securing the same.

4.10 Subordination of Lien to First Mortgages. The lien of assessments provided for herein shall be subordinate to the lien of any first Mortgage, and the sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to the foreclosure of a first Mortgage, or pursuant to any other proceeding or arrangement in lieu of such foreclosure, shall extinguish the lien of such assessments as to installments which became due prior to the effective date of such sale, transfer or acquisition by the Mortgagee to the end that no assessment liability shall accrue to an acquiring Mortgagee except with respect to installments of assessments becoming due after possession has passed to such acquiring Mortgagee, whether such possession has passed at the termination of any period of redemption or otherwise, and in the event of the extinguishment of such assessment lien as aforesaid, the entire amount of such unpaid assessment shall be reallocated and assessed against and payable by the Owners of all other Lots exclusive of such mortgaged Lot. No such sale, transfer or acquisition of possession shall relieve an Owner of a Lot from liability for any assessments thereafter becoming due or from the lien thereof, or shall relieve the person personally obligated to pay the assessments which were levied prior to the transfer of such property from the personal obligation to pay the same.

#### ARTICLE V. Easements

5.1 Easements. In addition to the easements, covenants, restrictions and conditions concerning architectural and exterior controls, all Living Units and Lots shall be subject to easements and covenants hereinafter specifically described for the benefit of the property or for the limited benefit of specified adjoining Lots, all as more fully set forth hereinafter in this article.

5.2 **Easements for Utilities and Drainage.** Utility and drainage easements are reserved as dedicated as shown on the recorded plat of The Bridges at Hanover. Within said easements, no building, structure, planting, fill 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 or impede the flow of water over said easements.

5.3 **Public Underground Utility Easements.** Each Lot over which a public utility easement has been dedicated, as shown on the recorded plat of the Property, shall be subject to a right and easement for underground general utility purposes over that portion of such Lot which is burdened with such dedicated public utility easements. Such utility purposes shall include but not be limited to sewer, water, electrical, cable television and telephone purposes, including the right to build, construct, reconstruct, rebuild, repair, maintain and operate underground sewer, water, electrical mains and telephone cables, and any surface connections to such underground mains, along with the right to enter upon and open the ground for such purposes, providing that all such openings shall be filled and the surface restored to its former condition. All such utility easements shall jointly run in favor of and inure to the benefit of the Owners of the Lots and any and all public authorities or utility companies maintaining or operating any utility facility upon such easement area.

5.4 **Roadway Easement.** As a benefit for all Living Units or Lots and as a burden affecting Outlots A, H, I and J, Declarant grants and conveys to each Lot described on Exhibit A and to each of the Owners for their use and for the use of their permittees in common with others entitled to use the same, a non-exclusive easement for egress and ingress for vehicular and pedestrian traffic (specifically including the passage of motor vehicles). The non-exclusive easements granted herein are and shall be for ingress and egress from each respective Lot over and across that part of the Outlots referred to above abutting the front or side lot line of each Lot for purposes of crossing that part of said Outlots (comprised by a 10-foot strip) for purposes of access from the adjacent public road to any Lot which abuts such 10-foot strip, which is part of an Outlot, so that each Lot owner shall have access from the adjacent street to his Lot over the said 10-foot strip common area.

5.5 **Utility Easement.** As a benefit for all Living Units or Lots and as a burden affecting Outlots A, H, I and J, Declarant grants and conveys to each Lot described on Exhibit A and to each of the Owners for their use and the use of utilities or utility companies for installation, maintenance, repair and replacement of water mains and laterals, telephone and electrical conduit systems, gas mains and other public facilities necessary for use of the improvements constructed on such Lots. The non-exclusive easement so granted shall be from, under, and over the said abutting 10-foot strip from the adjacent public street and over

the 10-foot strip contained within the aforesaid Outlots referred to in this paragraph above, to the Lot abutting such strip so that each Lot abutting a 10-foot strip within an Outlot shall have an easement for the purposes of obtaining and using utilities from and in the adjacent street.

#### ARTICLE VI.

##### Approval by Architectural Control Committee Prior to Construction

6.1 **Purpose and Authority.** In order to maintain the Criteria for Standards, to prevent the impairment of the attractiveness of the individual Lots and to maintain the desired tone of the residential community, and thereby secure to each Owner the full benefit and enjoyment of its Lot with no greater restriction on the free and undisturbed use of a Lot than is necessary to ensure the same advantages for the other Owners, an Architectural Control Committee is hereby established.

6.2 **Membership.** The Architectural Control Committee (hereinafter referred to as "Committee") shall be established and composed as follows:

- (a) Until a Certificate of Occupancy has been issued for Living Units constructed upon all of the Lots described on Exhibit "A", the Declarant shall name 3 individuals to serve as the Committee.
- (b) Following the issuance of Certificates of Occupancy as provided in Section 6.2(a) above, the Architectural Control Committee shall be composed of the Board of Directors of the Association or 3 or more representatives appointed by the Board of Directors.
- (c) In the event of the death or resignation of any member of the Committee, the remaining members shall have full authority to designate a successor.
- (d) The members of the Committee or its designated representatives shall be entitled to reasonable compensation for services performed pursuant to Article VI.

6.3 **Procedure.** Before commencing any permanent improvement on or to any of the described Lots, including landscaping, the construction or external alteration of any building, enclosure, fence or any other structure, the Owner shall first submit a site plan and plans and specifications in conformance with the requirements of the Permit and, including as applicable, in the sole discretion of the Committee, architectural, engineering and landscape plans, for the written approval of the Architectural Control Committee. The Committee shall be entitled to charge, and the person or persons submitting the plans shall pay, a fee of \$100.00 for each set of plans submitted for approval which will

not be refunded whether or not the plans are ultimately approved. Fees collected shall be payable to the Association.

The Committee's approval or disapproval shall be in writing. In the event the Committee or its designated representative fails to approve or disapprove within 30 days after plans and specifications have been submitted to it, or within said 30-day period submit the issue to arbitration as hereinafter provided, approval will not be required.

The Committee shall take into consideration the planned location of the proposed improvement, its conformity and harmony of external design with existing or planned improvements in The Bridges at Hanover and the location of the improvement with respect to topography and finished ground elevation. Conformity by the Owner with such requirements as may be imposed by the City of Hanover in connection with the issuance of a building permit for the Lot shall not create a presumption that such planned improvement is compatible and in harmony with the existing or planned development of other Lots. Conformity by the Owner with such requirements as may be imposed by the Committee in connection with the issuance of Committee approval shall not create a presumption that such planned improvement is in accordance with such requirements as may be imposed by the City of Hanover in connection with issuance of a building permit upon the Lot. In the event the approval of the Committee is not obtained within the 30-day period and a dispute exists between the Owner and the Committee in regard to a proposed improvement requiring Committee approval, the matter shall be determined by arbitration in the following manner:

- (a) Either party may, by written notice to the other within the 30-day period required for approval or disapproval of plans and specifications, appoint an arbitrator, which appointment shall be noted in writing to the other party. The other party shall, by written notice within 5 days after receipt of such notice by the first party, appoint a second arbitrator and in default of such second appointment, the first arbitrator appointed shall be the sole arbitrator.
- (b) When 2 arbitrators have been appointed as hereinabove provided, they shall, if possible, agree on a third arbitrator and shall appoint him or her by written notice, signed by both of them, with a copy mailed to each party therein within 5 days after such appointment.
- (c) In the event 5 days shall elapse after the appointment of the second arbitrator without notice of appointment of a third arbitrator as hereinabove provided, then either party or both may, in writing, within 10 days after the original appointments, request the City

Planner of the City of Hanover, State of Minnesota to appoint the third arbitrator.

- (d) On appointment of 3 arbitrators as hereinabove provided, such arbitrators shall hold an arbitration hearing at such place as they may designate within 30 days after such appointments. At the hearing, the rules of evidence of the State of Minnesota shall apply and the 3 arbitrators shall allow each party to present its case, evidence and witnesses, if any, in the presence of the other party, and shall render their decision, including a provision for payment of costs and expenses of arbitration to be paid by one or both of the parties hereto as the arbitrators deem just. Any costs and expenses charged to the Committee shall be paid by the Association.
- (e) The decision of the majority of the arbitrators shall be binding on the parties hereto.

#### ARTICLE VII.

##### Restrictions Applicable to Lots

7.1 No Lot shall be used except for residential purposes. No Living Unit shall be erected, altered, placed or permitted to remain on any Lot other than one single-family dwelling not to exceed 2 stories in height and an attached garage for at least 2 cars. No garages shall be erected on any site except attached garages and no attached garage for more than 3 cars shall be permitted without the express written approval of the Architectural Control Committee.

7.2 No Lot shall be used except for residential purposes and no Lot shall be subdivided or split by any means whatsoever into any greater number of residential Lots, nor into any residential plot of smaller size, without the express written consent of the Developer and the City of Hanover.

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

7.4 No Pets and Animals. No birds, animals or insects shall be kept on any Lot except dogs, cats and other common household pets, provided that they are not kept, bred or maintained for any commercial purposes.

7.5 Home Occupation. No profession or home industry shall be conducted in any Living Unit or on any Lot without the

specific, written approval of the Developer as long as it has Class "B" votes as hereinbefore defined or by the Committee thereafter. The Developer or the Committee, whichever has authority at the time in question, in its discretion, upon consideration of the circumstances in each case and particularly the effect on surrounding property, may permit a Lot to be used in whole or in part for the conduct of a profession or home industry. No such profession or home industry shall be permitted, however, unless it is considered by the Developer or by the Committee, whichever then has authority, to be compatible with the residential neighborhood.

7.6 Nuisances. No weeds, underbrush or other unsightly growths shall be permitted to grow or remain upon a Lot. No refuse pile or unsightly objects shall be allowed to be placed or suffered to remain on a Lot. In the event that an Owner of any Lot shall fail or refuse to keep such premises free from weeds, underbrush or refuse piles or other unsightly growths or objects, then the Developer or the Committee may enter upon such lands and remove the same at the expense of the Owner and such entry shall not be deemed as trespass, and in the event of such a removal, a lien shall arise and be created in favor of the Association and against such Lot for 125% of the full amount chargeable to such Lot, and such amount shall be due and payable within 30 days after the Owner is billed therefore. No Lot shall be used in whole or in part for the storage of rubbish of any character whatsoever, nor for the storage of any property or thing that will cause such Lot to appear in an unclean or untidy condition or that will be obnoxious to the eye; nor shall any substance, thing or material be kept upon any Lot that will emit foul or obnoxious odors, or that will cause any noise that will or might disturb the peace, quiet, comfort or serenity of the occupants of surrounding property. The outside storage of an unlicensed motor vehicle upon a Lot shall also be considered a nuisance.

7.7 Storage. Outside storage of trash and garbage containers, shall not be allowed unless effectively screened from view outside the Lot. The design of any screening enclosures must be approved by the Committee. Household trash and garbage shall be regularly collected and may be kept outside only if in tightly-covered containers. Garbage service collection shall be contracted for by the Association; provided, however, that upon vote of not less than 75% of the members entitled to cast votes, garbage service will be contracted individually.

- (a) Except as may be incidental to delivery or providing service, no commercial vehicle shall be stored or parked on any Lot outside of a garage.

7.8 Leasing. Any lease between an Owner and a 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, the Articles of Incorporation and By-Laws of the Association, and shall provide that any failure by the

non-owner occupant to comply with the terms of such documents shall be default under the lease. Other than the foregoing, there shall be no restrictions on the use of a Living Unit by a non-owner occupant.

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

7.10 **Temporary Structures.** No structure of 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.

7.11 **Driveways.** Driveways must be constructed of concrete, bituminous or other hard surface material. Material and installation shall be subject to approval of the Architectural Control Committee. Driveways must be installed within 1 year of the date a Certificate of Occupancy is issued for any dwelling constructed upon a Lot.

7.10 **Completion of Construction of Improvements.** All construction work shall, upon approval of plans by the Committee, be completed within one year of the date of approval; all improvements shall be constructed in conformity with the then existing building codes of the City of Hanover, Minnesota; and all building plans shall be prepared by or under the supervision of a registered architect, a builder or a qualified design professional. If any structure is begun after approval of the plans as provided in Article VI and is not completed within one year after the date of approval of said construction and, in the judgment of the Developer or the Committee, is offensive or unsightly in appearance, the Developer or the Committee may take such steps as may be necessary to make the Property harmonious with other properties, such steps including completion of the exterior of the structure, screening or covering the structure, or any combination thereof, or similar operations. The amount of any expenditure made in so doing shall be the personal, joint and several obligation of the Owner or Owners and shall be a lien on the Lot and may be foreclosed in the same manner as provided in Section 4.9(c). The lien herein shall not be valid as against a subsequent bona fide purchaser of the Lot in question, unless a statement setting forth the claim shall have been filed for record in the office of the County Recorder and/or Registrar of Titles of Hennepin County, whichever is appropriate, or unless a suit and appropriate Lis Pendens to foreclose the lien shall have been filed of record in the office of the County Recorder and/or Registrar of Titles of Hennepin County prior to the recordation of the deed conveying the Lot in question to said purchaser.



## ARTICLE VIII.

### Enforcement of Easements, Restrictions and Covenants

8.1 Each of the easements, restrictions and covenants as set forth herein shall be enforceable by the Declarant during the period specified in paragraph 6.2(a) and by any Owner of any Lot which is benefitted by such easement, restriction or covenant or any of their respective successors in title, but no other person shall have any right to enforce any such easements or restrictions and covenants, nor shall any other person other than the Declarant or such Owner, the Owner's tenants, invitees and licensees have any interest in the easements, restrictions and covenants hereby created and declared. Nothing contained herein shall constitute a dedication of any interest in such easements, restrictions and covenants to the public or give any members of the public any rights hereunder. Failure to enforce the easements or restrictions and covenants herein contained shall in no way be deemed a waiver of the right to do so thereafter.

8.2 Remedies for Violation. In the event of any violation or attempted or threatened violation of the terms hereof or any interference or attempted or threatened interference with the rights and obligations herein granted, each of the easements, restrictions and covenants may be enforced by a proceeding at law or in equity or both. If any person entitled to enforce the easements, restrictions and covenants shall elect to enforce the terms hereof by a proceeding in equity, such person may petition for a restraining order or injunction, temporary or permanent, prohibiting such violation or interference and demanding compliance with the provisions, which restraining order and injunction shall be obtainable upon proof of the existence of such violation or attempted or threatened violation or interference and without the necessity of proof of the inadequacy of legal remedies or irreparable harm.

8.3 Cost of Enforcement. If any of the easements or restrictions and covenants created herein are enforced by appropriate proceedings by any Owner or the Declarant, and if such Owner or the Declarant shall prevail in any such proceeding, such prevailing party may be reimbursed for all or any part of the costs incurred in the enforcement thereof, including but not limited to reasonable attorneys' fees, costs and expenses.

8.4 Invalidation. Invalidation of any of these covenants or restrictions by judgment or by court order shall not affect any of the other provisions which shall remain in full force and effect.

**ARTICLE IX.**  
**Insurance**

9.1 **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 liability as the Association shall determine to be necessary, against all acts, omissions to act and negligence of the Association, its officers, directors and its employees and agents, and for the members of the Architectural Control Committee. 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 times the estimated annual operating expenses and reserves of the Association.

9.2 **Annual Review of Policies.** All insurance policies shall be reviewed at least annually by the Board of Directors in order to ascertain whether the coverage contained in the policies is sufficient.

**ARTICLE X.**  
**Notice of First Mortgagees**

10.1 **Mortgagee's Rights.** Notwithstanding any other provisions of this Declaration, the Articles of Incorporation or the By-Laws of the Association, the provisions of this Article X shall control, and in the event of a conflict between the provisions of this article and the provisions of such Declaration, Articles or By-Laws, the provisions of this article shall control.

10.2 **Notice of Default.** Any Mortgagee holding a first Mortgage on a Lot, who shall have previously filed a written request with the Association, shall be entitled to written notification of any default by the mortgagor or Owner of such Lot or his or her heirs, successors or assigns in the payment of any assessment or the performance of any other duties or obligations herein set forth which shall have remained in default for a period of 30 days or more. The neglect or failure of the Association to tender such notice to the Mortgagee shall toll the running of any time limits applicable to the procedure for the collection of such assessment or remedies available to the Association on account of such default.

10.3 **Consent Required.** Without the prior written approval of 66-2/3% of the holders of first mortgage liens against all Lots, the Association shall not be entitled to:

- (a) by act or omission, seek to abandon, partition, subdivide, encumber, sell or transfer any Property which the Association shall have acquired for the benefit of the Owners;
- (b) change the method of determining the obligations, assessments, dues or other charges which may be levied against a Lot;
- (c) by act or omission, change, waive or abandon the scheme of exterior and architectural controls, as hereinabove set forth.

**ARTICLE XI.**  
**Ponding areas**

11.1 **Maintenance of Ponding Areas.** The Association may undertake to maintain any Ponding Areas upon the Property as located and shown on any final development plans and/or the Plat on file with the City of Hanover. In the event the Association has not undertaken to maintain the same, individual Owners of Lots containing ponding areas shall be obligated to maintain the same in accordance with Article IV of this Declaration. In the event the Association undertakes the obligation to maintain the ponding areas, the cost of such maintenance shall be accessed pro-rata against all Lots in the Property in accordance with Article IV of this Declaration.

11.2 **Restrictions on Use of Ponding Areas.** The Association shall have the right to control and restrict the utilization of ponding areas by Owners, their families, guests and invitees and shall be entitled to enact and enforce rules and regulations in connection therewith.

11.3 **Access to Ponding Areas.** Each Owner of a Lot containing a ponding area as shown on the final development plans and the plat on file with the City of Hanover does, in accepting a conveyance of said Lot, grant to the Association a specific easement in the areas dedicated for utility and drainage easements as shown on and dedicated in the Plat of the Bridges at Hanover for access to such ponding areas for the purpose of performing the maintenance and enforcing the restrictions set forth in Section 11.1 and Section 11.2.

**ARTICLE XII**  
**General Provisions**

12.1 **Enforcement by Association.** The Association shall have the right to enforce by a proceeding at law or in equity all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration, including but not limited to the collection of all assessments. In the event that the Association should employ the services of an attorney in connection with a breach of the terms

hereof, or in connection with the enforcement of the Terms hereof, and if the Association shall prevail in any such action, such Owner shall pay, in addition to all other sums due, the Association's reasonable attorneys' fees, costs and expenses. The failure by the Association to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. If these restrictions are enforced by appropriate proceedings by an Owner, such Owner may be reimbursed by the Association for all or any part of the costs incurred, as the Board of Directors of the Association shall in its sole discretion determine.

12.2 Severability. The invalidation of any one of these covenants or restrictions by legislation, judgment or court order shall in no way affect any other provision which shall remain in full force and effect.

12.3 Amendments. The provisions of this Declaration may be amended during the first 20 years by an instrument signed by Members entitled to cast no less than 90% of the votes of each class of membership, and thereafter by an instrument signed by Members entitled to cast no less than 75% of such votes. No amendment shall be effective until it shall have been properly recorded. Amendments or modifications of the Permit by the City of Hanover shall not be construed as an amendment to this Declaration for purposes of this paragraph.

12.4 Limitation on Declaration. The covenants, restrictions, easements, conditions and reservations imposed or established by or created under this Declaration, or any amendment hereto, shall run with and bind the Property for a period of 30 years from the date of the recordation of this Declaration and may be enforced as provided herein. After the expiration of said 30-year period, all of such covenants, restrictions, easements, conditions and reservations shall continue to run with and bind the Property for successive periods of 10 years each unless removed, changed or amended in whole or in part by Members entitled to cast 75% of each class of votes and evidenced by a recorded instrument executed by duly authorized officers of the Association.

12.5 Construction and Conflict. In the event of any apparent conflict between the Articles of Incorporation and the By-Laws of the Association and terms of this Declaration, this Declaration shall control. In the event of any apparent conflict between the Articles of Incorporation and the By-Laws of the Association, the terms of the Articles shall control.

12.6 Rules and Regulations. The Board of Directors of the Association may from time to time adopt such rules and regulations as the Board, in its sole discretion, deems appropriate or necessary, including, without limiting the generality of the foregoing, additional rules and regulations

concerning the use of parking areas, and additional rules and regulations concerning the appearance of each Lot.

12.7 **Rights of Declarant.** Until the last Lot is sold and conveyed to an Owner other than the Declarant, the following activities by Declarant, or 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 and sales office purposes;
- (b) the storage of a construction trailer, equipment, materials and earth during the construction of new Living Units;
- (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.


12.8 **Variations.** The restrictions applicable to Lots as specified in Article VII of this Declaration are intended for the benefit of all property Owners. The Declarant, however, acknowledges that exceptional conditions of a particular Lot may create peculiar and practical difficulties mitigating against the strict enforcement of a provision contained in Article VII. In the event an Owner believes that such exceptional conditions on a Lot create a hardship or special situation, an application for a variance may be made by an Owner to the Committee in accordance with Section 6.3 of this Declaration. An application for variance shall state on the application the reasons for allowing the variance, including:

- (a) that there are special circumstances or conditions affecting the Lot such that the strict application of a provision of Article VII would deprive the Owner of the reasonable use of the Lot;
- (b) the variance is necessary for the preservation and enjoyment of a substantial property right of the Owner;
- (c) the granting of the variance will not be detrimental to the public welfare or injurious to other Owners or Lots subject to the Declaration;
- (d) that the issuance of the variance will not have an adverse effect upon the health, welfare and safety of the Owners benefitted by this Declaration.

In considering a request for a variance from the strict application of Article VII of this Declaration, the Committee shall make a finding showing that all of the foregoing conditions exist and the Committee may impose any reasonable condition in

the granting of such variance in order to protect other Lots and Owners.

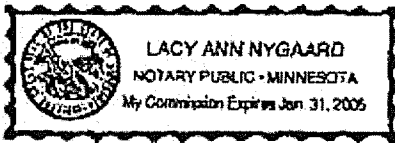
The decision of the Committee shall be final in regard to any application for variance and such decision shall not be subject to appeal either by arbitration or litigation. The granting of a variance by the Committee shall not be binding upon the City of Hanover, nor shall the granting of the variance by the City of Hanover be binding on the Committee.

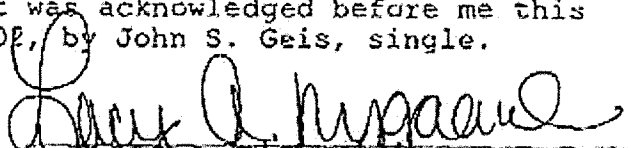
  
\_\_\_\_\_  
John S. Geis

STATE OF MINNESOTA)

COUNTY OF ~~HENNEPIN~~ <sup>SS</sup> *Wright*

*21<sup>st</sup>* The foregoing instrument was acknowledged before me this day of *February*, 2002, by John S. Geis, single.



  
\_\_\_\_\_  
Notary Public *Wright* County, MN

THIS INSTRUMENT WAS DRAFTED BY:

Miller Law Firm, P.A. - New Hope  
4900 Highway 169 North, Suite 106  
New Hope, MN 55428  
(763) 542-3030

*2002* AND PRIOR TAXES PAID  
TAXPAYER SERVICES  
TRANSFER ENTERED

MAR 13 2002

HENNEPIN COUNTY ~~MINN.~~  
*John Jensen*  
DEPUTY

EXHIBIT "A"

Lots 1 through 9, inclusive, Block 1;

Lots 1 through 8, inclusive, Block 2;

Lots 1 through 8, inclusive, Block 3;

Lots 1 through 13, inclusive, Block 4;

Lots 1 through 15, inclusive, Block 5;

Lots 1 through 8, inclusive, Block 6;

Lots 1 through 7, inclusive, Block 7;

Lots 1 through 3, inclusive, Block 9;

Outlots A, B, C, D, H, I and J,  
all in The Bridges at Harover, according to the  
recorded plat thereof, Hennepin County, Minnesota.

EXHIBIT "B"

(Common Area)

Outlots A, B, C, D, H, I and J,  
all in The Bridges at Hanover, according to the  
recorded plat thereof, Hennepin County, Minnesota.



EXHIBIT "C"

(Additional Land)

Outlot E, The Bridges at Hanover, Hennepin County,  
Minnesota.

Chiti  
VB

11/5

7684398

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OFFICE OF COUNTY RECORDER  
HERNANDEZ COUNTY, TEXAS

CERTIFIED TRUE AND COR  
RECORDED BY

2002 MAR 26 PM 3: 25

AS ORDERED BY **7684398**

*Shirley R. ...* CO. REC.

BY *[Signature]* DEPUTY

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