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VICTOR GARDENS

MASTER DECLARATION

OF COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS

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**VICTOR GARDENS MASTER DECLARATION
OF COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS**

TABLE OF CONTENTS

SECTION 1	
DEFINITIONS	2
SECTION 2	
PROPERTY.....	6
SECTION 3	
ASSOCIATION STRUCTURE, AUTHORITY AND MEMBERSHIP	8
SECTION 4	
MASTER COMMON ELEMENTS AND PROPERTY RIGHTS.....	12
SECTION 5	
EASEMENTS.....	13
SECTION 6	
ASSESSMENTS FOR MASTER COMMON EXPENSES.....	16
SECTION 7	
USE RESTRICTIONS	21
SECTION 8	
ARCHITECTURAL AND LANDSCAPE STANDARDS.....	28
SECTION 9	
MAINTENANCE OBLIGATIONS	35
SECTION 10	
INSURANCE AND RECONSTRUCTION.....	38
SECTION 11	
COMPLIANCE AND REMEDIES	39
SECTION 12	
MASTER DEVELOPER RIGHTS.....	41
SECTION 13	
RIGHTS TO ADD PROPERTY, COMBINE AND SUBDIVIDE	42

SECTION 14	
AMENDMENTS.....	44
SECTION 15	
INDEMNIFICATION.....	45
SECTION 16	
MISCELLANEOUS	45

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**MASTER DECLARATION OF COVENANTS,
CONDITIONS, RESTRICTIONS AND EASEMENTS**

VICTOR GARDENS

This Master Declaration of Covenants, Conditions, Restrictions and Easements (the "Master Declaration"), is made and executed this 23 day of January, 2003, by POA - Scherer LLC, a Minnesota limited liability company (the "Master Developer"), pursuant to Section 515B.2-121(f)(1) of the Minnesota Common Interest Ownership Act.

WITNESSETH

WHEREAS, the Master Developer is the owner of certain real property located in Washington County, Minnesota, and legally described in Exhibit A attached hereto (the "Property"); and

WHEREAS, the Master Developer has the option to add the real property legally described in Exhibit B attached hereto (the "Additional Property") to the Property; and

WHEREAS, the Master Developer has established the Master Association, as defined in this Master Declaration, to act as a "master association" within the meaning of the Minnesota Common Interest Ownership Act, Minnesota Statutes Chapter 515B, as amended ("MCIOA"), for the purposes described in this Master Declaration; and

WHEREAS, the real property served by the Master Association will include real property exempt from MCIOA by reason of the exclusion set forth in Minnesota Statutes Section 515B.1-102(e)(2) and may, if Additional Property is subjected to the Master Declaration, include real property subject to MCIOA; and

WHEREAS, the Property and any Additional Property subjected to the Master Declaration shall not, collectively, constitute a separate common interest community, and

WHEREAS, the Master Developer desires to provide for the administration of certain services for the Property; the enforcement of the covenants, conditions and restrictions contained in this Master Declaration; and the preservation of the value, amenities and architectural character of the Property; and to this end wishes to subject the Property to this Master Declaration.

THEREFORE, the Master Developer subjects the Property to this Master Declaration, declaring (i) that this Master Declaration shall constitute covenants to run with the Property and (ii) that the Property shall be owned, encumbered, used, operated, occupied and conveyed subject to the covenants, conditions, restrictions, easements, charges and liens described in this Master Declaration, all of which shall be binding upon all Persons having or acquiring any right, title or interest therein, and their heirs, personal representatives, successors and assigns.

SECTION 1

DEFINITIONS

The definitions in this Master Declaration are for reference only, and shall not affect any apparently similar or related definitions contained in any governmental law, ordinance or regulation. Terms not otherwise defined shall have the meanings ascribed to them in MCIOA. The following terms, as used in this Master Declaration, shall have the following meanings:

1.1 "Accessory Building" means a building separate from the principal Dwelling, located within a Residential Unit and meeting the requirements established by this Declaration, the A.R.C. and the City.

1.2 "Additional Property" means the real property described in Exhibit B attached hereto, and all improvements located thereon, now or in the future, which Additional Property the Master Developer has the unilateral right to add to the Property.

1.3 "Alleys" means the area within an easement established and described by a recorded instrument against certain Units which is paved or intended to be paved or otherwise surfaced, now or in the future, by the Master Developer for use for alley, vehicular access and maneuvering purposes, pedestrian access and walkway purposes for the benefit of the Owners and Occupants of such Units and the invitees of such Owners and Occupants.

1.4 "Apartment Village Owner" means the owner of an Apartment Village Unit.

1.5 "Apartment Village Unit" means a platted lot subject to this Master Declaration upon which a multi-family apartment or residential rental building, or groups of buildings,

containing rental Dwellings, all having common ownership, are located or intended to be located.

1.6 "Architectural Review Committee" or "A.R.C." means the committee of the Master Association which makes determinations concerning architectural standards for the Property as provided in Section 8 of this Master Declaration.

1.7 "Articles of Incorporation" means the Articles of Incorporation of the Master Association as they may exist from time to time.

1.8 "Assessment Allotments" means a factor assigned to each Unit in accordance with Section 6.5.3 for purposes of determining such Unit's pro rata share of Master Annual Assessments and Master Special Assessments.

1.9 "Builder" means a Person who acquires a Residential Unit or all or part of Village Property from the Master Developer or a Village Developer for the construction and sale of one or more Dwellings thereon.

1.10 "CIC Village" means a Village in which all Units are subject to MCIOA.

1.11 "CIC Unit" means a part of a CIC Village containing one or more levels or rooms which is intended for separate ownership, the boundaries of which are described in the Village Governing Documents and identified as a Unit on a recorded plat for part of the Property pursuant to the requirements of Section 515B.2-110(c) of MCIOA or Minnesota Statutes Chapter 505, 508 or 508A, as applicable.

1.12 "City" means the City of Hugo, Minnesota.

1.13 "Design Guidelines" means the Architectural Review & Design Guidelines for Victor Gardens described in Section 8.4.5.

1.14 "Dwelling" means all or part of a building consisting of one or more floors, designed and intended for occupancy as a single family residence and constituting or located within a Unit. A Dwelling may be located in attached or detached structures. The Dwelling includes any garage located within the boundaries of a Residential Unit in which the Dwelling is located.

1.15 "Improvement" means any physical improvement of any kind, including without limitation any building, retaining or other wall, fence, sign, enclosure, screening, sport court, basketball hoop, fire pit, exterior lighting, gazebo, utilities system, communications system, irrigation or drainage system, pond, roadway, trail, planting, landscaping, or any other type of structure or physical improvement, and any additions or changes thereto, located on the Property.

1.16 "Landscape Requirements" means the Landscape Policy & Requirements described in Section 8.4.6.

1.17 "Master Annual Assessment" means a Master Assessment levied annually under Section 6.2 of this Master Declaration.

1.18 "Master Assessments" means, collectively, all assessments for Common Expenses levied by the Master Association under Section 6 of this Master Declaration.

1.19 "Master Association" means Victor Gardens Community Association, a non-profit corporation created pursuant to Minnesota Statutes Chapter 317A and Section 515B.2-121(a) of MCIOA, and its successors and assigns. The Association is a "master association" as defined in MCIOA.

1.20 "Master Board" or "Master Board of Directors" means the board of directors of the Master Association, which is the governing body of the Master Association.

1.21 "Master Bylaws" means the Bylaws of the Master Association as amended from time to time.

1.22 "Master Common Elements" means all portions of the Property, or interests therein, now or hereafter owned by the Master Association and intended for the common use and enjoyment of the Owners and Occupants and their invitees. The Master Common Elements are described in Exhibit C. Exhibit C may be amended from time to time to include additional Master Common Elements as authorized by Sections 2.2 and 2.3.

1.23 "Master Common Expenses" means all expenditures lawfully made or incurred by or on behalf of the Master Association and incident to its operation, including without limitation any allocations to reserves.

1.24 "Master Developer" means POA - Scherer LLC, a Minnesota limited liability company, and its successors and assigns, and to any Person who, pursuant to the terms of this Master Declaration or MCIOA, succeeds to any the Master Developer Rights.

1.25 "Master Developer Control Period" means the time period during which the Master Developer has the exclusive right to appoint the members of the Master Board, as described in Section 12.5 of this Master Declaration.

1.26 "Master Developer Rights" means the exclusive rights reserved to the Master Developer to control the Master Association and complete the development of the Property, as described in Section 12 of this Master Declaration.

1.27 "Master Declaration" means this instrument and all exhibits hereto, as amended from time to time, recorded in the office of the Washington County Recorder.

1.28 "Master Governing Documents" means this Master Declaration, and the Articles of Incorporation and Bylaws of the Master Association, as amended from time to time, all of which shall govern the use and operation of the Property.

1.29 "Master Rules" means rules, as may be approved from time to time by the Master Board, which relate to the Master Association's affairs, or the use or operation of the Property, and apply to the entire Property.

1.30 "Master Special Assessment" means a Master Assessment levied under Section 6.3 of this Master Declaration.

1.31 "Member" means a member of the Master Association as described in Section 3.4 of this Master Declaration.

1.32 "Mortgagee" means a Person which is the holder of a loan secured by a mortgage on any portion of the Property, and its successors and assigns.

1.33 "Occupant" means any person other than an Owner occupying a Dwelling.

1.34 "Owner" means the owner of a Unit. The term Owner shall exclude a Mortgagee, contract for deed vendor and other secured party, and any holder of the reversionary interest in a life estate, unless and until such Person acquires the fee title to the Unit.

1.35 "Person" means a natural person, corporation, limited liability company, partnership, limited liability partnership or other legal entity.

1.36 "Property" means the real property subject to this Master Declaration, and other property which is subsequently subjected to this Master Declaration from time to time, together with all Improvements located thereon.

1.37 "Residential Unit" means a platted lot subject to this Master Declaration upon which one single family detached Dwelling, or two Dwellings permitted pursuant to Section 7.5, are located or intended to be located.

1.38 "Unit(s)" means (i) a Residential Unit, or (ii) a CIC Unit, or (iii) an Apartment Village Unit.

1.39 "Village" means one or more Units, and their related Village Property (if any), which is designated as a Village in accordance with Section 3.3 of this Master Declaration.

1.40 "Village Assessment" means a Master Assessment levied against a certain Village Association or Apartment Village Owner, but not all of the Village Associations and Apartment Village Owners, in accordance with Section 6.4 of this Master Declaration.

1.41 "Village Association" or "Village Associations" means the owners' association or associations formed to govern a certain Village or Villages of Residential Units or CIC Units.

1.42 "Village Board" means the Board of Directors of a Village Association.

1.43 "Village Common Expenses" means all expenditures lawfully made or incurred by a Village Association for the benefit of that Village, and incident to the operation of that Village, including without limitation any allocation to reserves and any Village Assessments by the Master Association.

1.44 "Village Declarant" means a declarant, as defined in MCIOA, with respect to a CIC Village.

1.45 "Village Developer" means a Person (i) who is the Apartment Village Owner, or (ii) which is named as the developer of the Village in the Village Governing Documents for that Village.

1.46 "Village Director" means a member of a Village Board.

1.47 "Village Governing Documents" means the articles of incorporation, bylaws, and declaration or other recorded instrument, creating or governing a Village or Villages of Residential Units or CIC Units.

1.48 "Village Plat" means the recorded plat or part thereof depicting a Village pursuant to the requirements of MCIOA, or Minnesota Statutes Chapter 505, 508 or 508A, as applicable, including any amended plat, supplemental plat or replat recorded from time to time.

1.49 "Village Property" means an Apartment Village Unit or all the real property which is subject to the Village Governing Documents of a Village or Villages of Residential Units or CIC Units.

1.50 "Village Rules" means rules approved from time to time by an Apartment Village Owner, a Village Board or Village Boards, which only apply to a particular Village or Villages.

SECTION 2

PROPERTY

2.1 Property. The Property subject to this Master Declaration is described in Exhibit A attached hereto. Exhibit A may be amended from time to time to include other property, as authorized by Sections 2.2 and 2.3.

2.2 Annexation of Additional Property. The Master Developer may, but is not obligated to, subject all or any part of the Additional Property described in Exhibit B to this

Master Declaration as part of the Property; provided, that such additions shall be timed so as to accommodate the recording of the Village Governing Documents relating to any Village of Residential Units or CIC Units to be located on such Additional Property. This right shall be exercised by the Master Developer in accordance with the provisions of Section 13 of this Master Declaration. Any property so annexed may be designated as Master Common Elements, or Units or other Village Property.

2.3 Annexation of Other Property. In addition to the Additional Property, other real property may be annexed to the Property and subjected to this Master Declaration with the prior written approval of (i) the Master Board, (ii) the Master Developer so long as the Master Developer owns an unsold Unit for sale or has the right to subject any Additional Property to this Master Declaration, (iii) the Village Developer, Village Declarant or Apartment Village Owner of any new Village to be located on the property being added, (iv) the Apartment Village Owner of an Apartment Village Unit to which the property is being added, and (v) the Village Declarant or Village Developer of any Village of Residential Units or CIC Units to which the property is being added so long as it owns an unsold Unit for sale in the existing Village. Any property so annexed may be designated as Master Common Elements, or Units or other Village Property. The Master Governing Documents shall be amended, as necessary, to subject the property to this Master Declaration, and to real locate Master Common Expense obligations, voting rights and memberships, and the amendment to the Master Declaration shall be recorded.

2.4 Deannexation of Property. Portions of the Property may be deannexed and withdrawn from this Declaration subject to the following requirements: (i) the Property shall be owned by the Master Developer, (ii) the deannexation shall be approved by the Master Developer and Master Board, and (iii) an amendment to this Declaration describing the deannexation and the parcel being deannexed shall be executed by the Master Developer and the Master Association, consented to by any mortgagee of the deannexed parcel, and recorded. Upon recording of the amendment, the deannexed parcel shall no longer be subject to this Master Declaration.

2.5 Interests Subject to Plan of Development. Every Owner, Village Declarant, Village Developer, and Apartment Village Owner, and any secured party or other Person holding or acquiring an interest in a Unit, shall take title or hold such interest subject to the Master Developer's rights pursuant to this Master Declaration. Notwithstanding anything to the contrary in this Master Declaration, the Master Developer's rights or obligations under the Master Governing Documents may not be changed in whole or in part without the prior written consent of the Master Developer, which consent may be granted or denied in the Master Developer's sole and absolute discretion.

SECTION 3

ASSOCIATION STRUCTURE, AUTHORITY AND MEMBERSHIP

3.1 Formation/Purposes/Powers. The Master Developer has formed the Master Association as a Minnesota non-profit corporation pursuant to Minnesota Statutes Chapter 317A and Section 515B.2-121 (a) of MCIOA. The Master Association is formed, and shall have the obligation and the power, to perform the following functions:

3.1.1 To perform the maintenance obligations set forth in Section 9 of this Master Declaration.

3.1.2 To administer and enforce the covenants, conditions, restrictions, easements, and other rights and obligations, set forth in the Master Governing Documents and the Master Rules.

3.1.3 To control, preserve and enhance the architectural and environmental character of the Property.

3.1.4 To promote the sense of community among Owners and Occupants by organizing, promoting and sponsoring community and social events and activities.

3.1.5 To administer and enforce the covenants, conditions, restrictions, easements and other rights and obligations set forth in a Village's Governing Documents or Village's Rules if (i) the Master Association determines the Village Association or Apartment Village Owner has failed to administer or enforce a covenant, condition, restriction, easement, or other right or obligation set forth in the Village Governing Documents or Village Rules, (ii) such failure to administer and enforce is found by the Master Association to cause material harm, nuisance, damage, loss of value, or adverse impact on any Property, Occupant, or Owner within another Village and (iii) the responsible Village Association or Apartment Village Owner fails to administer or enforce such covenant, condition, restriction, easement, or other right or obligation within sixty days following Master Association's written notice to the Village Board or Apartment Village Owner.

3.1.6 To review and resolve disputes or disagreements between or among Village Associations and Apartment Village Owners. The decision by the Master Association shall be binding upon the Village Associations and Apartment Village Owners subject to the Village Associations' and Apartment Village Owners' rights afforded by law to commence and pursue legal action in Washington County District Court or Federal Court within the State of Minnesota.

3.1.7 To perform any other obligation or power delegated to the Master Association by a Village Association in accordance with and subject to the Village Governing Documents and MCIOA provided such delegated obligation or power has

been accepted by (i) approval of the Master Board on behalf of the Master Association and (ii) the Master Developer so long as it owns an unsold Unit for sale or has the right to subject any Additional Property to this Master Declaration.

3.2 Authority and Administration. The operation and administration of the Master Association shall be governed by the Master Governing Documents, the Master Rules, MCIOA and the Minnesota Non-profit Corporation Act, Minnesota Statutes Chapter 317A (the "Corporate Act").

3.2.1 The Master Association is responsible for the overall operation, management and control of the Property. The Master Association shall have and exercise all powers relating to the operation and maintenance of the Property on behalf of its Members and all Owners and Occupants, except to the extent that such powers are expressly reserved to one or more of the Village Associations and Apartment Village Owners or relinquished by the Master Association in accordance with the procedures described in the Master Bylaws. All Village Governing Documents shall contain provisions delegating the powers of those Village Associations to the Master Association, subject to the foregoing reservation or relinquishment of powers.

3.2.2 All power and authority of the Master Association is vested in the Master Board, unless action or approval by the Members is specifically required by the Master Governing Documents or MCIOA. All references to the Master Association mean the Master Association acting through the Master Board unless specifically stated to the contrary.

3.2.3 It is recognized that the interests of the Members may be served in the future by expanding or restricting the Master Association's powers. The powers of the Master Association may be expanded by amending this Master Declaration, and the Master Bylaws if necessary for consistency, and the Village Governing Documents for the Villages which are affected by the change in powers, if necessary.

3.3 Villages. Separately designated and developed parcels of the Property comprised of discreet types of development or use, including, without limitation, single-family detached houses; multi-plex, townhomes or zero lot line homes; condominiums; an apartment or residential rental building or a group of buildings; or any other separately designated area within the Property devoted to a discreet purpose, may be designated as a Village, or a Village may be comprised of more than one housing type. New, additional Villages may be created or added pursuant to Section 2.2 or 2.3, or replatted from existing outlots. Villages are subject to division or combination into more or fewer Villages in accordance with the Master Governing Documents.

3.3.1 A Village containing Residential Units or a Village containing CIC Units shall be created by, and the Units within that Village shall be subject to, a declaration or similar recorded instrument containing covenants, conditions, restrictions and easements consistent with the Master Governing Documents. The Master Developer,

and the Village Declarant or Village Developer of a Village having Residential Units or a Village having CIC Units, shall ensure that the Village Governing Documents authorize the Master Association to exercise the powers described in this Master Declaration and are otherwise consistent with the Master Governing Documents. The Master Developer has the power to (i) redesignate Village boundaries, (ii) change the number of Units in a Village or (iii) combine or subdivide two or more Villages; subject to the requirements of Section 13 of this Master Declaration. The affected Village Governing Documents shall be amended as necessary to reflect such changes, and to fairly reallocate voting rights, Village Common Expense obligations and memberships.

3.3.2 In addition to the Master Developer's right to add to, subdivide or combine Villages under Section 13, a Village Declarant, a Village Developer, an Apartment Village Owner or a Member may petition the Master Board for an addition to, or combination or subdivision of, a Village. The petition shall include specific details of the proposed change, together with any other information reasonably required by the Master Board. Unless otherwise agreed by the Master Board, the Person(s) making the petition shall be responsible for the payment of all fees and costs in connection with the change. The Master Governing Documents and the affected Village Governing Documents shall be amended as necessary to reflect the change, and to fairly reallocate voting rights, Master Common Expense obligations and memberships. The amendments must be approved in writing by (i) the Village Boards or Apartment Village Owner of the affected Villages; (ii) the Master Board; (iii) the Master Developer so long as it owns an unsold Unit for sale or has the right to subject any Additional Property to this Master Declaration; and (iv) the Village Declarant or Village Developer of an affected Village so long as it owns an unsold Unit for sale in the Village or has the right to subject additional property to Village Governing Documents.

3.3.3 Each Village of Residential Units and each Village of CIC Units shall have a Village Board, which shall be elected by the Owners of Units which are located in that Village. The Village Board shall administer the affairs of the Village Association in accordance with the Village Governing Documents for that Village.

3.3.4 Except as expressly authorized by this Master Declaration, no Village shall be terminated, no Village Governing Documents shall be amended, and no Village Association shall be dissolved or subjected to bankruptcy or insolvency proceedings, without the prior written approval of (i) the Master Board, (ii) the Master Developer so long as it owns an unsold Unit for sale or has the right to subject Additional Property to this Master Declaration, and (iii) the Village Developer or Village Declarant so long as it owns an unsold Unit for sale in the Village or has the right to subject additional property to the Village Governing Documents.

3.4 Membership. Membership in the Master Association is governed by the following qualifications:

3.4.1 Each Village Association and each Apartment Village Owner shall have one membership in the Master Association, subject to the qualifications set forth in this Section 3.4. The membership shall attach to a Village Association at the time the declaration or other recorded instrument creating the Village is recorded. The membership shall attach to an Apartment Village Unit at the time the Apartment Village Unit is created and subjected to this Master Declaration as part of the Property. Except as expressly provided in this Master Declaration, a membership shall be appurtenant to and shall not be separated from the Village Association or Apartment Village Unit to which it is attached, and shall be automatically transferred to any successor Village Association or Apartment Village Owner.

3.4.2 Rights with respect to a Village Association membership shall be exercised by the Village Board, or representatives elected from among the Village Board members, as provided in the Master Bylaws. Rights with respect to an Apartment Village Unit shall be exercised by the Apartment Village Owner or its duly designated representative.

3.4.3 No Person holding a security interest in any part of the Property shall be a Member solely by reason of such interest.

3.4.4 Additional memberships in the Master Association may be created only by (i) subjecting Additional Property or other property to this Master Declaration, and creating one or more Villages on the annexed property, or (ii) subdividing a Village and creating two or more new Villages, in accordance with the requirements of this Master Declaration.

3.4.5 Memberships may be combined upon the combination of one or more Villages in accordance with the requirements of this Master Declaration. A membership shall attach to each surviving Village Association as provided in the Master Bylaws.

3.5 Member Voting. The Village Associations and Apartment Village Owners constitute the sole class of voting Members. The Members' voting rights and voting procedures are set forth in the Master Bylaws.

3.6 Master Bylaws. The Master Association shall have Master Bylaws. The Master Bylaws govern the operation and administration of the Master Association, subject to this Master Declaration in the event of a conflict. The Master Bylaws are binding upon all Members, Owners and Occupants, and their invitees, all secured parties and all other Persons holding or acquiring any interest in the Property.

3.7 Master Board of Directors. The Master Association's affairs are administered and managed by the Master Board of Directors, as provided in the Master Bylaws. Directors shall be elected, serve and exercise their powers as provided in the Master Bylaws.

3.8 Scope and Binding Effect of Actions. All agreements and determinations made by the Master Association in accordance with the powers and purposes established by the Master Governing Documents are binding upon all Persons having any interest in or using the Property.

3.9 Management. The Master Board may delegate to a manager or managing agent the management duties imposed upon the Master Association's officers and directors by the Master Governing Documents. However, such delegation does not relieve the officers and directors of the ultimate responsibility for the performance of their duties as prescribed by the Master Governing Documents and by law. The Master Developer and/or an affiliate of the Master Developer may be employed as the manager of the Master Association and/or the Property pursuant to a separate, written agreement, subject to termination as provided by MCIOA or the management agreement.

3.10 Master Rules. The Master Board has the exclusive authority to approve and implement such reasonable Master Rules as it deems necessary from time to time for the purpose of exercising and implementing its powers; provided that the Master Rules shall not be inconsistent with the Master Governing Documents or MCIOA. The inclusion in other parts of the Master Governing Documents of authority to approve Master Rules is in furtherance, and not in limitation, of the authority granted by this Section. New or amended Master Rules shall be effective only (i) after thirty days' prior notice, with copies of the changes to the Master Rules, has been given to the Members and Owners, and (ii) with the prior written consent of the Master Developer so long as the Master Developer owns an unsold Unit or has the right to subject Additional Property to this Master Declaration.

3.11 Appointment of Officers and Directors by the Master Developer. The Master Developer has the exclusive right to appoint the officers and directors of the Master Association during the Master Developer Control Period, as set forth in Section 12.5.

SECTION 4

MASTER COMMON ELEMENTS AND PROPERTY RIGHTS

4.1 General. Those parts of the Property owned by the Master Association and not included within the Units constitute Master Common Elements, which shall be owned by the Master Association for the benefit of the Owners and Occupants. The Owners and Occupants shall have a reasonable right of use and enjoyment in the Master Common Elements. The rights, easements and obligations attributable to a Unit shall pass with the title to the Unit as an appurtenance thereto, whether or not specifically described.

4.2 Management and Operation. Except as otherwise expressly provided in the Master Governing Documents, the Master Association shall manage, operate, maintain, repair and replace the Master Common Elements. Master Common Expenses for the operation of the Master Association, and the maintenance, repair, replacement and management of the Master

Common Elements, shall be assessed against and collected from the Members in accordance with Section 6.

4.3 Title to Master Common Elements. When Additional Property or other property is subjected to this Master Declaration, title to that portion of such Additional Property or other property constituting Master Common Elements shall simultaneously be conveyed to the Master Association. Master Common Elements shall be conveyed and owned subject to: (i) building and zoning laws, and state and federal regulations; (ii) reservations of mineral rights in the State of Minnesota; (iii) the lien of real estate taxes not yet due and payable; (iv) this Master Declaration, and other agreements, easements, covenants, conditions and restrictions of record; and (vi) any exceptions which would be apparent from a survey or physical inspection of the property in question.

4.4 Limitations on Rights and Easements. The easements and other rights of the Members, Owners and Occupants with respect to the Master Common Elements shall be subject to the obligations, conditions and restrictions described in this Master Declaration, all of which shall be appurtenant to and pass with the title to each Unit.

SECTION 5

EASEMENTS

The following appurtenant easements and rights are hereby granted or reserved, as applicable, over, under and across the Property.

5.1 Utilities and Drainage. There are non-exclusive easements in favor of any public authority or agency, or public or private provider, for the installation, maintenance, repair and replacement of storm and sanitary sewers, drainage systems, irrigation systems, storm water retention ponds and related facilities, and electrical, gas, and water lines, on, under and across the Property, as shown on the recorded plat(s) for the Property or described in other recorded instruments. No structure or other Improvement shall be erected or maintained, nor shall any fill or other material be placed in an easement area, which may damage or interfere with the installation or maintenance of utilities, or which may change the direction or impede the flow of water over any drainage easements.

5.2 Communications. There are nonexclusive easements in favor of authorized providers of telephone, cable TV, fiber optics, security, data and other communications services on, under and across the Master Common Elements, and utilities easement areas shown on the recorded plat(s) for the Property or described in other recorded instruments, for the purpose of installing, replacing, repairing, maintaining and using equipment and other Improvements relating to the foregoing services.

5.3 Public Safety and Health. There are nonexclusive easements in favor of the City and other applicable governmental authorities or agencies as shall from time to time have

jurisdiction over the Property, upon and across the unimproved portions of the Property for reasonable access to perform such duties related to law enforcement, fire protection, life safety, health and sanitation as reasonably required from time to time.

5.4 The Master Developer Rights. There are exclusive easements in favor of the Master Developer for the exercise of the Master Developer Rights, which easements shall terminate when the Master Developer no longer owns a Unit or has a right to add Additional Property to the Property, whichever is later.

5.5 Master Association Access. There is a non-exclusive easement in favor of the Master Association, including without limitation any management agent or service vendor retained by the Master Association, for access on and across the yard areas of the Village Properties, for the purpose of (i) performing the Master Association's obligations under the Master Governing Documents, (ii) to maintain, repair and replace any retaining wall or barrier that supports, affects or impacts Master Common Elements, (iii) to maintain, repair and replace any retaining wall or barrier that is a continuation of any retaining wall required to be maintained by the Master Association or that is partially located across Master Common Elements, and (iv) to mow or otherwise maintain the street side of any landscape berm located adjacent to a public street, lane or thoroughfare. Except in the event of emergencies, this easement shall be exercised only during normal business hours and then, whenever practicable, only upon advance notice to the Owner or Occupant directly affected.

5.6 Environmental Compliance. There are nonexclusive easements in favor of the Master Association, the City and other applicable governmental authorities, and their respective agents, employees, successors, and assigns, on and across the Master Common Elements and the yard areas of the Village Properties for the purpose of taking any action necessary to effect compliance with environmental laws, related Master Rules, and regulations or procedures promulgated by the Master Board or any governmental authority. Such easement shall include without limitation the right to implement erosion control procedures, the right to drain and redirect water, the right to control access, and the right to correct any condition on the Property which violates any governmental restrictions. The exercise of these easement rights shall be in compliance with all applicable environmental laws and regulations.

5.7 Encroachments. There is an exclusive easement for encroachments for the benefit of the encroaching Improvement in the event that a Dwelling or any other Improvement now or hereafter constructed encroaches upon an adjoining Unit, Village Property or the Master Common Elements due to nonmaterial inaccuracies in survey, construction, reconstruction, settlement, movement or the like. The easement shall continue for as long as the encroachment exists and shall not affect the marketability of title. This easement for encroachments shall also include an easement for the maintenance and use of the encroaching Improvements.

5.8 Entrance Signs and Monuments. The Master Developer and the Master Association, or their designees, shall erect and maintain entrance monuments, signs and

related Improvements identifying the Property or specific Villages or features, on one or more portions of the Master Common Elements, Village Property common elements, parks or open areas dedicated to the City, or parts of one or more Units for which an exclusive easement is granted in favor of the Master Developer and the Master Association, or their designees, to erect, improve, maintain, repair and replace said entrance monuments, signs and related Improvements.

5.9 Public Trails. Public trails, if any, located upon the Property, including Village Property, and the use of such trails, shall be subject to any restrictions set forth in any recorded documents regulating or granting easements over the trail areas. The Master Board may adopt Master Rules for the regulation and safety of such trails. Unless otherwise provided in a recorded easement document signed by the Master Developer or Master Association and the City, such trails shall be restricted to pedestrian use by Owners, Occupants and their guests, and no motorized vehicles or other motorized transportation devices shall be permitted on any such trail except for motorized devices used by disabled or handicapped persons.

5.10 Alley Easements. Certain Units are subject to and are the beneficiary of an easement for the benefit of those Units, the Owners and Occupants of such Units and the invitees of such Owners and Occupants, for alley, vehicular access and maneuvering purposes, pedestrian access and walkway purposes over and across portions of the Units which are paved or intended to be paved or otherwise surfaced, now or in the future, by Master Developer for use as an Alley and maneuvering area **for the exclusive benefit of the Units upon which the entire Alley is located**. The Master Association also has an easement over the Alley for the purpose of performing repairs, replacement and maintenance of the Alleys.

5.11 Restriction on Third Party Easement Grants. No Owner, Member, Village Association, Village Declarant nor Village Developer shall grant any easement or similar rights upon any portion of the Property without the prior written approval of the Master Developer so long as the Master Developer has the right to subject Additional Property to the Declaration or owns an unsold Unit for sale; provided, that such approval shall not be unreasonably withheld if the easement is for a purpose consistent with the Village Governing Documents or reasonable use of the Apartment Village Unit and does not prejudice the rights of any Owners, the Master Developer, or any Village Declarant or Village Developer.

5.12 Continuation. Use and Scope of Easements. The rights and easements granted or reserved by this Section 5 shall be permanent and appurtenant, unless otherwise indicated. The easements shall supplement and not limit any easements described elsewhere in this Master Declaration or any recorded instrument. The easements shall be subject to such limitations as to location and routing as may be imposed by any governmental authority or the Master Association. The easements shall include reasonable access over and across the Property to maintain, repair, replace and reconstruct any Improvements installed or constructed in the easement areas. Persons exercising easement rights shall take reasonable care to avoid damaging the Property, and shall promptly repair any damage which they or

their employees or agents caused, or reimburse the Master Association for all costs of repair if it undertakes the repair.

5.13 Creation of Additional Easements. The Master Developer hereby reserves the right, in the event that part or all of the Additional Property is not added to the Property, to have, use, create, grant and convey the following easements for the benefit of the Additional Property not added (the "Excluded Property"), for the following purposes and under the following conditions:

5.13.1 To connect any utilities, cable TV, data, electronic communication or other service systems or facilities constructed on the Excluded Property to any utilities, cable TV, data, electronic communication or other systems providing services to the Property, including the right to utilize such facilities and services as are located within or serve the Property.

5.13.2 To have reasonable access over and under the Property to install, repair, maintain and replace all utilities and related facilities and systems installed on the Excluded Property, and to do such other acts as are necessary to connect with and utilize such services, facilities and systems located on the Property.

5.13.3 To have reasonable access to the Excluded Property.

5.13.4 To cause to be recorded against the Property and the Excluded Property such instruments as may be reasonably necessary to create and memorialize any of the foregoing rights and easements. The Master Association, the Apartment Village Owners and the Village Associations shall, upon the Master Developer's reasonable request, join in executing any such instruments, and shall otherwise cooperate with the Master Developer in furtherance of the establishment of the rights and easements referred to herein.

5.13.5 Notwithstanding the foregoing, the Master Developer or any other owner of an Excluded Parcel, as applicable, shall be responsible to pay its fair share of the maintenance, repair and replacement of any Improvements which are utilized by or for the benefit of the Excluded Property, and all costs associated with changes or damage to Improvements caused by the installation, use or maintenance of the services or facilities by the Master Developer or its successors or assigns.

SECTION 6

ASSESSMENTS FOR MASTER COMMON EXPENSES

6.1 General. The Master Association has authority to levy Master Assessments against the Members. Master Assessments for Master Common Expenses shall be determined and assessed against the Members by the Master Board, in its discretion; subject to the

requirements and procedures set forth in this Section 6, and the requirements of the Master Bylaws. Master Assessments shall include Master Annual Assessments under Section 6.2, and may include Master Special Assessments under Section 6.3 and Village Assessments under Section 6.4. Subject to Section 6.5, Master Annual and Master Special Assessments shall be levied by the Master Board against all Members and allocated among all Members substantially in proportion to the number of Assessment Allotments allocated to the Member Village. Master Assessments allocated to a Village Association shall be reallocated by the Village Association among the Units in the Village as provided in the Village Governing Documents for that Village. Notice of Master Assessments shall be given to the Members as provided in the Master Bylaws.

6.2 Master Annual Assessments. Master Annual Assessments shall be established and levied by the Master Board subject to the following qualifications:

6.2.1 Each Master Annual Assessment shall cover all of the anticipated Master Common Expenses of the Master Association for that year which are to be shared by all Members. Master Annual Assessments shall be payable in monthly, quarterly or annual installments, as determined by the Master Board. Master Annual Assessments shall provide, among other things, for an adequate reserve fund for the maintenance, repair and replacement of those parts of the Property, and improvements located outside of the Property, for which the Master Association is responsible.

6.2.2 The increase in the Master Annual Assessment for any Master Association fiscal year shall not exceed twenty-five percent of the Master Annual Assessment levied for the previous fiscal year, unless the increase is approved by a vote of the Members. Notice of the vote shall be sent to all Members and Owners not less than twenty-one nor more than thirty days in advance of the voting date.

6.3 Master Special Assessments. In addition to Master Annual Assessments, the Master Board may levy a Master Special Assessment against all Members at any time. Master Special Assessments shall be used for the purpose of defraying in whole or in part the cost of any unforeseen and unbudgeted Master Common Expense. A Master Special Assessment may be levied at any time, but is subject to approval by a vote of the Members. Notice of the vote shall be sent to all Members and Owners not less than twenty-one days nor more than thirty days in advance of the vote.

6.4 Village Assessments. In addition to Master Annual Assessments and Master Special Assessments, the Master Board may, at its discretion, levy and allocate Village Assessments among only certain Villages in accordance with the following requirements and procedures:

6.4.1 Except as otherwise expressly authorized by this Master Declaration, any Master Common Expense or portion thereof benefiting fewer than all of the Villages

shall be assessed only against the Village Associations whose members are benefited and the Apartment Village Owners who are benefited.

6.4.2 A Village Assessment levied by the Master Board against a Village Association shall be allocated among the Units located in its Village as provided by the Village Governing Documents for that Village.

6.4.3 The cost of maintenance, repair and replacement of Alleys may be assessed as a Village Assessment to the Village in which the Alleys are located and shall thereafter be assessed by the Village Association against the Units benefited by the Alley.

6.4.4 Village Assessments may be levied any time by the Master Board; however, to the extent that the Village Assessments can be budgeted prior to the start of the Master Association fiscal year, they shall be levied at the same time as the Master Annual Assessments.

6.5 Master Assessment Procedures. The following procedures shall govern the levying of Master Assessments:

6.5.1 In accordance with the Master Bylaws, the Master Board shall annually approve a Master Association budget, and shall allocate and levy a Master Annual Assessment against the Master Association Members. Master Special Assessments may be levied at any time. Village Assessments may be levied at any time; however, to the extent that the Village Assessments can be budgeted prior to the start of the Master Association fiscal year, they shall be levied at the same time as the Master Annual Assessment. A Master Assessment may be prorated for a partial year.

6.5.2 The share of each Master Assessment levied against a Member that is a Village Association shall promptly be levied and allocated by the Village Association among the Units in the Village in accordance with its Village Governing Documents.

6.5.3 Subject to Section 6.7.2, Master Annual Assessments and Master Special Assessments shall be allocated among the Village Associations and Apartment Village Owners based upon the total amount of each such Assessment divided by the total number of Assessment Allotments of Units subject to assessment, times the number of Assessment Allotments assigned to such Units as follows:

6.5.3.1 Residential Unit. Each Residential Unit shall be assigned three Assessment Allotments, regardless of whether a Dwelling has been constructed on the Unit, provided however, a Residential Unit having two Dwellings, excluding Dwellings within an Accessory Building, shall be assigned five Assessment Allotments.

6.5.3.2 CIC Unit. Each CIC Unit shall be assigned two Assessment Allotments.

6.5.3.3 Apartment Village Unit. Each Apartment Village Unit shall be assigned one Assessment Allotment for each Dwelling located in the Apartment Village Unit for which a certificate of occupancy has been issued by the City, whether such Dwelling is occupied or unoccupied.

Notwithstanding the foregoing, the Master Board may allocate a reduced share of the Master Assessment to certain Villages, to take into consideration Dwellings that are not completed or occupied or which are not otherwise receiving full services from the Master Association (regardless of who owns the Units).

6.5.4 Each Member shall pay its share of the Master Assessment to the Master Association in advance, monthly, quarterly or annually, as determined by the Master Board. Notice of a Master Assessment shall be given to the Members as provided in the Master Bylaws.

6.6 Working Capital Fund. There shall be established a working capital fund to meet unforeseen expenditures or to purchase additional equipment or services during the Master Association's beginning years of operation. There shall be contributed on a one-time basis for each Unit sold an amount equal to two (2) months installments of the estimated Master Assessment for the Unit. The contribution shall be paid at the earlier of the time of closing of sale of the Unit or the time of termination of the Developer Control Period. The contributions to this fund are in addition to the regular installments of Master Assessments. The funds shall be deposited into a segregated Master Association account no later than the termination of the Master Developer Control Period. Master Developer may not use the funds to defray any of its expenses, reserve contributions or construction costs, or to make up any budget deficit while the Master Developer is in control of the Master Association. However, upon the closing of the sale of an unsold Unit, the Master Developer may reimburse itself from funds collected from the purchaser at the closing for any payments made by the Master Developer to the working capital fund with respect to that Unit.

6.7 Liability for Master Assessments. Each Member shall be liable for the share of the Master Assessments levied against it.

6.7.1 Except as provided in Section 6.7.2, the liability for Master Assessments is absolute and unconditional. No Member is exempt from liability for payment of the Master Assessments by right of set-off, by waiver of use or enjoyment of any part of the Property, by reason of its failure to collect Village Common Expenses from its members, by waiver of any rights, or by reason of any claim against the Master Association or its officers, directors or agents for their failure to fulfill any duties under the Master Governing Documents or MCIOA.

6.7.2 Notwithstanding anything to the contrary in the Master Governing Documents, the Master Developer, or the assignee of the Master Developer's right provided in Section 12.5 to appoint the members of the Master Board, shall not be liable to pay any Master Assessment for Master Common Expenses with respect to any Unit owned by it, nor shall the Unit be subject to a lien for such assessments, until the date on which a Dwelling constituting or located within the Unit has a Certificate of Occupancy or other comparable certification issued by the City. A Village Developer, Village Declarant, Apartment Village Owner, or a builder approved by it, may have a similar exemption from liability for Master Assessments, if granted in writing by the Master Developer.

6.8 Assessment Lien. The Master Association and Village Associations have liens on Units for any assessments, including the allocable share of Master Assessments, levied against that Unit, as follows:

6.8.1 Subject to Section 6.7, the Association has a lien on a Apartment Village Unit for any Master Assessment levied against that Unit from the time the Master Assessment becomes due. If a Master Assessment is payable in installments, the full amount of the Master Assessment is a lien from the time the first installment thereof becomes due. Fees, charges, late charges, fines and interest charges imposed by the Master Association against an Apartment Village Unit are liens, and are enforceable as Master Assessments, under this Section 6. Recording of the Master Declaration constitutes record notice and perfection of any lien under this Section 6, and no further recordation of any notice of or claim for the lien is required. The release of the lien shall not release the Apartment Village Owner from personal liability unless agreed to in writing by the Master Association.

6.8.2 The Village Associations have a lien on the Units within their respective Villages for any assessments levied against the Unit as provided in the Village Governing Documents.

6.9 Foreclosure of Lien; Remedies. A lien for Master Assessments against an Apartment Village Unit may be foreclosed against the Unit under the laws of the state of Minnesota (i) by action, or (ii) by advertisement in substantially the same manner as a mortgage containing a power of sale. The Master Association, or its authorized representative, shall have the power to bid at the foreclosure sale and to acquire, hold, lease, mortgage and convey any Apartment Village Unit so acquired. The Apartment Village Owner and any other Person claiming an interest in the Apartment Village Unit, by the acceptance or assertion of any interest in the Apartment Village Unit, grants to the Master Association a power of sale and full authority to accomplish the foreclosure by advertisement. The Master Association shall, in addition to its other remedies, have the right to pursue any other remedy at law or in equity against the Apartment Village Owner who fails to pay any Master Assessment or charge against the Apartment Village Unit. A lien for assessments levied by a Village Association against

Residential Units or CIC Units may be foreclosed against the Units as provided in the Village Governing Documents.

6.10 Lien Priority: Foreclosure. A lien against an Apartment Village Unit for Master Assessments under this Section 6 is prior to all other liens and encumbrances on the Unit except (i) liens and encumbrances recorded before the Master Declaration, (ii) any first mortgage on the Unit, and (iii) liens for real estate taxes and other governmental assessments or charges against the Unit. The holder of a first mortgage on an Apartment Village Unit which acquires title to the Unit by foreclosure or a deed in lieu of foreclosure shall take title to the Unit free and clear of all Master Assessment liens encumbering the Unit and Master Assessments payable in the period prior to the acquisition of title to the Unit by the mortgage holder. At such time as the first mortgage holder takes title to the Apartment Village Unit, it shall be obligated to pay Master Assessments levied against the Apartment Village Unit and payable during the period when it holds title to the Unit. Liens for assessments levied by the Village Associations shall have priority as provided in the Village Governing Documents.

6.11 Voluntary Conveyances: Statement of Master Assessments. In a voluntary conveyance of a Unit the buyer shall not be personally liable for any part of any unpaid Master Assessments due and payable by the seller prior to the time of conveyance of title to the buyer. However, a lien for any Master Assessment or an assessment by a Village Association levied against the Unit, shall remain against the Unit until satisfied or released. The Master Association shall furnish to the Seller of an Apartment Village Unit, upon request, a statement as to the current status of Master Assessments against the Unit. The Master Association may charge a reasonable fee for such services.

SECTION 7

USE RESTRICTIONS

Victor Gardens is intended to be a high quality residential development for the use and enjoyment of the Owners and Occupants. The use restrictions contained in this Section are designed to facilitate the various residential uses of the Property, and to preserve and protect the physical environment and architectural characteristics of the Property and immediately adjacent landscaped areas. Accordingly, the following restrictions shall apply to the Property:

7.1 General. The Property shall be owned, conveyed, encumbered, leased, used and occupied subject to the Master Governing Documents, as amended from time to time. All covenants, restrictions and obligations set forth in the Master Governing Documents are in furtherance of a plan for the Property, and shall run with the Property and be a burden and benefit to all Owners and Occupants and to any other Person owning or acquiring an interest in the Property, their heirs, personal representatives, successors and assigns.

7.2 Residential Use. Except as provided in Sections 7.3 and 7.4, the Units shall be used by Owners and Occupants and their guests exclusively as private, single-family

residential dwellings, and not for transient, hotel, commercial, business or other non-residential purposes. Any lease of a Unit or Dwelling (except for occupancy by guests with the consent of the Owner or Occupant) for a period of less than seven days, or any occupancy which includes services customarily furnished to hotel guests, shall be presumed to be for transient purposes.

7.3 Business Use Restricted. No business, trade, occupation or profession of any kind, whether carried on for profit or otherwise, shall be conducted, maintained or permitted in any Dwelling, Unit or the Common Elements except:

7.3.1 An Owner or Occupant residing in a Dwelling may maintain a home occupation in the Dwelling, or an Accessory Building permitted pursuant to Section 7.6 located within the Owner's or Occupant's Residential Unit, and handle matters relating to such home occupation by telephone or correspondence therefrom; provided, that such uses (i) are incidental to the residential use; (ii) do not involve physical alteration of the Dwelling or Accessory Building visible from the exterior; (iii) are in compliance with all governmental laws, ordinances and regulations; and (iv) do not involve any observable business activity such as signs, advertising displays, frequent deliveries, or disturbing pedestrian or vehicular traffic to and from the Dwelling or Accessory Building by customers, vendors or employees.

7.3.2 An Owner or an Occupant residing in a Dwelling located in a Residential Unit may maintain a licensed daycare center within the Unit provided that such use (i) is incidental to the residential use; and (ii) is in compliance with all governmental laws, ordinances and regulations; and (iii) does not involve any observable signs, advertising displays, frequent deliveries, or disturbing pedestrian or vehicular traffic to and from the Dwelling or Accessory Building.

7.3.3 The Owner of an Apartment Village Unit may lease Dwellings within the Apartment Village Unit in compliance with Section 7.4 following.

7.3.4 The Master Association may maintain offices and other facilities on the Property for management and related purposes. The Owner of an Apartment Village Unit, or its duly designated manager or management company, may maintain offices, model apartments and other facilities on its Apartment Village Unit for management, display and related purposes. A Village Association may maintain offices and other facilities on its Village Property for management and related purposes.

7.3.5 The Master Developer, Village Declarants and Village Developers, and builders authorized by them, may maintain offices, model homes and other related facilities on the Property in connection with the exercise of their rights under the Master Governing Documents or the Governing Documents.

7.4 Leasing. Leasing of Residential Units, CIC Units and Dwellings within Apartment Village Units shall be allowed, subject to the following conditions: (i) that no Residential Unit, CIC Unit or Dwelling within an Apartment Village Unit shall be leased for transient or hotel purposes, (ii) unless occupied by the Owner, a Residential Unit or CIC Unit must be leased in its entirety (not by room), (iii) that no Residential Unit, CIC Unit or Dwelling within an Apartment Village Unit may be subleased, (iv) that all leases shall be in writing, (v) that all leases shall provide that they are subordinate and subject to the provisions of the Master Governing Documents and the Master Rules and that any failure of the lessee to comply with the terms of such documents shall be a default under the lease. The Master Association may impose such reasonable Master Rules as may be necessary to implement procedures for the leasing of Units or Dwellings, consistent with this Section.

7.5 Single-Family Dwellings. Only one Dwelling shall be permitted within any Residential Unit or CIC Unit, except two Dwellings are permitted within a Residential Unit subject to the following conditions and limitations:

7.5.1 The Residential Unit is at least 9,000 square feet in size.

7.5.2 The two Dwellings are within one building.

7.5.3 The two Dwellings are under common ownership.

7.5.4 The Residential Unit is a corner lot having frontage on two streets.

7.5.5 Each Dwelling shall have a separate attached two-car or larger garage. Each Dwelling's garage in a two Dwelling Residential Unit shall face and be accessed from separate streets or a separate street and Alley.

7.5.6 The design of the two Dwelling building is consistent with the design of single family Dwellings.

7.5.7 The Dwelling is approved by the Master A.R.C. and the Master Developer so long as it owns a Unit for sale or has the right to subject Additional Property to this Master Declaration.

7.5.8 The number of Residential Units permitted to have two Dwellings is limited to the number permitted by the City.

7.6 Accessory Buildings. Accessory buildings are permitted only within Residential Units subject to the following conditions:

7.6.1 No more than two (2) Accessory Buildings may be located within a Residential Unit.

7.6.2 The Accessory Buildings (not more than two per Residential Unit) shall together be limited to (i) a garage limited to space for not more than two cars, and (ii) storage space not exceeding 120 square feet, and (iii) if the following conditions are satisfied, a Dwelling. The conditions for a Dwelling within an Accessory Building are (i) the Dwelling shall not exceed 900 square feet; (ii) a separate designated non-tandem parking space is provided for the Dwelling located in the Accessory Building; (iii) the Residential Unit has a single family Dwelling(s) other than the Dwelling located in the Accessory Building; and (iv) the Residential Unit is at least 9,000 square feet in size.

7.6.3 Accessory Buildings are required to be of similar design, detailing and materials as the Dwelling.

7.6.4 Each Accessory Building must be approved by the A.R.C. and the Master Developer so long as it owns a Unit for sale or has the right to subject Additional Property to the Master Declaration.

7.7 Clearwater Creek Setback. All Dwellings, Accessory Buildings and other structures shall be set back a minimum of one hundred (100) feet from Clearwater Creek.

7.8 Environmental Restrictions. The Property contains a variety of natural areas, including environmentally sensitive wetlands, creeks and related open spaces, and borders on similar areas (collectively the "Protected Areas"). It is intended by the Master Developer and the City that the Protected Areas shall be maintained in substantially the same condition as of the completion of development of the Property, subject only to natural changes resulting from natural growth, weather, natural deterioration and other factors not under the control of the Master Developer. No Person shall take or cause to be taken any action which may materially disturb, pollute or otherwise adversely affect the Protected Areas nor which violates any conservation easement, forced management plan or other environmental restriction imposed by any governmental authority. The restrictions contained in this Section shall not preclude the Master Association, a Village Association or an Apartment Village Owner from maintaining those parts of the Property which are originally developed as recreational open space except no mowing, dumping or building shall be permitted or performed in areas posted as a wetland boundary.

7.9 Architectural Restrictions. All Improvements or other physical changes to the Property shall be made in compliance with the architectural standards and procedures set forth in Section 8.

7.10 Trails. The trails, if any, located on the Property are to be used in a reasonable and safe manner subject to the following conditions and restrictions:

7.10.1 Trails shall be used exclusively for recreational purposes. No motorized vehicles or devices of any type shall be used on the trails, except for motorized

wheelchairs and other devices of similar type and purpose for transporting handicapped persons.

7.10.2 The Master Association is responsible for enforcing trail use restrictions imposed by or pursuant to the Master Governing Documents for those trails located on the Property. The Master Association may further regulate the use of such trails by Master Rules. The Master Association shall maintain the trails located on the Property.

7.11 Subdivision Prohibited. No part of the Master Common Elements may be subdivided or partitioned without the prior approval by Members holding at least sixty-seven percent of the votes of all Members, and any governmental authorities having jurisdiction over the Property.

7.12 Delegation of Use. An Owner may delegate, in accordance with the Master Governing Documents the Owner's right of use and enjoyment of the Unit to persons living in the Residential Unit, CIC Unit or a Dwelling within the Apartment Village Unit pursuant to a legal right of possession; provided, that such persons shall be subject to the provisions of the Master Governing Documents and the Master Rules. If lessees, or other persons other than the Owner of a Residential Unit or CIC Unit, or the family of such Owner, have been given the legal right to possess the Owner's Residential Unit or CIC Unit, then those persons shall have the right to use any common recreational facilities and other amenities on the Property in lieu of the Owner of the Residential Unit or CIC Unit, or such Owner's family.

7.13 Pets. Note more than three pets per Dwelling (not more than two of which may be dogs) limited to dogs, cats, small birds, fish, rabbits and other animals generally recognized as domestic household pets (collectively referred to as "pets") may be kept on the Property, subject to the conditions set forth in this Section.

7.13.1 Pets shall be kept solely as domestic household pets and/or as statutory authorized "service animals" used by handicapped persons, and not for any other purpose. No animal shall be raised or bred, or kept for business or commercial purposes, by any Person upon any part of the Property.

7.13.2 No pet shall be allowed to make an unreasonable amount of noise, nor to become a nuisance or a threat to the safety of others.

7.13.3 No structure, fence or enclosure for the care, housing or confinement of any pet shall be constructed or maintained on any part of the Property unless approved by the A.R.C. Chain link fencing is prohibited except for a dog kennel that is attached to a Residential Unit Dwelling or Accessory Building, is completely screened from public view and is approved in accordance with Section 8.

7.13.4 Pets shall be under control at all times when walked or exercised on the Property.

7.13.5 Master Rules may be adopted to regulate pets, or to restrict, prohibit or remove pets which engage in dangerous or disturbing behavior.

7.13.6 The Master Board shall have authority, following a hearing, to determine in its sole and absolute discretion whether a particular pet should be expelled from the Property based upon the pet's behavior or the failure of the pet's owner to comply with this Section 7, or other restrictions contained in the Master Rules or the applicable City Ordinances.

7.13.7 Owners and Occupants shall be liable for the cost of repair of any damage to the Property, or any personal injury, caused by pets kept by them.

7.14 Parking/Vehicles/Personal Property. Vehicles of any type owned or used by Owners or Occupants shall only be parked or kept within garages, paved driveways or designated parking areas. Garages shall not be used for storage or other purposes so that they become unavailable for parking vehicles and keeping incidental personal property. No Person shall perform maintenance, repair or restoration work on any vehicle on the Property except on their own vehicles, and then only (i) within garages, or (ii) for emergency repairs. Notwithstanding anything to the contrary in this Section, commercial vehicles shall not be parked or stored on the Property, except (i) on a temporary basis in connection with construction work on a Unit or deliveries, and (ii) one pickup truck or one utility van regularly used in the Occupant's business or employment. Boats, trailers motorcycles, mobile homes, campers or other recreational vehicles or equipment, regardless of weight, and other vehicles in excess of three-quarter (3/4) ton in weight shall not be parked, stored or allowed to remain on any part of the Property or on public streets within the Property for more than forty-eight (48) hours except within the confines of an enclosed garage or Accessory Building storage area. Parking and storage upon Alleys or private streets is prohibited except those areas expressly designated by appropriate signage as permitting parking. Additional parking and storage restrictions may be imposed by the Master Association, an Apartment Village Owner or Village Associations within their respective Village Property.

7.15 Temporary Structures. No structure or other Improvement of a temporary character such as, but not limited, to manufactured housing, shacks, sheds, or accessory buildings or structures (that are not permanent and duly approved Accessory Buildings), shall be erected, kept or maintained on the Property, except two pieces of playground equipment (one of which may be a playhouse) or except as otherwise authorized pursuant to Section 9. The restrictions in this subsection 7.15 shall not apply to structures authorized or used by the Master Developer, Apartment Village Owners, Village Declarants or Village Developers in connection with the development, construction or sale of Units.

7.16 Ponds, Wetlands, Creeks and Trees. Ponds, creeks, marshes, wetland areas, vegetation and trees located on the Property whether natural or otherwise, shall be maintained in substantially the same condition as originally established, subject only to (i) changes authorized by the Master Association consistent with all statutes, requirements, rules

and regulations imposed on such areas and items by governmental authorities having jurisdiction over the Property and (ii) the prior approval of any governmental authorities, if required. No cutting, mowing, trimming, draining, dredging, dumping, building or other alteration of such areas or areas beyond posted wetland boundaries shall be permitted, except as authorized by this Section 7.16, it being the intention that such areas and items remain and be maintained in a substantially natural condition, and subject to natural changes.

7.17 Outside Lighting. The location, size, color and design of all lighting fixtures or similar equipment used outside of a Dwelling or other structure shall be approved pursuant to Section 8 of the Master Declaration or Section 9 herein. All lighting shall be shielded to prevent glare and light trespass. The A.R.C. shall establish standards for all exterior lighting, whether temporary or permanent, within the Property.

7.18 Signs. No sign or comparable device of any kind shall be placed, erected or maintained on the Property except (i) one customary unlighted "For Sale" or "For Rent" sign per Residential Unit or CIC Unit (except corner Units shall be permitted one such sign per side of the Unit that fronts on a street) of not more than eight square feet advertising the Unit for sale or rent, (ii) not more than two (2) unlighted "For Rent" signs per Apartment Village Unit of size and location approved by the A.R.C., (iii) within eight (8) weeks prior to an election date, two unlighted political signs of not more than eight square feet per sign, (iv) not more than twice per year, and limited to five days each time, not more than two signs per Residential Unit or CIC Unit, each of not more than eight square feet, advertising a yard sale, (v) signs placed by the Master Developer, a Village Declarant, a Village Developer or a builder to advertise the Property, Units or Dwellings during the construction and sales period, and (vi) the permanent entrance signs and monuments erected by the Master Developer, Apartment Village Owner, Village Developer, or Village Declarant to identify the Property.

7.19 Alleys. Use of the Alleys located in the Property shall be limited to the Owners, Occupants and invitees of Owners and Occupants of Units abutting the Alley. Such use shall be limited to vehicular and pedestrian ingress and egress and vehicular maneuvering. Parking in the Alleys is prohibited and the Association is authorized to remove illegally parked or stored vehicles and personal property from the Alleys. Any use by any Person of the Alley that impairs the use of the Alley by other permitted users is prohibited. The Master Association shall have exclusive authority to control, operate and administer the Alleys and may establish such reasonable Rules governing the use of the Alleys as it deems necessary from time to time.

7.20 Fencing. Chain link fencing is prohibited except for use as a dog kennel within a Residential Unit provided the fence is attached to the Dwelling or Accessory Building, is screened from public view and is approved by the A.R.C. in accordance with Section 8. The A.R.C. shall establish standards for all fencing whether temporary or permanent within the Property.

7.21 Time Shares Prohibited. The time share form of ownership, or any comparable form of lease, occupancy rights or ownership which has the effect of dividing the ownership or occupancy of a Unit into separate time periods or ownership intervals, is prohibited.

7.22 Additional Protective Covenants. The Master Developer may require the imposition on a Village or portion of a Village, in connection with the creation or development of the Village or the annexation of any Additional Property, additional protective covenants and use restrictions not inconsistent with those contained in this Master Declaration.

7.23 Compliance with Law. No use shall be made of the Property which would violate federal, state or local laws, regulations or ordinances, nor shall any act or use be permitted which could cause waste to the Property, cause a material increase in insurance rates on the Property, or otherwise cause any unusual liability, health or safety risk, or expense, for the Master Association, Village Association, or any Owner or Occupant.

7.24 Access to Units. In case of emergency, the Units are subject to entry, without notice and at any time, by public safety personnel. Entry to the yard areas of Units is also authorized for maintenance purposes and for enforcement purposes as described in this Master Declaration.

7.25 Quiet Enjoyment: Interference Prohibited. All Unit Owners and Occupants and their invitees shall have a right of quiet enjoyment in their respective Units. No Person shall engage in activity which damages the Property, causes a nuisance or unduly restricts or interferes with the use and quiet enjoyment of Dwellings or Accessory Buildings.

SECTION 8

ARCHITECTURAL AND LANDSCAPE STANDARDS

8.1 General. It is the intent of the Master Developer to create a general plan and uniform scheme of development of the Property and to create within the Property a residential community of high quality and harmonious Improvements. Accordingly, an Architectural Review Committee (the "A.R.C.") shall be established as a committee of the Master Association, to oversee, review and regulate architectural and design matters involving the Property. The A.R.C. shall, subject to any exceptions, delegation or relinquishment contained in this Section 8, have the following general powers:

8.1.1 Subject to any specific requirements or exceptions contained in this Section 8, the A.R.C. shall have the exclusive right to approve or disapprove the size, exterior design, color, materials, landscaping and location with respect to all Improvements, as well as the general plan for development of all Villages.

8.1.2 The A.R.C. shall have the exclusive right to approve or disapprove all proposed additions or any other changes to the exterior of any Dwelling or other

Improvement; except for additions or other changes to a Dwelling or other Improvement by the Master Developer, a Village Developer or a Village Declarant, or their builders.

8.1.3 The A.R.C. may, in its sole discretion, impose standards for design, appearance, construction, or development which are greater or more stringent than standards prescribed by the Master Governing Documents, the Design Guidelines, the Landscape Requirements, or by building, zoning, or other governmental laws, codes, or regulations; provided that such standards shall be consistent with the architectural character and use of the Property as planned and developed by the Master Developer.

8.1.4 The A.R.C. may appoint and delegate to an architectural advisory committee (the "A.A.C.") any powers or functions of the A.R.C, except for the power to make the final decisions with respect to architectural change applications. When the Master Developer's right to appoint the A.R.C. expires, then the A.A.C. shall terminate and the A.R.C. shall exercise all powers under this Section 8.

8.1.5 The A.R.C. may relinquish and delegate to a Village Association part or all of the A.R.C.'s authority to review and approve or disapprove architectural change applications with respect to that Village; provided, however, that the A.R.C. shall retain the ultimate authority to approve or disapprove such applications. A delegation of part or all of the A.R.C.'s authority under this Section 8 shall be in a written document signed on behalf of the Master Association, the A.R.C. and the Village Association to which the authority is delegated. The Village Association and any architectural committee appointed by it shall follow and be bound by the same approval procedures and standards as the A.R.C.

8.2 Architectural Review Committee. The A.R.C. shall be a permanent committee of the Master Association, and shall administer and perform the architectural and landscape review and control functions of the Master Association.

8.2.1 The A.R.C. shall initially consist of a minimum of three natural persons, who need not be Owners. The initial A.R.C. members shall all be appointed and replaced by the Master Developer, and shall hold office, until each Unit constitutes or contains a Dwelling for which a Certificate of Occupancy or other comparable certification has been issued by the City and the Master Developer no longer has the right to subject Additional Property to the Declaration. Prior to the expiration of the Master Developer's right to appoint the A.R.C. members, meetings of the A.R.C. may be called by the Master Developer or by the chair of the A.R.C.

8.2.2 Upon the expiration of the Master Developer's right to appoint the A.R.C. members, the Master Board shall (i) determine how many persons shall serve on the A.R.C. (which shall be no fewer than three nor more than nine natural persons), (ii) appoint the members of the A.R.C, (iii) set reasonable terms of office for the

members of the A.R.C., and (iv) determine which member of the A.R.C. shall serve as its chair. Meetings of the A.R.C. may be called at the discretion of the chair, and shall be called by the chair upon the request of a majority of the members.

8.2.3 A majority of the A.R.C. shall constitute a quorum to transact business at any committee meeting, and the action of a majority of those members present and voting shall constitute the action of the A.R.C.

8.3 Application and Approval Required. Except as otherwise authorized by this Section 8, no Improvement shall be constructed, erected, removed, planted or maintained, nor shall any addition to or any change, replacement or alteration thereof be made, until plans and specifications showing the nature, kind, shape, height, materials, floor plans, color scheme and location of the Improvement shall have been submitted to and approved in writing by the A.R.C. Approval shall be requested by written application on such forms as may be required by the A.R.C. As part of the application process, two complete sets of plans and specifications, including site survey, prepared by an architect, landscape architect, engineer or other person found to be qualified by the A.R.C. shall be submitted. The A.R.C. may require submission of samples of building materials and colors proposed to be used. The applicant shall also apply for approval to the City or other governmental authority having jurisdiction over the subject of the application, if required by the governmental authority. If the information submitted to the A.R.C. is, in the A.R.C.'s sole opinion, incomplete or insufficient in any manner, the A.R.C. may require the submission of additional information.

8.4 General Standards. The A.R.C. has authority to approve, conditionally approve or deny an application, in its sole and absolute discretion. In making its determinations, the A.R.C. shall consider, at a minimum, the following general criteria:

8.4.1 Compatibility of color, size, location, type and design for high quality Dwellings, buildings containing Dwellings and other Improvements.

8.4.2 Comparable or better quality of materials as used in existing buildings or other Improvements on the Property.

8.4.3 Minimum square footage requirements for single family detached Dwellings.

8.4.4 Adequate protection of the Property, the Master Association, Owners and Occupants from liability and liens arising out of the proposed alterations.

8.4.5 Compliance with the Architectural Review & Design Guidelines for Victor Gardens as established, and as may be amended from time to time, by the Master Developer (the "Design Guidelines"). The Design Guidelines may be amended by the Master Board only after every Unit contains or constitutes a Dwelling for which a Certificate of Occupancy or other comparable certification has been issued by the City

and the Master Developer, or its successors and assigns, no longer has the right to subject Additional Property to this Master Declaration.

8.4.6 Compliance with the Landscape Policy & Requirements as established, and as may be amended from time to time, by the Master Developer (the "Landscape Requirements"). The Landscape Requirements may be amended by the Master Board only after every Unit contains or constitutes a Dwelling for which a Certificate of Occupancy or other comparable certification has been issued by the City and the Master Developer, or its successors and assigns, no longer has the right to subject Additional Property to this Master Declaration.

8.4.7 Preservation of existing trees and vegetation open areas and wetlands located on or adjacent to the Property.

8.4.8 Compliance with governmental laws, codes, ordinances and regulations.

8.5 Special Standards. In addition to general standards approved by the A.R.C., the following specific restrictions and requirements shall apply to the Property:

8.5.1 Only one Dwelling shall be permitted within a Unit, except more than one Dwelling shall be permitted within a Residential Unit if (i) permitted pursuant to Section 7.5 or 7.6, (ii) permitted by the City, and (iii) approved by the A.R.C., and the Master Developer so long as it owns a Unit for sale or has the right to subject Additional Property to this Master Declaration.

8.5.2 All single family Dwellings located within a Residential Unit shall include a garage with space for two or more cars and shall be not less than twenty-two feet in width, except (i) a Unit with two Dwellings permitted pursuant to Section 7.5 shall have garages in compliance with Section 7.5.5, and (ii) Accessory Buildings containing a Dwelling shall comply with Section 7.6.2.

8.5.3 The Master Developer, a Village Developer or Builder who purchases a Unit or Village Property for the purpose of erecting a Dwelling or Dwellings thereon, may use the Dwelling as a model home subject to approval by the Master Developer.

8.5.4 Dwellings, Accessory Buildings and other Improvements located within a Unit shall comply with all City set-backs and other building requirements. An Accessory Building shall substantially comply with the same design, quality, workmanship and materials standards and requirements as the Dwelling which is located within the same Unit.

8.5.5 The A.R.C. shall establish standards for all fencing, whether temporary or permanent, within the Property but all fences shall be in compliance with the Design Guidelines and Landscape Requirements. Chain link fencing is prohibited except for

use as a dog kennel within a Residential Unit provided the fence is attached to the Dwelling or Accessory Building, is screened from public view and is approved by the A.R.C. in accordance with Section 8.

8.5.6 The A.R.C. shall establish standards for all retaining walls, whether temporary or permanent, within the Property but all such retaining walls and other walls shall be in compliance with the Design Guidelines and Landscape Requirements. Cinder block, railroad tie and wood retaining walls are prohibited. Modular block walls are expressly prohibited unless otherwise approved by the A.R.C. in its sole discretion. Use of natural stone, boulders and rock for construction of retaining walls is encouraged.

8.5.7 Weather permitting, driveways shall be hard surfaced with asphalt, concrete or pavers as soon as possible after substantial completion of the Dwelling located within the Unit.

8.5.8 Each Residential Unit containing a Dwelling shall have at least two deciduous trees in its front yard area.

8.5.9 All front yards, side yards and backyards shall be fully sodded except that backyards of Residential Units need only be sodded to a depth of 10 feet directly behind the Dwelling and the remainder seeded. Sodding and seeding shall be complete, established and growing within sixty days of issuance by the City of a Certificate of Occupancy for the Dwelling, except that, if the Certificate of Occupancy is issued between the dates of October 1 and May 1, then the sodding and seeding required herein shall be complete, established and growing no later than July 1.

8.5.10 All Dwellings and Accessory Buildings shall be set back a minimum of 100 feet from Clearwater Creek.

8.5.11 The lowest floor of each Dwelling shall be a minimum of two feet above the 100 year flood elevation as established by the City and Rice Creek Watershed District.

8.5.12 Any damaged or diseased tree located in a Residential Unit, an Apartment Village Unit, or in the boulevard public right-of-way adjacent to a Residential Unit or Apartment Village Unit is required to be replaced by the Owner of the Unit. Any damaged or diseased tree located on Village Property or in the boulevard public right-of-way adjacent to Village Property is required to be replaced by the Village Association. Any damaged or diseased tree shall be replaced with a similar species with an appropriate size approved by the A.R.C. within thirty (30) days of removal or June 15 of the following year if removal occurs between November 1 and May 15. All trees located within the boulevard public right-of-way adjacent to the Unit are required to be fenced off for their protection during construction in the Unit.

8.6 Notice of Decision. The A.R.C. shall approve, conditionally approve or disapprove the application and notify the applicant in writing within forty-five days following the receipt of the application and all other required information. The notice shall state the approval or denial of the application, or any qualifications or conditions of approval. If the A.R.C. disapproves the application, it shall state the grounds upon which the disapproval is based. No Improvement shall be erected or shall be allowed to remain which violates any of the covenants, conditions or restrictions contained in this Master Declaration, or which violates any governmental law, zoning or building ordinance, or regulation.

8.7 Exception and Variances. The A.R.C. may, in its sole discretion, grant variances from the requirements contained in Section 8 or otherwise established by the A.R.C, on a case by case basis; provided, that the variance sought (i) involves unique circumstances, (ii) is reasonable, (iii) does not impose a hardship upon other Owners, and (iv) does not violate any development agreement with the City, any governmental law, ordinance, code or regulation. The granting of such a variance by the A.R.C. shall not nullify or otherwise affect the A.R.C.'s right to require strict compliance with its requirements on any other occasion.

8.8 Completion Schedule. Unless otherwise approved by the A.R.C, construction of Dwellings and related Improvements for which the approval of the A.R.C. is required under this Master Declaration shall be completed within twelve months after the start of construction of the Dwelling.

8.9 Certificate of Compliance. The Master Board may require that prior to the use or occupancy of any Improvement outside a CIC Village the builder or prospective users shall obtain a Certificate of Compliance from the A.R.C, certifying that the construction of the Improvement has been completed in accordance with the plans and specifications previously approved by the A.R.C. The A.R.C. may, from time to time, delegate to a member or members of the A.R.C, or to the Master Association manager, the responsibility for issuing Certificates of Compliance.

8.10 Inspection and Remedies. The A.R.C, and any agent or member of the A.R.C, has the right of entry and inspection upon any portion of the Property for the purpose of determining whether there is compliance with the applicable architectural standards. If any Person fails to comply with the requirements of the Master Declaration or the standards promulgated by the A.R.C, the violator shall pay all costs in connection with the resolution or correction of the violation, including without limitation any fees of attorneys or other professionals, incurred by the Master Association. The A.R.C. may, in addition to its other remedies, record against the Unit, in the public records of the county, a Certificate of Noncompliance stating that the Improvements fail to meet applicable architectural standards.

8.11 Review Fees. The A.R.C. may adopt a schedule of reasonable fees for processing applications for architectural approval. The fees, if any, shall be payable to the A.R.C. at the time that the application is submitted to the A.R.C. The fees, as well as other

expenses of the A.R.C. required to be paid, shall be deemed to be a Master Assessment against the Unit with respect to which the application is made.

8.12 Master Developer Exemption. Notwithstanding anything contained herein to the contrary, any Improvements of any nature at any time made or approved by the Master Developer, including, without limitation, Improvements made or to be made to the Master Common Elements, Village Property or Additional Property, shall not be subject to the review or other procedures of the Master A.R.C, but such Improvements shall comply with the plan of development approved by the City.

8.13 No Representation of Compliance/Indemnification. Approval of plans and specifications by the A.R.C. does not represent or guaranty that the plans and specifications will, if followed, result in properly designed, graded or constructed Improvements, nor that any Dwelling, grading, landscaping or other Improvement built in accordance therewith is built in a good and workmanlike manner. The Master Developer, the Master Association, and the A.R.C. are not liable for any defects in any plans or specifications submitted or approved; any loss or damages to any person arising out of the approval or disapproval of any plans or specifications; any loss or damage arising from the noncompliance of such plans and specifications with any governmental ordinances or regulations; nor any defects in grading or construction undertaken pursuant to such plans and specifications. Each Person submitting an application for approval is solely responsible for the sufficiency of the plans and specifications submitted and for the quality of construction, including but not limited to grading and landscaping, of the Improvements constructed, and shall hold harmless, indemnify and defend the Master Developer, the Master Association, the A.R.C, the A.C.C. and the Village Associations, and their respective officers, directors, committee personnel and agents, from and against all claims, damages and other liabilities arising out of the approval or construction of the Improvements to which the application relates.

8.14 Additional Standards. The A.R.C. is authorized to promulgate from time to time additional written architectural standards, guidelines and other regulations governing the construction, location, landscaping and design of Improvements subject to the approval by the A.R.C, the contents of plans and specifications, and other information required to comply with this Section 8. Any such additional written architectural standards, guidelines and other regulations shall, effective upon reasonable publication thereof to Owners, be binding and enforceable against all Persons with the respect to all Improvements subject to approval by the A.R.C

8.15 Amendment of Design Guidelines and Landscape Requirements. As long as the Master Developer has the right to subject Additional Property to the Declaration or owns an unsold Unit for sale, only the Master Developer shall have the right or authority to amend, change or adopt the Design Guidelines or Landscape Requirements.

SECTION 9

MAINTENANCE OBLIGATIONS

9.1 Master Association Obligations. The Master Association is obligated to provide the following maintenance:

9.1.1 Maintain, repair and replace the Master Common Elements, and all Improvements thereon, including but not limited to the community center and its facilities, if any, the community pool, if any, and pool house, if any.

9.1.2 Maintain, repair and replace entrance signs and related monuments identifying Victor Gardens and any Village whether located on or adjacent to the Property.

9.1.3 Maintain, repair and replace landscaping, certain Village "greens," parks and related benches, kiosks, fencing, lighting fixtures, mail boxes and other Improvements, located in the median, cul-de-sac and right-of-way areas of the public streets adjacent to and serving the Property. Notwithstanding anything herein to the contrary, unless otherwise agreed by the Master Association, the Master Association shall not be responsible to maintain, repair or replace any sidewalk, bike trail or pedestrian trail not located within the Property or for which an easement has been granted to the public, unless the Master Board in its discretion determines to undertake any maintenance of such sidewalk, bike trail or pedestrian trail.

9.1.4 Subject to the Owners' or Occupants' or Village Association's obligations set forth in Section 9.2 following, mow and otherwise maintain the lawns and landscaping and maintain, trim and replace all trees, in boulevards within the Property.

9.1.5 Maintain, repair, replace and provide snow removal for the Alleys located in the Property, the costs of which shall be assessed solely to the Owners of Units abutting and benefitting from the Alleys.

9.1.6 Maintain, until June 6, 2005, those parks legally described as:

Park I and Park II as shown on the plat of Victor Gardens,

which have been dedicated to the public pursuant to that plat of Victor Gardens recorded with the County Recorder for Washington County.

After June 6, 2005, the Master Association may, in the discretion of its Master Board and at its option, but shall not be obligated to, undertake all or some portion of the maintenance of either or both Park I and Park II. If the Master Association, in the

discretion of its Master Board, determines to undertake all or some part of the maintenance of either or both Park I and Park II, the Master Association, may in the discretion of its Master Board, enter into such agreement with the City as the Master Board deems advisable regarding such maintenance. Any agreement with the City shall include terms acceptable to the Master Board, including reimbursement for, or contribution to, the costs of the maintenance provided by the Master Association.

If any adjacent property, not constituting part of the Property herein, is subject to an agreement, or is otherwise obligated, to contribute to the costs of maintaining either or both Park I or Park II, the Master Association shall upon receipt apply such funds against costs incurred by the Master Association for maintaining either or both Park I or Park II.

9.1.7 Remove snow from public sidewalks within the right-of-way areas of the public streets adjacent to and serving the Property.

9.1.8 Maintain, until June 6, 2007, the storm water ponds located upon the Master Common Elements by removing the sediment therein to return the storm water pond to its original depth and contours whenever the phosphorus removal efficiency of the storm water pond is less than 50% based on actual monitoring data, modeling or physical measurement of pond volume.

9.1.9 In its discretion, undertake the maintenance of landscaping, lawns, irrigation systems, walks or driveways located within the yard areas of the Units or the Village Common Elements.

If the Association fails to maintain the Master Common Elements or the Alleys as required by this Section 9.1, the City may following thirty days prior written notice to the Master Association specifying the maintenance which the Master Association has failed to perform, and provided the Master Association fails to provide the special maintenance within such thirty day period, undertake such maintenance and assess the costs incurred by the City in performing such maintenance equally against all of the Units in the Property without regard to the requirements or formalities of Minnesota Statutes Chapter 429.

9.2 Village Association and Owner Obligations. The obligations of the Owners and Village Associations are as follows:

9.2.1 Village Associations shall maintain, repair or replace their respective Village Property.

9.2.2 The Owners or Occupants of Residential Units, the Owner of an Apartment Village Unit, and the Village Association of a CIC Village shall mow and otherwise maintain the boulevards adjacent to their respective Units or Villages, as

applicable, including but not limited to maintaining, trimming and replacing trees located in the boulevard adjacent to their respective Units or Villages. Any tree located in the boulevard adjacent to a Residential Unit, Apartment Village Unit or CIC Village that dies or is otherwise destroyed shall be replaced by the Owner of the adjacent Residential Unit or adjacent Apartment Village Unit or Village Association for the adjacent Village Property with a tree of the same species and of reasonable size.

9.2.3 All drainage easements within a Residential Unit, Apartment Village Unit or Village Property as shown on the recorded plat for the Property or as described in other recorded instruments shall be maintained by the Owner or Occupant of the Residential Unit, the Owner of the Apartment Village Unit or the Village Association for the Village Property in a condition that will continuously permit the free flow of water over the drainage easement without change of direction or impediment.

9.2.4 Each Owner or Occupant shall provide maintenance, repair or replacement of or within their respective Unit or the exterior of a Dwelling building containing one or more Dwellings as provided herein and in the respective controlling Village Governing Documents.

9.2.5 Notwithstanding anything to the contrary in the Master Governing Documents, the expense of any maintenance, repair or reconstruction of the Property or other areas maintained by the Master Association necessitated by the acts or omissions of an Owner or Occupant shall be paid by the responsible Owner.

9.2.5 If any Village Association, Owner or Occupant fails, in the judgment of the Master Board, to provide maintenance required to be provided by the Village Association or an Owner or Occupant as set forth in this Section 9.2 or in the relevant Village Governing Documents, the Master Association shall provide written notice to the responsible Village Association, Owner or Occupant specifying the maintenance required to be performed, and demanding that such maintenance be performed within thirty days of said written notice, or if such maintenance cannot reasonably be performed within thirty days, a reasonable period of time necessary to complete and perform such maintenance. If the responsible Village Association, Owner or Occupant fails to provide the specified maintenance within the period stated in the written notice, the Master Association may undertake such maintenance which the responsible Village Association, Owner or Occupant fails to or improperly performs and charge and assess the Village Association, if the maintenance was the responsibility of the Village Association, or the Owner if the maintenance was the responsibility of the Owner or Occupant, for the cost thereof. If the cost is assessed against a Unit, such cost shall be a personal obligation of the Owner and a lien against the Owner's Unit.

SECTION 10

INSURANCE AND RECONSTRUCTION

The Master Association shall obtain and maintain the following insurance relating to the Property:

10.1 Property Insurance. Property insurance in broad form, covering all risks of physical loss, for the full insurable replacement value of any insurable Improvements located on the Master Common Elements. The property insurance policy shall provide such other coverage's, limits and deductibles as the Master Board deems reasonable, subject to any greater requirements imposed by the Act.

10.2 General Liability Insurance. Public liability insurance covering the Master Common Elements and the activities of the Master Association and its officers, directors, volunteers or employees in connection with its maintenance and enforcement obligations. The public liability insurance policy shall provide such coverage, limits and deductibles as the Master Board deems reasonable, subject to any greater requirements imposed by the Act.

10.3 Other Insurance. Such other types and amounts of insurance as may be determined by the Master Board to be necessary or desirable, including without limitation, property insurance, officers and directors' liability insurance, and insurance or fidelity bonds covering dishonest acts by those Persons having control or custody of the Master Association's funds.

10.4 Master Association as Trustee/Premiums. All insurance coverage obtained by the Master Board shall be written in the name of the Master Association as trustee for the Owners or Village Associations, as applicable. The premiums for the insurance shall be a Master Common Expense. The Master Board shall have exclusive authority to negotiate, settle and adjust claims under all policies obtained by the Master Association.

10.5 Policy Requirements. Insofar as permitted by law, the Master Association shall be required to make every effort to secure insurance policies with the following provisions and endorsements, if reasonably available:

10.5.1 Policies shall be written with a company licensed to do business in the State of Minnesota and holding a rating of A-X1 or better in such financial categories as established by Best's Insurance Reports, if such a company is available, or if not available, its equivalent rating or the best rating possible.

10.5.2 Policies shall contain a waiver by the insurer of its right to cancel without first giving thirty days' prior written notice of such cancellation to the Master Association.

10.5.3 No policy or coverage shall be brought into contribution with insurance purchased by Owners, or Village Associations, and all policies shall contain appropriate provisions to that effect.

10.5.4 Policies shall contain a waiver of subrogation by the insurer as to any claims against the Master Association or Village Associations, and their directors and officers, the Owners, and the Master Association's manager, if any.

10.5.5 Policies shall contain a provision that no policy may be canceled, invalidated, or suspended on account of the conduct of one or more of the Owners, Master Association or Village Associations, or on account of the acts of any director, officer, employee, or agent of the Master Association or of its manager, without prior demand in writing delivered to the Master Association to cure the defect, and the allowance of a reasonable time thereafter within which to cure the defect.

10.5.6 Liability insurance shall contain cross-liability endorsements to cover liability of the Master Association to an Owner and shall also name the Master Developer as an additional insured for so long as the Master Developer owns any part of the Property.

10.6 Damage or Destruction to Improvements. The repair and reconstruction of damaged or destroyed Improvements to the Master Common Elements shall promptly be undertaken by the Master Association. The repair and reconstruction of damaged or destroyed Improvements located on Village Property shall promptly be undertaken in accordance with the requirements and procedures contained in the Village Governing Documents for the Village in question.

SECTION 11

COMPLIANCE AND REMEDIES

11.1 Entitlement to Relief. The Master Association has authority to commence legal action to recover sums due, for damages, for injunctive relief, or any combination thereof, or an action for any other relief authorized by the Master Governing Documents or available at law or in equity. Legal relief may be sought by the Master Association against any Member, Owner or Occupant, or by a Member against the Master Association or another Member, Owner or Occupant, to enforce compliance with the Master Governing Documents, the Master Rules, MCIOA or the decisions of the Master Association. However, no Member or Owner may withhold any Master Assessments, or take or omit other action in violation of the Master Governing Documents, the Master Rules or MCIOA as a measure to enforce such Person's position, or for any other reason.

11.2 Remedies. In addition to any other remedies, express or implied, administrative or legal, the Master Association shall have the right, but not the obligation, to implement any

one or more of the following actions against Owners or Members who, or whose Occupants, violate the provisions of the Master Governing Documents, Master Rules or MCIOA:

11.2.1 Commence legal action for damages or equitable relief in any court of competent jurisdiction.

11.2.2 Impose late charges of up to the greater of \$20, or 15% of the amount past due, for each past due Master Assessment or installment thereof, and impose interest at the highest rate permitted by law on all such unpaid amounts from the due date.

11.2.3 If any Master Assessment or installment thereof becomes more than thirty days past due, all remaining installments of assessments assessed against the Member may be accelerated by the Master Association, and shall then be payable in full together with all costs of collection and late charges. Ten days' advance written notice of the acceleration shall be given to the defaulting Person.

11.2.4 Impose reasonable fines, penalties or charges for each violation of the Master Governing Documents, the Master Rules, or MCIOA.

11.2.5 Suspend the rights of any Member to vote when the Member is in violation of the Master Governing Documents, the Master Rules or MCIOA.

11.3 Rights to Hearing. Before the imposition of any of the remedies authorized by Section 11.2.4 or 11.2.5, the Master Board shall, upon written request of the offender, grant to the offender an opportunity for a fair and equitable hearing as contemplated by MCIOA. The hearing shall be held before a committee of three or more disinterested Owners appointed by the Master Board (the "Hearing Committee"). The offender shall be given notice of the nature of the violation and the right to a hearing, and at least ten days within which to request a hearing. The hearing shall be held within thirty days of receipt of the hearing request, and with at least ten days' notice to the offender. If the offender fails to appear at the hearing, then the right to a hearing shall be waived and the Hearing Committee may take such action as it deems appropriate. The decision of the Hearing Committee, and the rules for the conduct of hearings established by the Hearing Committee, shall be final and binding on all parties. The resulting decision shall be delivered in writing to the offender within ten days following the hearing, if not delivered to the offender at the hearing.

11.4 Liability for Owners' and Members' Acts. A Member, Owner or Occupant shall be liable for the expense of any maintenance, repair or replacement of the Property arising out of their acts or omissions, or the acts or omissions of their invitees to the extent that such expenses not covered by the proceeds of insurance.

11.5 Costs and Attorneys Fees. With respect to any measures, legal, administrative, or otherwise, which the Master Association takes to enforce the provisions of the Master

Governing Documents, MCIOA or the Master Rules, the offender shall promptly pay or reimburse the Master Association for any expenses incurred in connection with such enforcement, including without limitation fines or charges previously imposed by the Master Association, fees of attorneys and other professionals, court costs and collection agency contingent fees.

SECTION 12

MASTER DEVELOPER RIGHTS

The Master Developer hereby reserves exclusive and unconditional authority to exercise the following Master Developer Rights for as long as it owns a part of the Property or has the right to subject any Additional Property to this Master Declaration, or for such shorter period as may be specifically indicated:

12.1 Complete Improvements. To complete all Improvements to the Property contemplated by the Master Developer's development plans, allowed by the Master Declaration or approved by the City, and to make alterations in the Master Common Elements, or in Units owned by it, to accommodate its activities.

12.2 Sales Facilities. To construct, operate and maintain a sales office, management office, models and other development, sales and rental facilities on within any part of the Property owned by the Master Developer so long as Master Developer, or its successor and assigns, owns an unsold Unit or has the right to subject Additional Property to this Master Declaration.

12.3 Signs. To construct and maintain signs and other sales displays offering parts of the Property or Additional Property for sale, on any part of the Property owned by it or subject to its easement rights.

12.4 Easements. To have and use reasonable access easements, for itself, its employees, contractors, representatives, agents and prospective purchasers through and over the Property for the purpose of exercising its Master Developer Rights.

12.5 Control the Master Association. To control the operation and administration of the Master Association, including without limitation the power to appoint and remove the members of the Master Board and officers of the Master Association, until the earliest of: (i) voluntary surrender of control by the Master Developer, (ii) if there is one or more Village Associations, sixty days after the date when a majority of the directors on seventy-five percent of the Village Boards may be elected by the members of their respective Village Associations, or (iii) the date ten years following the date of recording of the Master Declaration.

12.6 Add, Relocate and Subdivide Property. To add Additional Property, and to combine or subdivide parts of the Property, as described in Section 13.

12.7 Approval of Certain Amendments. As long as the Master Developer owns any part of the Property, or has the right to subject any Additional Property to this Master Declaration, the Master Developer's written approval shall be required for any amendment or other change to the Master Governing Documents, any Village Governing Documents or any Master Rules.

12.8 Other Rights. To exercise any other rights and powers granted or reserved to the Master Developer by any other section of the Master Governing Documents or by MCIOA.

12.9 Delegation of Rights. The Master Developer may temporarily delegate in writing part or all of its rights under this Section 12, except for those rights under Section 12.5 or 12.7, to one or more Village Developers, Village Declarants, Apartment Village Owners, or to one or more Builders of Dwellings, for purposes consistent with this Master Declaration. The document delegating the rights shall contain a date on which the delegation terminates, and shall not be deemed a transfer under Section 13.3, unless recorded in accordance with that Section.

SECTION 13

RIGHTS TO ADD PROPERTY, COMBINE AND SUBDIVIDE

13.1 Master Developer's Rights to Add Additional Property. The Master Developer hereby expressly reserves the exclusive right to add Additional Property to the Property, by unilateral action, subject to the following conditions:

13.1.1 The right of the Master Developer to add Additional Property to the Property shall terminate ten years after the date of recording of this Master Declaration or upon earlier express written withdrawal of such right by the Master Developer or a successor to the Master Developer; provided, that said rights may be extended by a vote of the Members.

13.1.2 The Additional Property may be added to the Property in parcels of any size and configuration determined by the Master Developer, subject to any governmental requirements.

13.1.3 There are no assurances as to the times at which any part of the Additional Property will be added to the Property, the order in which it will be added, the number of parcels per phase nor the size of the parcels. The Master Developer has no obligation to add the Additional Property to the Property, and may develop it for any purpose consistent with the applicable governmental requirements.

13.1.4 Any Dwellings and other structures, erected upon any Additional Property which is added to the Property shall be compatible with the existing Dwellings and structures which are located in the same Village in terms of the types

and nature of the Dwellings, quality of construction and principal materials employed in construction; subject (i) to the right to develop either single family attached or detached residences, including multi-family residential buildings, whether owner occupied or rented, in any Village formed pursuant to this Master Declaration, (ii) to any changes required by governmental authorities or lenders and (iii) to any changes authorized by the Master Developer, or jointly by the Master Developer and a Village Developer or Village Declarant, to meet changes in the market or availability of materials.

13.2 Master Developer Rights to Create and Change Villages and Units. The Master Developer shall have the right to (i) combine or subdivide, or relocate the boundaries between, Units owned by it; (ii) to combine or subdivide Villages, or (iii) replat outlots subject to this Master Declaration and create new Units, Master Common Elements or Village Common Elements therefrom, as provided in this Section. Subject only to approval by the City, the Master Developer may take such action while it owns the property in question or thereafter as provided in this Section, subject to the following requirements:

13.2.1 The creation, combination or subdivision of a Village or of a Unit shall comply with all governmental laws, codes and regulations applicable to the transaction.

13.2.2 Any membership accruing to an affected Village shall, if necessary, be reallocated as determined by the Master Board.

13.2.3 The creation, relocation, combination or subdivision shall be accomplished by recording an amendment to the Master Declaration, as needed, and shall be for purposes consistent with those set forth in the Master Governing Documents.

13.2.4 If the change involves the Village Property of a Village or Villages of Residential Units or CIC Units, then the approval of the Village Association shall be required. If the change involves an Apartment Village Unit, then the approval of the Apartment Village Owner shall be required.

13.2.5 The Village Governing Documents of any affected Villages shall be amended, if necessary to reflect the changes.

13.3 Transfer of Master Developer Rights. Some or all of the Master Developer Rights may be voluntarily transferred, temporarily or permanently, by the Master Developer by a separate instrument signed by the Master Developer and the transferee, and recorded against the portions of the Property and Additional Property owned by the Master Developer or the transferee and affected by the transfer.

13.4 Rights and Obligations of the Master Developer. Upon transfer of any of the Master Developer Rights, the liability of the Master Developer shall be as follows:

13.4.1 The Master Developer shall remain liable for any obligation or liability arising out of its acts or omissions occurring before the transfer.

13.4.2 The Master Developer shall remain liable for any obligation or liability relating to any Master Developer Rights retained by the Master Developer.

13.4.3 The Master Developer shall have no liability for any act or omission arising from the exercise of Master Developer Rights by the transferee of the Master Developer Rights.

13.5 Rights and Obligations of Successor of the Master Developer. Any transferee of the Master Developer Rights shall be entitled to exercise such Master Developer Rights from and after the date of recording of the instrument transferring the rights. The transferee shall thereafter be subject to all of the obligations with respect to the rights transferred; except (i) misrepresentations of the Master Developer; (ii) warranty obligations of the Master Developer; (iii) breach of fiduciary obligations by the Master Developer or by any officers or members of the Master Board appointed by the Master Developer, (iv) any liability or obligation imposed on the Master Developer as a result of the Master Developer's acts or omissions after the transfer; and (v) any liability arising out of any Master Developer Rights retained by the Master Developer.

SECTION 14

AMENDMENTS

This Master Declaration may be amended by recording an amendment in the office of the applicable county recording officer, subject to the following requirements:

14.1 Approvals. The amendment shall be approved as follows:

14.1.1 All amendments shall be approved by Members holding at least sixty-seven percent of the votes of all Members, provided however, approval by a Member that is a Village Association must be made by the affirmative vote of the Village Directors holding at least sixty-seven percent of the votes of all Village Directors of that Village Association's Village Board.

14.1.2 An amendment which affects any rights or obligations of the Master Developer, a Village Developer, Village Declarant or Apartment Village Owner, shall be approved in writing by the Master Developer so long as the Master Developer owns an unsold Unit or has the right to subject Additional Property to this Master Declaration.

14.1.3 Any amendment which would change any rights expressly granted to the City under this Declaration, or any agreement between the City and the Master Developer, shall be approved in writing by the City, and the Master Developer so long as it is obligated under the applicable Development Agreement.

14.2 Recording/Binding Effect. All amendments shall be recorded, and shall run with the Property and bind the Property for the same period and to the same extent as do the covenants and restrictions set forth herein.

14.3 Affidavit of Compliance. An affidavit by the President or Secretary of the Master Association as to the outcome of the vote or the execution of any written approvals shall be adequate evidence thereof for all purposes, including without limitation the recording of the amendment.

SECTION 15

INDEMNIFICATION

The Master Association shall, to the extent the alleged liability is not covered by insurance, indemnify every individual acting in any official capacity on behalf of the Master Association, pursuant to the provisions of Minnesota Statutes 317A.521.

SECTION 16

MISCELLANEOUS

16.1 Governmental Assessments. If a City or any other governmental authority levies an assessment under the applicable Minnesota Statutes for public improvements to property adjoining the Property, if such improvements benefit substantially all of the Property, and if the assessment is levied against fewer than all of the Units, then the Master Association shall assess and allocate to Apartment Village Owners and Village Associations having Units which were not assessed by the governmental authority a share of the assessment, and shall reimburse Apartment Village Owners and Village Associations having Units against which the assessment was levied. The Master Association shall assess the Apartment Village Owners and Village Associations, and reimburse the Apartment Village Owners and Village Associations, and the Village Associations shall assess and allocate assessments against Units and reimburse the owners of Units against which the governmental assessment was levied, such that all Units benefited by the governmental assessment are paying shares of the assessment substantially pro rata with the Assessment Allotments assigned to such Units.

16.2 Severability. If any term, covenant, or provision of this instrument or any exhibit attached hereto is held to be invalid or unenforceable for any reason whatsoever, such determination shall not be deemed to alter, affect or impair in any manner whatsoever any other portion of this instrument or exhibits.

16.3 Construction. The Master Governing Document shall be construed in accordance with the laws of the state of Minnesota. Where applicable, the masculine gender of any word shall mean the feminine or neutral gender, or vice versa, and the singular of any word used herein shall mean the plural, or vice versa. References to MCIOA, or any section thereof, shall be deemed to include any statutes amending or replacing MCIOA, and the comparable sections thereof.

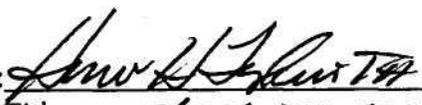
16.4 Notices. Unless specifically provided otherwise in the Master Governing Documents or MCIOA, all notices required to be given by or to the Master Association, the Master Association officers, an Owner or Occupant, or a Member, shall be in writing and shall be effective upon hand delivery, or mailing if properly addressed with postage prepaid and deposited in the United States mail, except as expressly provided otherwise in the Master Governing Documents.

16.5 Conflicts Among Documents. In the event of any conflict among the provisions of MCIOA, the Master Declaration, the Master Bylaws or any Master Rules approved by the Master Association, MCIOA shall control unless it permits the documents to control. As among the Master Declaration, Master Bylaws and Master Rules, the Master Declaration shall control, and as between the Master Bylaws and the Master Rules, the Master Bylaws shall control. The Master Governing Documents shall control as against any Village Governing Documents or Village Rules. The Master Rules shall control as against any Village Rules.

16.6 Duration of Covenants. The covenants, conditions, restrictions, easements, liens and charges contained in this Master Declaration shall be perpetual, subject only to termination as provided in this Master Declaration or MCIOA.

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

POA-SCHERER LLC,
a Minnesota limited liability company

By: 
Title: chief manager

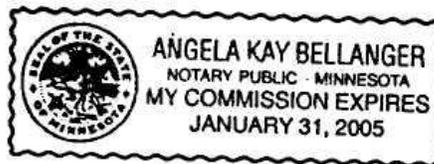
STATE OF MINNESOTA)
)ss.
COUNTY OF HENNEPIN)

The foregoing instrument was acknowledged before me this 27th day of January, 2003, by HOMER H. TOMPKINS, III., the CHIEF MANAGER, of POA Scherer LLC, a Minnesota limited liability company, on behalf of said entity.



Notary Public

This instrument was drafted by:
J. Patrick Brinkman, Esq.
Felhaber, Larson, Fenlon & Vogt, P.A.
225 South Sixth Street, Suite 4200
Minneapolis, Minnesota 55402
(612)373-8420



VICTOR GARDENS

CONSENT AND JOINDER BY MORTGAGEE

The undersigned (the "Mortgagee") is a mortgagee of portions of real property described in the Master Declaration of Covenants, Conditions and Restrictions and Easements of Victor Gardens (the "Declaration") by a certain Mortgage recorded in the office of the Washington County Recorder as Document No. _____ (the "Mortgage"). Mortgagee hereby consents to and joins in this Declaration; provided, that by consenting to and joining in this Declaration, the Mortgagee does not in any manner constitute itself or obligate itself as a Declarant as defined in the Declaration nor does such consent and joinder modify or amend the terms and conditions of the Mortgage and related loan documents; and provided further that the Mortgage shall be and remain as a lien on the property described therein, prior to any Assessment liens or other liens imposed under the Declaration, until released or satisfied.

IN WITNESS WHEREOF, the Mortgagee has caused this Consent and Joinder to be executed on the 3rd day of February, 2003.

Alliance Bank

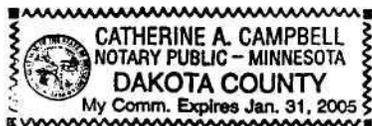
By: Jane L. Tuibes

Its: Vice President

STATE OF MINNESOTA)
)ss.
COUNTY OF Dakota)

The foregoing instrument was acknowledged before me this 3rd day of February, 2003, by Jane L. Tuibes the Vice President of Alliance Bank a Minnesota corporation, on behalf of said corporation.

Catherine A. Campbell
Notary Public



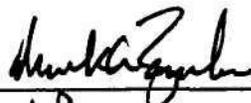
VICTOR GARDENS
MASTER DECLARATION OF
COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS

CONSENT TO DECLARATION
(MORTGAGEE)

The undersigned (the 'Mortgagee') is a mortgagee of portions of real estate described in that Master Declaration of Covenants, Conditions, Restrictions and Easements of Victor Gardens (the 'Master Declaration') by a certain Mortgage recorded in the office of the Washington County Recorder as Document No. _____ (the "Mortgage"). Mortgagee hereby consents to the Master Declaration to which this Consent is attached; provided, that by consenting to this Master Declaration, the Mortgagee does not constitute itself or obligate itself as a Master Developer as defined in said Master Declaration, nor does such Consent modify or amend the terms and conditions of the Mortgage and related loan documents; and provided further that the Mortgage shall be and remain as a lien on the property described therein, prior to any Master Assessment liens or other liens imposed under the Master Declaration, until released or satisfied.

IN WITNESS WHEREOF, the Mortgagee has caused this Consent to be executed on the 21 day of January . 2003.

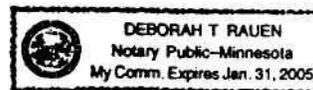
First State Bank of Wyoming

By 
Its V.P.

STATE OF MINNESOTA)
)ss
COUNTY OF Chisago)

The foregoing instrument was acknowledged before me this 21 day of January 2003, by Mark A. Zaruba , the Vice President of First State Bank of Wyoming, on behalf of said Corporation.


Notary Public



THIS INSTRUMENT DRAFTED BY:
FELHABER, LARSON, FENLON & VOGT, P.A. (JPB)
225 South Sixth Street, Suite 4200
Minneapolis, MN 55402
(612)373-8420

VICTOR GARDENS
MASTER DECLARATION OF
COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS

CONSENT TO DECLARATION
(MORTGAGEE)

The undersigned (the "Mortgagee") is a mortgagee of portions of real estate described in that Master Declaration of Covenants, Conditions, Restrictions and Easements of Victor Gardens (the "Master Declaration") by a certain Mortgage recorded in the office of the Washington County Recorder as Document No. _____ (the "Mortgage"). Mortgagee hereby consents to the Master Declaration to which this Consent is attached; provided, that by consenting to this Master Declaration, the Mortgagee does not constitute itself or obligate itself as a Master Developer as defined in said Master Declaration, nor does such Consent modify or amend the terms and conditions of the Mortgage and related loan documents; and provided further that the Mortgage shall be and remain as a lien on the property described therein, prior to any Master Assessment liens or other liens imposed under the Master Declaration, until released or satisfied.

IN WITNESS WHEREOF, the Mortgagee has caused this Consent to be executed on the 20th day of January 2003.

Anchor Bank Heritage NA

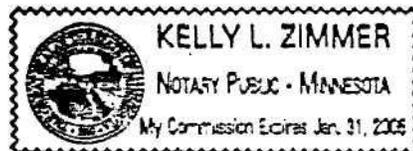
By Kathleen Ronsberg
Its Vice President

STATE OF MINNESOTA)
)ss
COUNTY OF Washington)

The foregoing instrument was acknowledged before me this 20th day of January 2003, by Kathleen Ronsberg, the Vice President of Anchor Bank Heritage NA, on behalf of said Corporation.

Kelly Zimmer
Notary Public

THIS INSTRUMENT DRAFTED BY:
FELHABER, LARSON, FENLON & VOGT, P.A. (JPB)
225 South Sixth Street, Suite 4200
Minneapolis, MN 55402
(612)373-8420



VICTOR GARDENS
MASTER DECLARATION OF
COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS

CONSENT TO DECLARATION
(OWNER)

The undersigned, the owner(s) of Lot 5, Block 1, Victor Gardens, Washington County, Minnesota, hereby consent(s) to the Master Declaration of Covenants, Conditions, Restrictions and Easements of Victor Gardens, to which this Consent to Master Declaration is attached; and agree the Master Declaration shall constitute covenants to run with the above-described property and that such property shall be owned, encumbered, used, operated, occupied and conveyed subject to the covenants, conditions, restrictions, easements, charges and liens described in the Master Declaration, all of which shall be binding upon all persons having or acquiring any right, title or interest in the above-described property, and their heirs, personal representatives, successors and assigns; provided, that by executing this Consent, the undersigned do not in any manner constitute themselves or obligate themselves as a Master Developer as defined in said Master Declaration.

IN WITNESS WHEREOF, the undersigned have caused this Consent to be executed on the 20th day of January, 2003.

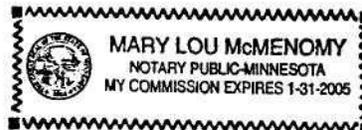

PRESIDENT
AMERICAN CLASSIC HOMES LLC

STATE OF MINNESOTA)
) ss.
COUNTY OF WASHINGTON)

The foregoing instrument was acknowledged before me this 20th day of January, 2003, by Donald F. Nelson and _____ .


Notary Public

THIS INSTRUMENT DRAFTED BY:
FELHABER, LARSON, FENLON & VOGT, P.A. (JPB)
225 South Sixth Street, Suite 4200
Minneapolis, MN 55402
(612)373-8420



VICTOR GARDENS
MASTER DECLARATION OF
COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS

CONSENT TO DECLARATION
(OWNER)

The undersigned, the owner(s) of Lot 6, Block 1, Victor Gardens, Washington County, Minnesota, hereby consent(s) to the Master Declaration of Covenants, Conditions, Restrictions and Easements of Victor Gardens, to which this Consent to Master Declaration is attached; and agree the Master Declaration shall constitute covenants to run with the above-described property and that such property shall be owned, encumbered, used, operated, occupied and conveyed subject to the covenants, conditions, restrictions, easements, charges and liens described in the Master Declaration, all of which shall be binding upon all persons having or acquiring any right, title or interest in the above-described property, and their heirs, personal representatives, successors and assigns; provided, that by executing this Consent, the undersigned do not in any manner constitute themselves or obligate themselves as a Master Developer as defined in said Master Declaration.

IN WITNESS WHEREOF, the undersigned have caused this Consent to be executed on the 29th day of JANUARY, 2003.

Senn & Youngdahl, Inc.
By: [Signature]
Its CEO

STATE OF MINNESOTA)
)ss.
COUNTY OF Washington)

The foregoing instrument was acknowledged before me this 29th day of January , 2003, by Mark Youngdahl and _____

[Signature]
Notary Public



THIS INSTRUMENT DRAFTED BY:
FELHABER, LARSON, FENLON & VOGT, P.A. (JPB)
225 South Sixth Street, Suite 4200
Minneapolis, MN 55402
(612)373-8420

VICTOR GARDENS
MASTER DECLARATION OF
COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS

CONSENT TO DECLARATION
(OWNER)

The undersigned, the owner(s) of Lot 22, Block 1, Victor Gardens, Washington County, Minnesota, hereby consent(s) to the Master Declaration of Covenants, Conditions, Restrictions and Easements of Victor Gardens, to which this Consent to Master Declaration is attached; and agree the Master Declaration shall constitute covenants to run with the above-described property and that such property shall be owned, encumbered, used, operated, occupied and conveyed subject to the covenants, conditions, restrictions, easements, charges and liens described in the Master Declaration, all of which shall be binding upon all persons having or acquiring any right, title or interest in the above-described property, and their heirs, personal representatives, successors and assigns; provided, that by executing this Consent, the undersigned do not in any manner constitute themselves or obligate themselves as a Master Developer as defined in said Master Declaration.

IN WITNESS WHEREOF, the undersigned have caused this Consent to be executed on the 29th day of JANUARY 2003.

Senn & Youngdahl, Inc.
By: [Signature]
ITS CEO

STATE OF MINNESOTA)
)ss.
COUNTY OF Washington)

The foregoing instrument was acknowledged before me this 29th day of January 2003, by Mark Youngdahl and _____.

Helen A. Crumb
Notary Public

THIS INSTRUMENT DRAFTED BY:
FELHABER, LARSON, FENLON & VOGT, P.A. (JPB)
225 South Sixth Street, Suite 4200
Minneapolis, MN 55402
(612)373-8420



VICTOR GARDENS
MASTER DECLARATION OF
COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS

CONSENT TO DECLARATION
(OWNER)

The undersigned, the owner(s) of Lot 26, Block 1, Victor Gardens, Washington County, Minnesota, hereby consent(s) to the Master Declaration of Covenants, Conditions, Restrictions and Easements of Victor Gardens, to which this Consent to Master Declaration is attached; and agree the Master Declaration shall constitute covenants to run with the above-described property and that such property shall be owned, encumbered, used, operated, occupied and conveyed subject to the covenants, conditions, restrictions, easements, charges and liens described in the Master Declaration, all of which shall be binding upon all persons having or acquiring any right, title or interest in the above-described property, and their heirs, personal representatives, successors and assigns; provided, that by executing this Consent, the undersigned do not in any manner constitute themselves or obligate themselves as a Master Developer as defined in said Master Declaration.

IN WITNESS WHEREOF, the undersigned have caused this Consent to be executed on the 20th day of January, 2003.



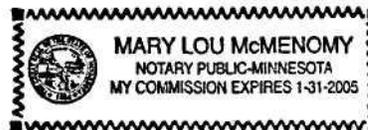
PRESIDENT
AMERICAN CLASSIC HOMES LLC

STATE OF MINNESOTA)
)ss.
COUNTY OF Washington)

The foregoing instrument was acknowledged before me this 20th day of JANUARY 2003, by Donald F. Nelson and _____.



Notary Public



THIS INSTRUMENT DRAFTED BY:
FELHABER, LARSON, FENLON & VOGT, P.A. (JPB)
225 South Sixth Street, Suite 4200
Minneapolis, MN 55402
(612)373-8420

**VICTOR GARDENS
MASTER DECLARATION OF
COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS**

**CONSENT TO DECLARATION
(OWNER)**

The undersigned, the owner(s) of Lot 8, Block 4, Victor Gardens, Washington County, Minnesota, hereby consent(s) to the Master Declaration of Covenants, Conditions, Restrictions and Easements of Victor Gardens, to which this Consent to Master Declaration is attached; and agree the Master Declaration shall constitute covenants to run with the above-described property and that such property shall be owned, encumbered, used, operated, occupied and conveyed subject to the covenants, conditions, restrictions, easements, charges and liens described in the Master Declaration, all of which shall be binding upon all persons having or acquiring any right, title or interest in the above-described property, and their heirs, personal representatives, successors and assigns; provided, that by executing this Consent, the undersigned do not in any manner constitute themselves or obligate themselves as a Master Developer as defined in said Master Declaration.

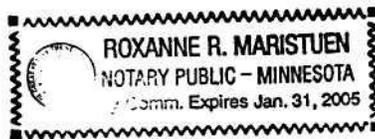
IN WITNESS WHEREOF, the undersigned have caused this Consent to be executed on the 30th day of January, 2003.

Pratt Construction, Inc
Leonard W. Pratt
Its President

STATE OF MINNESOTA)
) ss.
COUNTY OF Ramsey)

The foregoing instrument was acknowledged before me this 30th day of January, 2003, by Leonard W. Pratt, President of Pratt Construction, Inc.

Roxanne R. Maristuen
Notary Public



THIS INSTRUMENT DRAFTED BY:
FELHABER, LARSON, FENLON & VOGT, P.A. (JPB)
225 South Sixth Street, Suite 4200
Minneapolis, MN 55402
(612)373-8420

VICTOR GARDENS
MASTER DECLARATION OF
COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS

CONSENT TO DECLARATION
(OWNER)

The undersigned, the owner(s) of Lot 1, Block 8, Victor Gardens, Washington County, Minnesota, hereby consent(s) to the Master Declaration of Covenants, Conditions, Restrictions and Easements of Victor Gardens, to which this Consent to Master Declaration is attached; and agree the Master Declaration shall constitute covenants to run with the above-described property and that such property shall be owned, encumbered, used, operated, occupied and conveyed subject to the covenants, conditions, restrictions, easements, charges and liens described in the Master Declaration, all of which shall be binding upon all persons having or acquiring any right, title or interest in the above-described property, and their heirs, personal representatives, successors and assigns; provided, that by executing this Consent, the undersigned do not in any manner constitute themselves or obligate themselves as a Master Developer as defined in said Master Declaration.

IN WITNESS WHEREOF, the undersigned have caused this Consent to be executed on the 30th day of January, 2003.

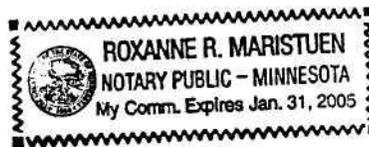
Pratt Construction, Inc.
Leonard W. Pratt
Its: President

STATE OF MINNESOTA)
)ss.
COUNTY OF Ramsey)

The foregoing instrument was acknowledged before me this 30th day of January, 2003, by Leonard W. Pratt, President of Pratt Construction, Inc..

Roxanne R. Maristuen
Notary Public

THIS INSTRUMENT DRAFTED BY:
FELHABER, LARSON, FENLON & VOGT, P.A. (JPB)
225 South Sixth Street, Suite 4200
Minneapolis, MN 55402
(612)373-8420



VICTOR GARDENS

INDEX OF EXHIBITS

Exhibit A.....Description of Property

Exhibit B.....Description of Additional Property

Exhibit C.....Description of Master Common Elements

EXHIBIT A TO MASTER DECLARATION

VICTOR GARDENS

DESCRIPTION OF PROPERTY

All of that property located in the County of Washington, State of Minnesota, described as follows:

Lots 1 through 29, Block 1; Lots 1 through 10, Block 2; Lots 1 through 7, Block 3; Lots 1 through 8, Block 4; Lots 1 through 5, Block 5; Lots 1 through 10, Block 6; Lots 1 through 9, Block 7; and Lots 1 and 2, Block 8; and Outlots F, G, H, I, J and K, Victor Gardens, Washington County, Minnesota.

EXHIBIT B TO MASTER DECLARATION

VICTOR GARDENS

DESCRIPTION OF ADDITIONAL PROPERTY

All of that property located in the County of Washington, State of Minnesota, legally described as follows:

Outlots A, B, D and E, Victor Gardens,

and

Lots 1 through 9, Block 1 and Outlots A and B, Victor Gardens 2nd Addition.

and

Outlot C, Victor Gardens, except that part legally described as:

Beginning at the northeast corner of said Outlot L; thence North 89 degrees 32 minutes 44 seconds West, assumed bearing, along the north line of said Outlot L, a distance of 154.00 feet; thence continuing along said northerly line of Outlot L, southwesterly, along a tangential curve, concave to the southeast, having a central angle of 90 degrees 00 minutes 00 seconds, a radius of 70.00 feet, for an arc distance of 109.96 feet; thence South 00 degrees 27 minutes 16 seconds West, along a westerly line of said Outlot L, tangent to last described curve, a distance of 160.63 feet; thence southwesterly, along a westerly line of said Outlot L, along a tangential curve, concave to the northwest, having a central angle of 115 degrees 08 minutes 37 seconds, a radius of 195.00 feet, for an arc distance of 391.88 feet; thence South 58 degrees 27 minutes 12 seconds West, not tangent to last described curve, along a westerly line of said Outlot L, a distance of 241.21 feet; thence South 31 degrees 32 minutes 48 seconds East, along a westerly line of said Outlot L, a distance of 302.61 feet to the southwest corner of said Outlot L; thence South 55 degrees 10 minutes 25 seconds West, a distance of 79.69 feet; thence South 34 degrees 49 minutes 35 seconds East, a distance of 157.92 feet; thence South 29 degrees 13 minutes 47 seconds East, a distance of 191.02 feet to northeast corner of Lot 5, Block 7, said VICTOR GARDENS; thence North 77 degrees 14 minutes 07 seconds West, along a northerly line of said Block 7, a distance of 211.08 feet; thence South 86 degrees 44 minutes 25 seconds West, along a northerly line of said Block 7, a distance of 104.25 feet; thence South 72 degrees 28 minutes 01 seconds

West, along a northerly line of said Block 7, a distance of 105.20 feet; thence South 52 degrees 12 minutes 24 seconds West, along a northerly line of said Block 7, a distance of 187.46 feet to the most westerly corner of Lot 9, said Block 7, point also common with the northerly right-of-way line of Victor Hugo Boulevard, as dedicated on said plat of VICTOR GARDENS; thence on a bearing of West, along said northerly right-of-way line, a distance of 48.73 feet to the southeast corner of Lot 1, Block 8, said VICTOR GARDENS; thence on a bearing of North, along the east line of said Lot 1, a distance of 155.46 feet to the northeast corner of said Lot 1; thence South 80 degrees 21 minutes 37 seconds West, along the northerly line of said Block 8, a distance of 71.00 feet; thence South 88 degrees 15 minutes 36 seconds West, along said northerly line, a distance of 70.03 feet to the northwest corner of Lot 2, said Block 8; thence South 36 degrees 36 minutes 42 seconds West, along the west line of said Lot 2, a distance of 78.54 feet to the southwest corner of said Lot 2, point also common with the easterly right-of-way line of said Victor Hugo Boulevard; thence northwesterly, along said easterly right-of-way line, along a non-tangential curve, concave to northeast, having a central angle of 40 degrees 07 minutes 28 seconds, a radius of 270.00 feet, for an arc distance of 189.08 feet, the chord of said curve bears North 31 degrees 59 minutes 47 seconds West; thence North 11 degrees 56 minutes 02 seconds West, along an easterly right-of-way line of said Victor Hugo Boulevard, tangent to last described curve, a distance of 101.75 feet; thence northerly, continuing along said easterly right-of-way line, along a tangential curve, concave to the east, having a central angle of 64 degrees 48 minutes 48 seconds, a radius of 594.16 feet, for an arc distance of 672.12 feet; thence North 52 degrees 52 minutes 46 seconds East, along said easterly right-of-way line, tangent to last described curve, a distance of 658.09 feet; thence North 37 degrees 07 minutes 14 seconds West, continuing along said easterly right-of-way line, a distance of 187.59 feet; thence continuing along said easterly right-of-way line, northerly along a tangential curve concave to the east, having a central angle of 52 degrees, 32 minutes 16 seconds, a radius of 155.00 feet, for an arc distance of 142.13 feet; thence North 15 degrees 25 minutes 02 seconds East, continuing along said easterly right-of-way line, tangent to last described curve, a distance of 174.64 feet to the northwest corner of said Outlot C; thence South 74 degrees 36 minutes 57 seconds East, along the north line of said Outlot C, a distance of 721.21 feet to an easterly line of said Outlot C; thence South 00 degrees 27 minutes 16 second West, along said easterly line, a distance of 355.25 feet to the point of beginning.

EXHIBIT C TO MASTER DECLARATION
VICTOR GARDENS
DESCRIPTION OF MASTER COMMON ELEMENTS

Outlots F, G, H, I, J and K, Victor Gardens, Washington County, Minnesota.