

are enforceable as assessments, under this Section. Recording of the Declaration constitutes record notice and perfection of any lien under this Section, and no further recordation of any notice of or claim for the lien is required.

6.7 Foreclosure of Lien; Remedies. A lien for Common Expenses may be foreclosed against a Unit or Units under the laws of the State of Minnesota (i) by action, or (ii) by advertisement as a lien under a mortgage containing a power of sale. The Association, or its authorized representative, shall have the power to bid in at the foreclosure sale and to acquire, hold, lease, mortgage and convey any Unit so acquired. The Owner and any other Person claiming an interest in the Unit, grants to the Association a power of sale and full authority to accomplish the foreclosure. The Association shall, in addition, have the right to pursue any other remedy at law or in equity against the Owner who fails to pay any assessment or charge against the Unit.

6.8 Lien Priority: Foreclosure. A lien under this Section is prior to all other liens and encumbrances on a Unit except (i) liens and encumbrances recorded before the Declaration, (ii) any first mortgage on the Unit, and (iii) liens for real estate taxes and other governmental assessments or charges against the Unit. Notwithstanding the foregoing, if a first mortgage on a Unit is foreclosed, and no Owner redeems during the Owner's period of redemption provided by Chapters 580, 581, or 582, then the holder of the sheriff's certificate of sale from the foreclosure of the first mortgage shall take title to the Unit subject to unpaid assessments for Common Expenses levied pursuant to Sections 515B.3-115(a), (e)(1) to (3), (f), and (i) of the Act which became due, without acceleration, during the six months immediately preceding the first day following the end of the Owner's period of redemption.

6.9 Voluntary Conveyances: Statement of Assessments. In a voluntary conveyance of a Unit the buyer shall not be personally liable for any unpaid assessments and other charges made by the Association against the seller or the seller's Unit prior to the time of conveyance to the buyer, unless expressly assumed by the buyer. However, the lien of such assessments shall remain against the Unit until satisfied. Any seller or buyer shall be entitled to a statement, in recordable form, from the Association setting forth the amount of the unpaid assessments against the Unit, including all assessments payable in the Association's current fiscal year, which statement shall be binding on the Association, seller and buyer.

SECTION 7

RESTRICTIONS ON USE OF PROPERTY

All Owners and Occupants, and all secured parties, by their acceptance or assertion of an interest in the Property, or by their occupancy of a Unit, covenant and agree that, in addition to any other restrictions which may be imposed by the Act or the Governing Documents, the occupancy, use, operation, alienation and conveyance of the Property shall be subject to the following restrictions:

7.1 General. The Property shall be owned, conveyed, encumbered, leased, used and occupied subject to the Governing Documents and the Act, as amended from time to time. All covenants, restrictions and obligations set forth in the 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 acquiring or owning an interest in the Property, their heirs, personal representatives, successors and assigns.

7.2 Subdivision Prohibited. Except as permitted by the Act, no Unit may be subdivided or partitioned without the prior written approval of all Owners and all secured parties holding first mortgages on the Units. Notwithstanding the foregoing, a Unit may be subdivided so as to add a portion of such Unit to an adjacent Unit only if approved by the zoning authority.

7.3 Residential Use. The Units shall be used by Owners and Occupants and their guests exclusively as private, single family residential dwellings shall be used for residential-related purposes, and not for transient, hotel, commercial, business or other non-residential purposes, except as provided in Section 7.4. Any lease of a Unit (except for occupancy by guests with the consent of the Owner) for a period of less than six (6) months, or any occupancy which includes services customarily furnished to hotel guests, shall be presumed to be for transient purposes.

7.4 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 Unit; except (i) an Owner or Occupant residing in a Unit may keep and maintain his or her business or professional records in such Unit and handle matters relating to such business by telephone or correspondence therefrom, provided that such uses are incidental to the residential use, do not involve physical alteration of the Unit and do not involve any observable business activity such as signs, advertising displays, bulk mailings, deliveries, or visitation or use of the Unit by customers or employees; (ii) the Association may maintain offices on the Property for management and related purposes; and (iii) an Owner or Occupant may conduct a home occupation upon a Unit after obtaining a Conditional Use Permit from Douglas County.

7.5 Inoperable Motor Vehicles. No Owner or Occupant of any Unit shall allow a motor vehicle to remain on such Unit for a period of more than fifteen (15) days if such motor vehicle lacks vital component parts or is in an inoperable condition.

7.6 Quiet Enjoyment; Interference Prohibited. All Owners and Occupants and their guests shall have a right of quiet enjoyment in their respective Units, and shall use the Property in such a manner as will not cause a nuisance, nor unduly restrict, interfere with or impede the use of the Property by other Owners and Occupants and their guests. No weeds, underbrush or other unsightly growth shall be permitted to grow or remain upon any Unit, and no refuse pile or unsightly objects shall be allowed to be placed or suffered to remain upon any Unit. All grass and foliage shall be mowed and maintained in such manner so as not to become unsightly. Units that are not occupied shall be mowed at least once each month during the growing season. Owners shall establish a lawn upon their Unit within twelve (12) months following the commencement of construction of any Dwelling or other structure.

7.7 Compliance with Law. No use shall be made of the Property which would violate any then existing municipal codes or ordinances, or state or federal laws, 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 Association or any Owner or Occupant.

7.8 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, is prohibited.

7.9 Pets. Dogs and cats shall not be raised, bred, kept or maintained for any commercial purposes. Each Unit within the Association shall not have a combined number of dogs and cats in excess of three (3) at any time. The owner of such dogs and cats shall be responsible for policing waste materials and shall, at all times, control such pets so as not to create a nuisance for the owners and occupants of other Units within the Property. Dog owners shall take reasonable steps to limit barking and to limit any disturbance to neighbors which may be caused by the barking of dogs. All such dogs and cats shall be kept under the control of their owner at all times. Outdoor kennels shall be allowed so long as the owner or occupant of the Unit controls barking so as not to become a nuisance or annoyance to the neighborhood. No other animals, fowl or poultry of any kind shall be kept, raised or bred in or upon any Unit.

7.10 Campers. No trailer homes, mobile homes, boat trailers, utility trailers, boats, motor homes, campers, four wheelers, fish houses, snowmobiles or recreational vehicles may be stored upon the Property unless fully concealed within the Owner's garage or outbuilding, nor shall any such home or vehicle be used for a temporary or permanent residence upon the Property, except that such storage or use may occur on an Owner's Unit for not longer than four (4) weeks during any calendar year and also except as set forth in Section 7.11.

7.11 Storage. No personal property shall be placed or stored outside of any building on any Unit unless such item of personal property is appropriate for seasonal use at such particular time (e.g. a picnic table or boat may be stored outside of a building during the summer and a snowmobile or fish house may be stored outside during the winter). Notwithstanding the foregoing, each Unit may contain a swing set or other playground and recreational equipment and may contain one (1) enclosed trailer that does not exceed twenty (20) feet in length which may be stored outside of a building at any time so long as it is maintained in such condition so as not to become unsightly or a nuisance to the neighborhood.

7.12 Signs. No sign of any kind shall be displayed to the public view on any Unit except (a) the undersigned reserves for itself and its agents the right to place any advertising sign upon any Unit until sold by the undersigned; (b) signs identifying the entrances to the Property; and (c) an owner of any Unit, other than the undersigned, may place a sign measuring less than six (6) square feet in size advertising that a Unit or home is available for sale.

7.13 Restricted Dwellings. No structure of a temporary character, trailer, mobile home, manufactured home, basement home, tent, shack, garage, barn or other outbuilding shall be constructed or used upon any Unit at any time as a residence. The term “manufactured home” shall mean a structure, transportable in one or more sections, which has wheels and axles, which is built on a permanent chassis, and which is designed to be used as a dwelling with or without a permanent foundation when connected to the required utilities, and includes the plumbing, heating, air conditioning and electrical systems contained therein. The term “manufactured home” shall be synonymous with the term “mobile home”. Manufactured homes shall not be allowed regardless of whether or not they are affixed to land.

7.14 Refuse. No refuse pile or unsightly objects shall be allowed to be placed or subject to remain on any Unit and no noxious or poisonous weeds shall be permitted to grow on any of the Units. No Unit shall be used or maintained a dumping ground for rubbish, trash, garbage or other waste. Refuse shall not be kept except in sanitary containers.

7.15 Nuisance. No outside toilet shall be permitted on any Unit, except during the construction of a dwelling or building. No noxious or offensive activity shall be carried on upon any Unit, nor shall anything be done thereon which may be or may become a nuisance or any annoyance to the neighborhood.

7.16 Dwelling Specifications. A one-story Dwelling contained upon any Unit shall have a minimum of 1,250 square feet of finished living space, excluding the basement. A two-story Dwelling contained upon any Unit shall have a minimum of 1,700 square feet of finished living space, excluding the basement; and shall have a minimum of 800 square feet of finished living space on the main level. A multi-level Dwelling contained upon any Unit shall have a minimum of 1,440 square feet of finished living space, excluding the lowest level. All Dwellings shall have a minimum roof pitch of 6/12. The exterior siding of all structures shall only utilize colors for which prefinished siding is readily available. No Unit shall contain any prefabricated, prebuilt, manufactured, modular, factory built or panelized Dwellings or structures. The exterior of all Dwellings and other structures shall be substantially completed within nine (9) months after construction commences. All Dwellings shall have an attached garage which shall be not less than a three (3) car garage. No Dwelling shall have an appearance similar to an outbuilding, storage building or pole barn.

7.17 Completion. No building shall have construction commenced and be left uncompleted on the exterior for a period in excess of nine (9) months.

7.18 Relocated Structures. No Unit shall contain any new or used structure which has been moved in or relocated from another location. The foregoing sentence shall not restrict construction practices utilizing panelized walls.

7.19 Driveway. Each Unit shall have a private driveway installed within eighteen (18) months after commencement of construction of the dwelling on such Unit, which private driveway shall utilize asphalt, concrete, paving stone, or other similar durable surface.

7.20 Outbuildings. No building shall be constructed or placed upon any Unit within the Property that fails to comply with the following:

- a. Only one such outbuilding shall be allowed on each Unit.
- b. Such outbuilding shall not be larger than 1,500 square feet and shall not have a sidewall greater than twelve (12) feet high.
- c. The color of the siding and roofing material of any outbuilding shall be similar in color to the siding and roofing material of the dwelling on such Unit.
- d. No galvanized metal on roof.
- e. Such outbuilding shall have a minimum roof pitch of 4/12 and shall have a minimum overhang at the eave of two (2) feet and a minimum overhang at the gable of one (1) foot.
- f. No outbuilding, storage building or accessory building shall be constructed upon any Unit until such Unit contains a Dwelling constructed in conformity with this Declaration.

The term “outbuilding” as used herein shall mean any structure, other than the Dwelling with attached garage, located upon any Unit.

7.21 Architectural Control. No Dwelling or other building shall be erected within any Unit until the construction plans and specifications and a site plan showing the nature, kind, shape, heights, color, materials, design, windows, siding, exterior doors, and locations of all buildings to be placed upon each such Unit have been approved by the Declarant if the construction of any such building commences on or before December 31, 2009. Any authority for approval given to the Declarant by this Declaration shall last only until December 31, 2009. The criteria for approval shall include and require, at a minimum, (i) similar construction and design in relation to existing improvements and topography, (ii) comparable or better quality of materials as used in existing improvements, (iii) ease of maintenance and repair and (iv) compliance with governmental laws, codes and regulations.

SECTION 8

MAINTENANCE

8.1 Maintenance by Association. The Association shall provide for all maintenance and repair of any landscape islands, street lights, and entrance signs, if any, that may be installed by Declarant within any dedicated street right-of-way or any easement area benefitting the Association. The Association shall be obligated to maintain, repair and improve the Common Elements.

8.2 Maintenance by Owner. Each Owner shall be responsible for the maintenance of his or her Unit, which shall include, without limitation, the mowing, watering, raking and maintenance of lawns, plantings and landscaping, the maintenance of the exterior of the Dwelling and the maintenance of all other improvements located on his or her Unit, all of which shall be performed and maintained in accordance with any rules and regulations adopted by the Association from time to time.

8.3 Damage Caused by Owner. Notwithstanding any provision of the contrary in this Section if, in the judgment of the Association, the need for maintenance, repair or improvement of any part of the Common Elements is caused by the willful or negligent act or omission of an Owner or Occupant, or their guests, the Association may cause such damage or condition to be repaired or corrected, and the cost thereof may be assessed against the Unit of the Owner responsible for the damage.

SECTION 9

INSURANCE

9.1 Required Coverage. The Association shall obtain and maintain, at a minimum, a master policy or policies of insurance in accordance with the insurance requirements set forth in the Act and the additional requirements set forth herein, issued by a reputable insurance company or companies authorized to do business in the State of Minnesota, as follows:

- a. Property insurance in broad form covering all risks of physical loss in an amount equal to one hundred percent (100%) of the insurable "replacement cost" of the Common Elements. The policy or policies shall cover personal property owned by the Association. The policy or policies shall also contain "Inflation Guard" and "Agreed Amount" endorsements, if reasonably available. Such policy or policies shall include such additional endorsements, coverage and limits with respect to the foregoing and other hazards as may be required from time to time by the regulations of the FHA or Federal National Mortgage Association ("FNMA") as a precondition to their insuring, purchasing or financing a mortgage on a Unit. The Board may also, on behalf of the Association, enter into binding written agreements with a mortgagee, insurer or servicer, including without limitation the FHA or FNMA, obligating the Association to keep certain specified coverage or endorsements in effect.
- b. Comprehensive general liability insurance covering the use, operation and maintenance of the areas which the Association is obligated to maintain, with minimum limits of \$1,000,000 per occurrence, against claims for death, bodily injury and property damage, and such other risks as are customarily covered by such policies for projects similar in construction, location and use to the Property. The policy shall contain a "severability of interest" endorsement which shall preclude the insurer from denying the claim of an Owner or Occupant because of negligent acts of the Association or other Owners or Occupants. The policy shall include such additional endorsements, coverage and limits with respect to such

hazards as may be required by the regulations of the FHA or FNMA as a precondition to their insuring, purchasing or financing a mortgage on a Unit.

- c. Workers' Compensation insurance as required by law.

9.2 Optional Coverages. The Association may obtain and maintain:

- a. Fidelity bond or insurance coverage against dishonest acts on the part of directors, officers, managers, trustees, employees or persons responsible for handling funds belonging to or administered by the Association if deemed to be advisable by the Board or required by the regulations of the FHA or FNMA as a precondition to the purchase or financing of a mortgage on a Unit. The fidelity bond or insurance shall name the Association as the named insured and shall, if required by the regulations of the FHA or FNMA as a precondition to their insuring, purchasing or financing of a mortgage on a Unit, be written in an amount equal to the greater of (i) the estimated maximum of Association funds, including reserves, in the custody of the Association or management agent at any given time while the bond is in force, or (ii) a sum equal to three months aggregate assessments on all Units plus reserves. An appropriate endorsement to the policy to cover any persons who serve without compensation shall be added if the policy would not otherwise cover volunteers, or a waiver of defense based upon the exclusion of persons serving without compensation shall be added.
- b. Directors and officers liability insurance with such reasonable limits and coverage as the Board shall determine from time to time.
- c. Such other insurance as the Board may determine from time to time to be in the best interests of the Association and the Owners.

9.3 Insurance Premiums. All insurance premiums shall be assessed and paid as a Common Expense.

9.4 Owner's Personal Insurance. Each Owner shall obtain and maintain at his or her own expense fire and other casualty insurance on such Owner's Dwelling and personal property and shall also obtain and maintain personal liability insurance.

SECTION 10

EASEMENTS

10.1 Utilities Easements. The Property shall be subject to non-exclusive, appurtenant easements for all utilities, and similar services, which exist from time to time, as constructed or as referred to in the Plat, or as otherwise described in this Declaration or any other duly recorded instrument. Each Unit, and the rights of the Owners and Occupants thereof, shall be subject to a non-exclusive easement in favor of all utilities companies providing service to the Units for the installation and maintenance of utilities metering devices and other necessary equipment.

DOC# 339120

Recorded
July 26, 2011 11:45 AM

Dawn M. Crouse

OFFICE OF COUNTY RECORDER
Douglas County Minnesota
Dawn M Crouse Recorder
Fee \$46.00

**FIRST AMENDMENT TO THE DECLARATION OF ROCKBURY,
COMMON INTEREST COMMUNITY NO. 184**

THIS FIRST AMENDMENT TO DECLARATION is made this 26th day of July, 2011, by the requisite number of Owners of Units as required by Section 14 of the Declaration dated August 24th, 2004, recorded August, 25th, 2004, as Document No. 260922, in the office of Douglas County Recorder and by Klimek Family Properties, INC., successor Declarant to Klimek Family Properties, LLC.

WHEREAS, it appears necessary to adopt an amendment to the Declaration for Clarification purposes.

THEREFORE, the undersigned hereby adopt the First Amendment to the Declaration relative to Rockbury, Common Interest Community No. 184

1. Section 7.16 of the Declaration sentence only: All Dwellings shall have an attached garage which shall be not less than a three (3) car garage is hereby amended to read as follows:

Attached Garages. All Dwellings shall have an attached garage of a minimum of 875 Sq. Ft.

IN WITNESS WHEREOF, the parties have executed this agreement on the day and year first written above.