

Condominium Number 11
DECLARATION FOR CONDOMINIUM
ISLAND VIEW CONDOMINIUM

This DECLARATION is made this 1st day of September 1992, by Phillip M. Parsons and Jean M. Parsons (hereinafter referred to as "Declarant") and by Norwest Bank Northfield, a Minnesota Corporation (hereinafter referred to as "Lender") pursuant to the provisions of the Minnesota Uniform Condominium Act, Chapter 582, Session Laws of Minnesota for 1980, Minnesota Statutes Sections 515A.1-101 to 515A.4 118 (hereinafter referred to as the "Act"), as amended.

WITNESSETH THAT:

WHEREAS, Declarant is the fee simple owner of and Lender is the holder of a mortgage lien upon that certain real property situated in the County of Rice, State of Minnesota, and more particularly described as follows:

LOT 2, BLOCK 1, SPRING CREEK THIRD ADDITION, NORTHFIELD, RICE COUNTY, MINNESOTA.

(herein sometimes called "Property or Real Estate"); and

WHEREAS there exists on a portion of the Property a multifamily project consisting of two (2) residential units and it is now the intention and desire of the Declarant and Lender to submit and establish the said Real Estate as a condominium hereinafter referred to and known as Island View Condominium; and,

WHEREAS Declarant desires to retain the option to add additional real estate in the future to this condominium pursuant to Minnesota Statutes 515A.2 106 (Flexible Condominiums), [2]

NOW, THEREFORE, said Declarant, the fee simple owner of, and Lender, the holder of a mortgage lien upon, the following described real property, to wit:

LOT 2, BLOCK 1, SPRING CREEK THIRD ADDITION, NORTHFIELD, RICE COUNTY, MINNESOTA

Herby make the following declaration as to divisions, covenants, restrictions, limitations, conditions and uses to which the above described Real Estate and improvements thereon, consisting of a two (2) unit condominium project and appurtenances, may be put, hereby specifying that said declaration shall constitute covenants to run with the land and shall be binding on said Declarant and Lender, their respective successors and assigns, and all subsequent owners of all or any part of said Real Estate and improvements, together with their grantees, successors, heirs, personal representatives, devisees and assigns.

- A. Division of Property. Said Declarant and Lender in order to establish a condominium herein referred to and known as Island View Condominium, for the above described Real Estate and improvements thereon, hereby covenant and agree that they hereby divide said Real Estate into the following separate estates:
 1. Condominium Units. Two (2) separately designated and legally described condominium units as shown on the Floor Plans for Island View Condominium, prepared by Lee Bohlen, a Registered Professional Land Surveyor, which said Floor Plans shall be recorded

simultaneously herewith in the office of the Registrar of Titles of Rice County, and are incorporated herein by reference and made a part hereof, and hereinafter collectively are called the "Floor Plans". Unit 4 includes garage Unit 4A, and Unit 5 includes garage Unit 5A.

2. Common Elements. The remaining portion of the Real Estate, described and referred to as the common elements. [3]

B. Allocation of Interests, Votes and Liability. For the purpose of this Declaration, the ownership of each condominium unit shall include a respective undivided interest in the common elements, a portion of the votes of the Association, and a percentage specified and established for each unit as follows:

Unit Number	% Undivided Interest Common Element	% Common Element Expense	No. Votes in Association
4	50%	50%	1
5	50%	50%	1

Common expenses benefitting less than all of the units may be assessed by the Association against only those units benefited. In such a case, said expenses shall be allocated among units benefited in proportion to their common expense liability.

C. Limited Common Elements. Certain portions of the common elements hereby are set aside and designated as reserved for use by a certain condominium unit to the exclusion of other units, and said portions shall be known as limited common elements. These limited common elements include those items specified in Sections 515A.2 102(2) and (4) of the Act. The limited common elements for the use of respective condominium units are as depicted on the floor plans and include the wood decks and patios adjacent to a particular unit. Each owner shall be entitled to the exclusive use of the aforesaid wood decks and patios. Limited common elements shall be maintained and repaired by the Association [4] as a common expense (except in the case of damage caused by the negligence or willful act of an owner or occupant).

ADDED ON 5/11/2020:

Island View Condominium Association shall be informed prior to a unit owner making changes to limited common elements that:

- a) Alter or materially change the exterior appearance of the structure, or,*
- b) Affect the use or enjoyment of other unit owners.*

The association reserves the right to require changes in scope or design of a project changing limited common elements or to not allow the project to go ahead.

(Also see requirements regarding changes to units in the bylaws. Pmj)

D. Description of Units. The two (2) individual condominium units hereby established and which shall be individually conveyed are described as to number, location and boundaries in the Floor Plans. The boundaries of each unit shall be the walls, floors and ceilings thereof depicted as boundaries in the Floor Plans.

E. General Agreements. Said Declarant, and its successors and assigns, by this Declaration, and all future owners of the units, by their acceptance of their deeds, covenant and agree that:

1. Common Elements indivisible. The common elements shall remain undivided, and no owner shall bring any action for partition unless the Real Estate has been removed from the provisions of the Act.
2. Residential Use Only. The buildings and each of the units are intended only for residential purposes. No use may be made of any unit except as a residence for the owners thereof, their families, tenants and social guests (except as set forth in the Article entitled "Rental of Units"), and no business or commercial use shall be permitted upon the Real Estate except sales purposes described immediately below. The Declarant may maintain, for sales purposes, model units in the Condominium until all units have been conveyed by Declarant, and may be relocated by the Declarant in its sole discretion. The personal property used in a model unit may be removed from the real estate by the Declarant not later than fifteen (15) days after Declarant ceases to be a unit owner and, if so removed, shall be and remain the property of the Declarant.
3. Easements for Encroachments. If any portion of the common elements encroaches (whether as a result of the construction, reconstruction, repair, shifting, settlement or movement of any portion of the condominium) upon a unit or units, a valid easement for [5] the encroachment and for the maintenance of same, so long as it stands, shall and does exist. If any portion of a unit encroaches (whether as a result of the construction, reconstruction, repair, shifting, settlement or movement of any portion of the condominium) upon the common element or upon an adjoining unit or units, a valid easement for the encroachment and for the maintenance of same, so long as it stands, shall and does exist. Such encroachments and easements shall not be considered or determined to be encumbrances either on the common elements or on the units for purposes of marketability of title. In the event the Real Estate is partially or totally destroyed, and then rebuilt, the owners of units shall permit minor encroachment of parts of the common elements, and of other units, due to reconstruction, and valid easements for said encroachments and the maintenance thereof shall exist.
4. Administration. The owners of condominium units covenant and agree that the administration of the condominium shall be in accordance with the provision of the Act, this Declaration, and the By-Laws of the Association.
5. Period of Declarant Control. Declarant may elect the members of the Board of Directors of the Association from the date of incorporation of the Association until the earliest of the following events:
 - a. The passage of five (5) years from the date of this Declaration;
 - b. The passage of sixty (60) days after conveyance of 75% of the units (including units added by 515A.2 106) to unit owners other than Declarant; or
 - c. Recording of written surrender of control of the Association by Declarant.

Upon the happening of the earliest of said events, all directors elected by Declarant shall resign from the Board of Directors. Notwithstanding the foregoing, however, not later than 60 days after conveyance of 50% of the units to unit owners other than Declarant, one-third of all of the members of the Board of Directors shall be elected by unit owners other than Declarant.

6. Compliance with Rules. Each owner, tenant or occupant of a condominium unit shall comply with the provisions of the Act, this Declaration and the By Laws, and with decisions and

resolution of the Association all as [6] lawfully amended from time to time. Failure to comply with any such provisions, decisions or resolutions shall be grounds to recover sums due for damages or for injunctive relief, or both, which may be brought by the Association or any aggrieved unit owner against a unit owner or by an aggrieved unit owner against the Association.

7. No subdivision or Conversion of Units. Neither Declarant nor any unit owner may subdivide or convert a unit or units, within the meaning of Section 515A.2 115 of the Act, or otherwise subdivide or partition a unit.
8. No Waiver of Benefits. No unit owner may exempt himself from liability for his contribution towards the common expense by waiver of the use or enjoyment of any of the common elements or by the abandonment of his unit.
- F. Termination. Except in the case of a taking of all of the units by eminent domain, this condominium may be terminated only by written agreement of all unit owners and of all first mortgagees of units, and may not be abandoned, nor such termination or abandonment sought by action or omission, without such unanimous written agreement.
- G. Right of Association to Hold Unit. The Board of Directors, acting on behalf of the Association, shall have the power to acquire, hold, lease, mortgage and convey a unit, including the power to purchase a unit at the foreclosure sale for unpaid assessments.
- H. Commencement of Assessments. Assessments will commence as to all units upon a date determined by the Board of Directors which shall not, however, be later than 60 days after the first conveyance of a unit to a unit owner other than Declarant.
- I. Judgment for Delinquent Assessments. Suit to recover a money judgment for unpaid common expenses may be maintained without foreclosing or waiving the lien securing the same.
- J. Liability of Mortgagees for Assessments. If the holder of a first mortgage of record on a unit or a purchaser at mortgage foreclosure obtains title to, or comes into possession of, the unit pursuant to the remedies provided in the mortgage or by foreclosure of the first mortgage or by deed or assignment in lieu thereof, such acquirer of title or possession and his successors and assigns, shall not be liable for the share of the unpaid common expenses or assessments chargeable to such unit which accrued prior to the acquisition of title or possession to such unit by such acquirer. Such unpaid share of common expenses or assessments shall be deemed to be common expenses [7] collectible from all of the condominium unit owners including such acquirer, his successors and his assigns.

CURRENT RENTAL CLAUSE – to be replaced by italicized section below:

Rental of Units. No unit owner shall be permitted to lease his unit for transient or hotel purposes, which shall be defined as (a) rental for any period of less than ninety (90) days; or (b) any rental, if the occupants of the condominium unit are provided customary hotel services, such as room service for food and beverage, maid service, furnished laundry and linen, and bellboy service. Any lease agreement shall be required to be in writing and to provide that the terms of the lease shall be subject in all respects to the provisions of this Declaration and the By Laws and the operating policy established by the Board of Directors, and that any failure by the Lessee to comply with the terms of such documents shall be a

default under the lease. Other than the foregoing, the owners of the respective units shall have the absolute right to lease the same. All rentals must be reported to the Association or its management agent prior to the commencement.

PROPOSED RENTAL CLAUSE:

K. Rental of Units.

1. At any time, no more than 25% of units in the association (2 out of 8 existing units) may be leased to non-owners. Availability for leasing is determined on a first come/first served basis.

2. No unit owner shall be permitted to lease their unit for transient or hotel purposes, which shall be defined as (a) rental for any period of less than ninety (90) days; or (b) any rental, if the occupants of the condominium unit are provided customary hotel services, such as room service for food and beverage, maid service, furnished laundry and linen, and bellboy service.

3. If a unit is eligible for leasing, the following requirements shall be met:

a) Unit owner has owned and occupied their unit for a period of no less than 2 years prior to the rental, and,

b) Unit owner reports rental to the Association, or its management agent, and a copy of the lease and names of the tenants shall be provided to the association president prior to commencement of lease, and,

c) Unit owner obtains and maintains a condominium unit owner insurance policy with a "unit owner's rental to others" endorsement.

4. Any lease agreement shall be required to be in writing and to provide that the terms of the lease shall be subject in all respects to the provisions of this Declaration of Condominium and the By Laws and the operating policy established by the Board of Directors, any failure by the Lessee to comply with the terms of such documents shall be a default under the lease.

5. Hardship. It is recognized that there are some situations that rental is necessary for a unit owner who would otherwise be severely disadvantaged by this rental restriction. A request for an exception shall be considered on a case-by-case basis.

Examples of hardships that may trigger the association to grant an exception:

a) Unit owner needing to vacate a unit for an extended period of time due to illness or estate planning, or

b) Unit owner unexpectedly entering a nursing home or other residential facility, or

c) Unit owner temporarily relocating due to family illness or new job, or

d) Unit owner, as part of their estate planning, transfers ownership to their child(ren) and retains life estate interest in the property.

The unit owner shall provide written documentation substantiating the reason they require to rent their unit. A majority of unit owners, one vote per unit, is needed to approve the rental.

6. The association shall notify the unit owner of problem tenants who fail to follow the rules and regulations of the association's Declaration of Condominium or Bylaws. If, after notice, the Unit Owner fails to timely, and in accordance with Minnesota law, evict the noncompliant tenant, the association may assess Unit Owner for eviction costs, inclusive of reasonable attorney fees.

7. A daily fine may be assessed on unit owners who rent out units in violation of the condominium rental restrictions.

L. Required Insurance. Commencing not later than the time of the first conveyance of a unit to a unit owner other than Declarant, and in addition to the requirements of the Act, the Association shall maintain, to the extent reasonable available, the following insurance:

- a. Master or blanket type policy of fire insurance with extended coverage endorsement (including vandalism, debris removal, cost of demolition, malicious mischief, and windstorm and water damage) insuring the buildings containing the units (including all building service equipment and all of the units and the fixtures installed therein as of the date hereof, and specifically including, without limiting the generality of the foregoing, interior walls, interior doors, built in cabinets and counters, electrical and plumbing conduits, pipes and fixtures initially installed by the Declarant, and any fixtures, equipment or other property within a unit which are to be financed by a mortgage to be purchased by FNMA, and including also common personal property and supplies, but not including carpeting, drapes, wallcoverings, fixtures, furniture, furnishing, or other personal property supplied or installed by unit owners or tenants and also not including land, foundations, excavation and other items normally excluded from coverage) and covering the interest of the Association, the Board of Directors, and all unit owners and their mortgagees, as their interests may appear, for full insurable current replacement cost, as determined annually by the Board of Directors. Such policy shall afford, as a minimum protection against the following: [8]
 - i. Loss or damage by fire or other perils normally covered by the standard extended coverage endorsement.
 - ii. All other perils which customarily are covered with respect to projects similar in construction, location and use, including all perils normally covered by the standard "all risk" endorsement, where such is available. The name of the insured under such policies must be set forth therein substantially as follows:

"Island View Condominium Association, for the use and benefit of the individual owners".

The policies also may be issued in the name of an authorized representative of the Association, including any insured Trustee with whom the Association has entered into an insurance Trust Agreement, or any successor to such trustee, for the use and benefit of the individual owners. Lost payable shall be in favor of the Association (or Insurance Trustee), as a trustee for each unit owner and each such owner's mortgagee. Each unit owner and each such owner's

mortgagee, if any, shall be a beneficiary of the policy in the percentage of common ownership. Evidence of insurance shall be issued in each unit owner and mortgagee upon request. Policies must provide for the recognition of any Insurance Trust Agreement.

If reasonably available, such policies shall include:

- i. Agreed Amount (or like endorsement);
 - ii. Inflation Guard Endorsement;
 - iii. Construction Code Endorsement (such as a Demolition Cost Endorsement, a Contingent Liability from Operation of Building Laws Endorsement, and an Increased Cost of Construction Endorsement) if the condominium is subject to a construction code provision which would become operative and require changes to undamaged portions of the building, thereby imposing significant costs in the event of partial destruction of the project by an insured peril; and
 - iv. Steam Boiler Coverage (if applicable) for loss or damage resulting from steam boiler equipment incidents in an amount not less than \$50,000.00 per accident per location. [9]
- b. Workers' Compensation insurance (if the Association has eligible employees);
- c. Comprehensive public liability insurance in such amounts and with such coverage as the Board of Directors shall from time to time determine, but at least:
- i. covering events occurring anywhere on the common elements (and public ways and commercial spaces, if any) or arising out of or in connection with the use, ownership and maintenance of the common elements;
 - ii. covering, without limitation, legal liability of the insured for property damage, bodily injuries and deaths of persons in connection with the operation, maintenance or use of the common elements, and legal liability arising out of lawsuits related to employment contracts of the Association;
 - iii. insuring each officer and member of the Board of Directors, the managing agent and each unit owner and with cross liability endorsement to cover liabilities of the unit owners as a group to a unit owner and with a "severability of interest endorsement" which would preclude the insurer from denying the claim of a unit owner for the negligent act of another owner, occupant or the Association; and
 - iv. in amounts generally required by private institutional mortgage investors for projects similar in construction, location and use (However, such coverage shall be for at least \$1,000,000 for bodily injury, including deaths of persons and property damage arising out of a single occurrence.)
- d. Such other insurance as the Board of Directors may determine.

Each unit owner shall carry insurance for his own benefit insuring his personal liability and his carpeting, wallcovering, fixtures, furniture, furnishings and other personal property, and

fixtures and other property supplied or installed by him or a previous owner or tenant, provided that all such policies shall contain waivers of subrogation [10] and further provided that the liability of the carriers issuing insurance obtained by the Association shall not be affected or diminished by reason of any such additional insurance carried by any unit owner.

In addition and supplement to the foregoing powers, and not in limitation thereof, the Board of Directors shall have the authority at all times without action by the owners to obtain and maintain in force all coverages and endorsements required by either Federal National Mortgage Association or Federal Home Loan Mortgage Corporation for the acceptance of mortgage on units, as such requirements are amended from time to time, and to authorize the officers of the Association, on behalf of the Association, to execute and enter into the binding written agreements with a first mortgagee or servicer of a first mortgage obligating the Association to keep specified period of time or until the occurrence of some event.

Notwithstanding any of the foregoing provisions and requirements relating to property or liability insurance, there may be named as an insured, on behalf of the Association, the Association's authorized representative, including any trustee with whom such Association may enter into any Insurance Trust Agreement or any successor to such trustee (each of whom shall be referred to herein as the "Insurance Trustee"), who shall have exclusive authority to negotiate losses under any policy providing such property or liability insurance. [11]

Each unit owner, by acceptance of a deed in his unit, hereby appoints the Association, or any Insurance Trustee or substitute Insurance Trustee designed by the Association, as attorney-in-fact for the purpose of purchasing and maintaining such insurance, including: the collection and appropriate disposition of the proceeds thereof; the negotiation of losses and execution of releases of liability; the execution of all documents; and the performance of all other acts necessary to accomplish such purpose. The Association or any Insurance Trustee is hereby required to receive, hold or otherwise properly dispose of any proceeds of insurance in trust for unit owners and their first mortgage holders, as their interests may appear.

- M. Insurance Premiums. Insurance premiums for any blanket property insurance coverage purchased by the Association shall be common expenses to be paid by assessments levied by the Association, and such assessments shall be held in a separate escrow account of the Association and used solely for the payment of the blanket property insurance premiums and other insurance premiums as such premiums become due.
- N. Eminent Domain. The Association shall represent the unit owners in any condemnation proceedings or in negotiations, settlements and agreements with the condemning authority for acquisition of the common elements, or part thereof, and by acceptance of a deed for his unit, each unit owner appoints the Association as attorney in fact for such purposes. In the event of a taking or acquisition of part or all of the [12] common elements by a condemning authority, the award of proceeds of settlement shall be payable to the Association or other trustee (such as a bank or title insurance company appointed as such by the Association), for the use and benefit of the unit owners and their mortgagees as their interests may appear. The provisions of this section are expressly supplemental to the Act, and particularly Sections 515A.1-107 and 515A.3 118 thereof.

- O. Rights for the Protection of First Mortgagees. The following provisions shall take precedence over all other provisions of this Declaration, and in the event of any inconsistency or contradiction, the following provisions shall control:
1. Certain Amendments. In addition to statutory requirements for amendment of these Declaration and By Laws, and to the other requirements set forth herein, unless at least 75% (or such higher percentage as is required by law or this Declaration) of the first mortgagees of the units or their assigns (based upon one vote for each first mortgage owned), and at least 75% (or such higher percentage as is required by law or this Declaration) of the owners (other than any sponsor, developer, or builder, including the Declarant) of the units have given their prior written approval, neither the Association nor the unit owners shall be entitled to:
 - a. Terminate the legal status of the condominium (except in accordance with procedures set forth in the Act or these Declaration and By Laws in the event of amendment or termination made as a result of destruction, damage, or condemnation);
 - b. By act or omission, seek to abandon, petition, subdivide, encumber sell or transfer the common elements (the granting of easements for public utilities or for other public purposes consistent with the intended use of the common elements shall not be deemed such a transfer);
 - c. Use hazard insurance proceeds for losses to any [13] condominium property (whether to units or to common elements) for other than the repair, replacement or reconstruction of such condominium property, except as provided by statute in case of substantial loss to the units and/or common elements of the condominium;
 - d. Add or amend any material provisions of the constituent documents of the project which establish, provide for, govern or regulate any of the following:
 - i. Voting;
 - ii. Assessments, assessment liens or subordination of such liens;
 - iii. Reserves for maintenance, repair and replacement of the common elements (or units if applicable);
 - iv. Insurance;
 - v. Rights to use of the common elements;
 - vi. Responsibility for maintenance and repair of the several portions of the project;
 - vii. Expansion or contraction of the project of the addition, annexation or withdrawal of property to or from the project;
 - viii. Boundaries of any unit;
 - ix. The interests in the general or limited common elements;
 - x. Convertibility of units into common elements or of common elements into units;
 - xi. Leasing of units;
 - xii. Imposition of any right of first refusal or similar restrictions on the right of a unit owner to sell, transfer, or otherwise convey his or her unit;

- xiii. Any provisions which are for the express benefit of mortgage holders, eligible mortgage holders or eligible insurers, or guarantors of first mortgages on units.

(except in accordance with procedures set forth in the Act or these Declarations and By Laws in the event of [14] amendment or termination made as a result of destruction, damage or condemnation or with respect to a reallocation of interests in the common elements which might occur pursuant to any plan of expansion or phased development centered in the original constituent documents).

For purposes of this section, an addition or amendment to such documents shall not be considered material if it is for the purpose of correcting technical errors, or for clarification only.

An eligible mortgage holder who receives a written request to approve additions or amendments who does not deliver or post to the requesting party a negative response within 30 days shall be deemed to have approved such request.

2. Declarant's Joinder. In addition to statutory requirements for amendment of these Declaration and By Laws, the written joinder and consent of the Declarant shall be required for any amendment of either the Declaration or the By Laws until the last conveyance of a unit in this condominium to a unit owner other than Declarant. This right may be waived at any time by recording a written waiver executed and acknowledged by Declarant.
3. Right to Statement. Any holder, insurer or guarantor or prospective holder, insurer or guarantor of a first mortgage on a unit in the condominium will, upon written request, be entitled to receive an annual audited financial statement of the condominium for the immediately preceding fiscal year, free of charge to the party so requesting. The Association shall furnish such statement within a reasonable time following the request.
4. Notice of Action. Upon written request to the Association, identifying the name and address of the holder, insurer or guarantor of a first mortgage on a unit in the condominium and the unit number or address (a holder of a first mortgage on a unit who has so requested such notice shall be referred to herein as an "eligible mortgage holder", and an insurer or governmental guarantor of a first mortgage on a unit who has so requested such notice shall be referred to herein as an "eligible insurer or guarantor"), any such eligible mortgage holder or eligible insurer or guarantor will be entitled to timely notice of:
 - a. Any condemnation loss or any casualty loss which affects a material portion of the project or any unit on which there is a first mortgage held, insured or guaranteed by such mortgage holder or insurer or guarantor, as applicable; [15]
 - b. Any delinquency in the payment of assessments or charges owed, or any other default in the performance of any obligation under the Declaration, By Laws, Articles of Incorporation or Floor Plans by an owner of a unit subject to a first

mortgage held, insured or guaranteed by such holder or insurer or guarantor, which remains uncured for a period of 60 days;

- c. Any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association;
 - d. Any proposed action which would require the consent of a specified percentage of mortgage holders as specified below or in this Article.
5. Restoration in Accordance with Original Plans. Any restoration or repair of the condominium, after a partial condemnation or damage due to an insurable hazard, shall be performed substantially in accordance with the Declaration and the original plans and specifications, unless other action is approved by eligible holders holding mortgages on units which have at least 51% of the votes of units subject to eligible holder mortgages and by the prior consent of owners or units to which at least 67% of the votes in the Association are allocated.
 6. Required Reserve Account. Condominium assessments for common expenses shall include the establishment and maintenance of an adequate reserve fund for the periodic maintenance, repair and replacement of improvements to those common elements that must be replaced on a periodic basis, and to those limited common elements which the Association is obligated to maintain. Such routine and foreseeable assessments shall be payable in regular installments rather than by special assessments.
 7. No Priority Over Mortgagees. No provision of this Declaration or of the By Laws shall be deemed to give a unit owner, or any other party, priority over any rights of first mortgagees of units, or their successors in interest, pursuant to their mortgages, in the case of a distribution to the unit owners of insurance proceeds or condemnation awards or settlements for losses to or a taking of units and/or common elements. In the event of substantial damage to or destruction of any unit or any part of the common elements, the holder of any first mortgage on a unit shall be entitled in timely written notice of any such damage or destruction. If any unit or portion thereof [16] or the common elements or any portion thereof is made the subject matter of any condemnation or eminent domain proceeding or otherwise is sought to be acquired by a condemning authority, then the holder of any first mortgage on a unit will be entitled to timely written notice of any such proceeding or proposed acquisition.
 8. No Right of First Refusal. The right of a unit owner to sell, transfer or otherwise convey the owner's unit will not be subject to any right of first refusal or any similar restrictions in favor of the Association.
- P. Definitions of Terms. As used in this Declaration or in the By Laws of the Association, any words or terms defined in the Act shall have the meaning there ascribed to them. The singular shall be deemed to include the plural wherever appropriate; and unless the context clearly indicates to the contrary, any obligation imposed shall be joint and several. The "Association" shall mean Island View Condominium Association, a Minnesota nonprofit corporation.
 - Q. Subject to Ordinances. This condominium is not subject to any ordinance pursuant to Minnesota Statute 515A.1 106.
 - R. Supplemental to Law. The provisions of this Declaration shall be in addition to and supplemental to the Act and to all other provisions of law.
 - S. Declaration of Flexible Condominiums.

1. Reservation. Declarant reserves the right to add additional real estate to become a part of this Condominium.
2. Time Limit. Declarant shall have the option to add additional real estate to this Declaration within a period of time not to exceed five (5) years from the date of the recording of this Declaration. Thereafter, Declarant's option to add additional land shall lapse. No other circumstance will terminate the option earlier.
3. Limitations. There are no other limitations on Declarant's option to add additional real estate to this Declaration.
4. Additional Real Estate. Additional real estate which Declarant shall have the right to add to this Declaration of Condominium are 2 lots as follows:
 - a. LOT 3, BLOCK 1 "SPRING CREEK THIRD ADDITION, NORTHFIELD, RICE COUNTY, MINNESOTA.
 - b. LOT 1, BLOCK 1 "SPRING CREEK THIRD ADDITION, NORTHFIELD, RICE COUNTY, MINNESOTA. [17]
5. Timing of Additions. The Real Estate described immediately above may be added to this Declaration of Condominium any order and in any part.
6. Maximum Number of Units. The maximum number of units that may be created within the above described real estate are three for each lot or a total of six for all of the real estate described in paragraph 4 above. All of those units will be restricted exclusively to residential use.
7. Construction. No statement is made concerning the type of building or units that will exist on the real estate which may be added to this Declaration of Condominium.
8. Restrictions. All restrictions found in this Declaration of Condominium affecting use, occupancy, and alienation of units will also apply to any units created in the real estate to be added to this Declaration of Condominium.
9. General Description of Improvements. Each lot described in subparagraph 4 above shall contain a structure with three living units and a garage for each unit.
10. Event Land Not Added. In the event the real estate described above is not added to this Declaration of Condominium, then the statements pursuant to subparagraphs 1 through 9 herein will not apply to the additional real estate.

IN WITNESS WHEREOF, Declarant and lender have caused this Declaration to be executed the day and year first above written.

/s/ Phillip M. Parsons

/s/ Jean M. Parsons

NORWEST BANK MINNESOTA SOUTH, N.A.

By: /s/ Hubert B. Renander, President

By: /s/ Richard E. Hucka, Vice President

STATE OF MINNESOTA

COUNTY OF RICE

The foregoing instrument was acknowledged before me this 1th day of September 1992, by Phillip M. Parsons, on behalf of Island View Condominium Association.

/s/ Moni Shelstad, Notary Public

STATE OF MINNESOTA

COUNTY OF RICE

The foregoing instrument was acknowledged before me this 1th day of September, 1992, by Hubert B. Renander, President, and Richard E. Hucka, Vice President, of Norwest Bank Minnesota South, N.A., a Minnesota corporation, on behalf of said corporation.

/s/ Notary Public

This instrument drafted by:

SCHMITZ & OPHAUG

P.O. Box 237

Northfield MN 55057