

1st, 2nd, 3rd

DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS

THIS DECLARATION, made this 14th day of July, 1986, by Secure Properties, Inc. (hereinafter referred to as "Declarant")

WITNESSETH:

WHEREAS, Declarant is the owner of the real property described in Exhibit A of this Declaration, and desires to create thereon a residential community; and

WHEREAS, Declarant desires to provide for the preservation of the values and amenities in the community and to this end desires to subject the real property described in Exhibit A hereof to the easements, restrictions, covenants, conditions, charges and liens set forth in this Declaration, each and all of which is and are for the benefit of the property and each owner thereof; and

WHEREAS, Declarant has deemed it desirable for the efficient preservation of the values and amenities in the community to create an agency to which should be delegated and assigned the power of administering and enforcing the covenants and restrictions contained in this Declaration; and

WHEREAS, Declarant has incorporated, under the laws of the State of Minnesota, as a non-profit corporation, "Hidden Valley Homeowners Association", for the purpose of exercising these functions:

WHEREAS, Declarant declares that the real property described in Exhibit A hereof is and shall be, held, transferred, sold, conveyed and occupied subject to the following covenants, conditions, restrictions, easements, charges and liens (sometimes referred to as "Covenants and Restrictions"), which covenants and restrictions shall run with the real property and be binding on all parties having any right, title or interest in the hereinafter described properties or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof:

ARTICLE I
PROPERTY SUBJECT TO THIS DECLARATION

Section 1. Property Subject To This Declaration. The real estate subject to this Declaration is located in Washington County, Minnesota and described in Exhibit A attached hereto, all of which property shall hereinafter be referred to as "The Property".

Section 2. Additions To Existing Property. The developer may, prior to December 31, 1992, annex the following property:

(See Attached Exhibit B)

or portions thereof, provided, however, that all annexed property must be single family detached residential housing. Other residential property and Common area may be annexed to the property with the consent of two-thirds (2/3rds) of the members of each class of members of the Association.

Section 3. Manner of Annexation. Additions authorized under this Article shall be made by filing a Supplementary Declaration of Covenants, Conditions and Restrictions with respect to the additional property and, after such filing, such additional property shall be subject to the covenants and restrictions of this Declaration. Such Supplementary Declaration shall contain such complimentary additions and modifications of the covenants and restrictions contained in this Declaration as may be necessary to reflect the different character, if any, of the added properties and shall not be inconsistent with the scheme of this Declaration. In no event, however, shall such Supplementary Declaration revoke, modify or add to the covenants established by this Declaration within the existing property.

ARTICLE II MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

Section 1. Membership. Each owner of a lot is a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership.

Section 2. Voting Rights. The Association shall have two (2) classes of voting membership.

Class A. Class A Members shall be all Owners of one or more lots, except Declarant. When more than one person or entity shares ownership of a lot, the vote shall be exercised as they determine among themselves.

Class B. The Class B Member shall be the Declarant. The Class B Member shall be entitled to three (3) votes for each lot owned by it.

The Class B Membership shall cease and be converted to Class A Membership on the earlier of (i) 1995 or (ii) when the total vote outstanding in the Class A Membership equals the total votes outstanding in the Class B Membership.

ARTICLE III DUTIES OF ASSOCIATION

Section 1. Enforcement of Covenants and Restrictions; Architectural Control. The Association shall be responsible for the levy and collection of the assessments provided herein, and for the enforcement of the covenants and restrictions contained in this Declaration, including the architectural controls imposed by Article VI and the land use controls and prohibited uses imposed by Articles VII and VIII.

ARTICLE IV ASSESSMENTS

Section 1. Creation of Assessments. The Declarant, for each lot owned by it hereby covenants, and each owner of any lot, by acceptance of a deed for a lot, whether or not it shall be so expressed in the deed or any conveyance, is deemed to agree to pay to the Association: (a) annual assessments.

Section 2. Purpose of Annual Assessments. The annual assessments shall be levied for the purpose of paying the costs associated with the incidental cost of operating the Association and Maintenance of developed common areas.

Section 3. Levy of Annual Assessments. The annual assessment must be fixed at a uniform rate for each lot. The annual assessment shall be due and payable each May 1, beginning on May 1, 1987. The annual assessment due May 1, 1987, shall not exceed \$55.08 per year. For the following years, the annual assessment shall be levied by the Association, based upon a proposed budget. The annual assessment may be increased, without a vote of membership, by the greater of (a) \$10.00 per lot; or (b) the percentage increase, if any, over the twelve month period preceding the year for which such annual assessment is levied, in the Consumer Price Index, all items, published by the United States Department of Commerce, Bureau of Labor Statistics, for the region including Cottage Grove, Minnesota. In order to increase the annual assessment more than the maximum amount established in this Section, a vote of 67% of the votes of each class of membership cast by the members present, in person or by proxy at a meeting of the Association called for that purpose shall be necessary. The Board of Directors of the Association shall fix the amount of the annual assessment in the amount not in excess of the maximum. The annual assessment for each year shall be fixed, and written notice provided to each owner at least thirty (30) days prior to May 1 of the year in which the assessment is due. Failure to provide such notice, however, shall not render the assessment invalid.

Section 4. Effect of Nonpayment of Assessments; Remedies of Association. The annual assessments shall be established as provided in this Declaration. If any assessment is not paid when due, it shall become delinquent and shall, together with interest at a rate of ten percent (10%) per annum, any cost of collection and any attorneys' fees, become a continuing lien on the lot and shall also be the personal obligation of the owner of the lot at the time the assessment is made. The lien may be enforced and foreclosed by action of by advertisement in the same manner in which mortgages be foreclosed in Minnesota. Each owner, by acceptance of a deed for any lot, shall be deemed to give full and complete power of a sale to the Association and to consent to a foreclosure of the lien by advertisement. The Association may elect to bring an action at law against the owner personally obligated to pay the assessment. The lien of any assessment under this Declaration shall be subordinate to the lien of any First Mortgage.

ARTICLE V ARCHITECTURAL CONTROL PROCEDURES

Section 1. Architectural Control Committee. There shall be established an Architectural Control Committee (ACC) consisting of three persons. The members of the ACC shall be appointed by Declarant so long as the Class B membership exists. After the termination of Declarant's right to appoint the ACC members, members shall be appointed and serve at the pleasure of the Board of Directors of the Association.

Section 2. Original Construction. The plans and specifications for the construction of family residence on any lot shall be submitted to the ACC for its written approval before any construction activity is begun.

Section 3. Review of Modifications. After the completion of an original family residence on a lot the construction or modification of any building or structure, including front yard fences or retaining walls shall require prior written approval by the ACC of the plans and specifications for the construction, in accordance with the standards set forth in Section 4 hereof.

Section 4. Standard of Review. The ACC may promulgate detailed standards and procedures governing its areas of responsibilities and practice. In addition, the following shall apply: design and harmony of external design with existing structures, topography, and finish grade elevation. No permission or approval shall be required to repaint in accordance with originally approved plans and specifications. Nothing contained herein shall be construed to limit the right of an owner to remodel the interior of his or her residence or to paint the interior of his or her residence any color desired.

Section 5. Procedure. If the ACC fails to approve or disapprove plans and specifications within thirty (30) days after the submission of the same to it, approval will be deemed to have been granted. In the event of disapproval by the ACC, the requesting owner may give written notice that the owner wishes to appeal the ACC decision and request a hearing before the Association's Board of Directors. Such notice must be furnished to the ACC within ten (10) days of its decision. The hearing shall be at a special meeting of the Board of Directors to be held within thirty (30) days of receipt of the owner's notice of appeal.

Section 6. Removal and Abatement. The ACC or the Association shall have the right to order an owner to remove or alter any structure on any lot erected in violation of the terms of this Declaration, and to employ an appropriate judicial proceedings to compel the alteration or demolition of any nonconforming construction or other violation. Any cost incurred by the ACC shall be levied as an Individual Lot Maintenance Assessment as provided in Article V.

Section 7. Variances. Reasonable variances to the covenants and restrictions may be granted by the ACC after review, in order to overcome practical difficulties or to prevent unnecessary hardship. A variance may only be granted or it is not detrimental to other property and shall not defeat the purpose of this Declaration.

ARTICLE VI

Section 1. Permitted Uses. No lot shall be used except for family residential purposes. No building or structure shall be permitted to remain on any lot except a family residence with an attached garage designed to accommodate a minimum of two (2) cars. The exterior construction of any building must be completed within twelve (12) months of the beginning of its construction or as modified by the ACC.

Section 2. Dwelling Sizes. No dwelling shall be permitted on any lot with a ground floor area of the main structure, exclusive of open porches and garages, which has less than 1200 square feet for a one-story dwelling, or which has less than 700 square feet for a two-story dwelling, or which has less than 900 square feet for a split-entry dwelling (only the upper level of the split-entry dwelling shall be counted in defining square footage). The total floor area for a split-level shall be such that it is in keeping with the foregoing requirements for other types of dwellings. A one-story residence having a basement that opens out on the ground level at the side or rear shall be considered as being a one-story dwelling for purposes of the paragraph.

Section 3. Boulevard Trees and Landscaping Areas. Each owner must maintain and replace boulevard trees and landscaping plantings on the lot in accordance with the master landscape plan on file with the City of Cottage Grove and in the manner originally installed, or as modified for the approval of the ACC.

ARTICLE VII PROHIBITED USES

Section 1. Nuisances. No noxious or offensive activities shall be carried on upon any lot.

Section 2. Pets and Livestock. Dog runs or similar animal cages are permitted only when adequately screened from view. No animals, livestock or poultry shall be raised on any lot, except domesticated animals, so long as they are not kept or bred for commercial purposes.

Section 3. Garbage and Rubbish. No lot may be used as a dumping ground for rubbish or trash and all trash or rubbish shall be kept in sanitary containers.

Section 4. Signs. No signs may be displayed to public view on any lot except signs not more than seven (7) feet square advertising the property for sale or rent, or any signs places by the Declarant to advertise the property during the sale of lots. Entrance Monuments are exempt from this section.

Section 5. Storage of Vehicles and Equipment. No truck or semi-trailer larger than three-quarter ton capacity and no buses of original capacity of more than 10 passengers, whether or not converted to camper purposes, shall be parked, stored or left on any lot for more than five consecutive hours in any one day, but this prohibition shall not include factory-built campers and camper trailers, not contractors trucks and equipment used during the construction of improvements on any lot. No motor vehicle which is not licensed and operable shall be parked or stored on any lot for more than 48 hours. No snowmobiles, boats, trailers, construction equipment, building materials or supplies, ice houses, pick-up campers or other extraneous and unsightly objects shall be stored on any lot except that construction equipment and building materials and supplies may be stored in a neat and orderly manner during the actual construction of improvements upon a lot.

Section 6. Television Receiving Dishes, Private Broadcast/Reception Equipment. There may be no exterior installation of Television Satellite receiving equipment, HBO, or similar equipment, citizen band or amateur radio antennas, exterior public broadcast television antennas can be installed only with ACC approval.

Section 7. In-Home Business. No businesses can be established in family residences that cause traffic congestion, car parking congestion or similar nuisances.

Section 8. Tree Removal. Live tree removal is not permitted except when done in completing landscaping that has been approved by the ACC.

Section 9. Building, Fence, Structures, Additions. No building, fence or structure of any kind shall be placed, or altered on lot until the construction plans and specifications and a plan showing the location of the structure and landscaping have been approved by the ACC as to quality of workmanship, harmony of external design and location.

Section 10. No Temporary Structure. No structure of a temporary character, trailer, basement, tent, shack, garage, barn or other building shall be used on any lot at any time as a residence, either temporarily or permanently.

ARTICLE VIII COMMON AREA

Common Area shall mean all real property owned by the Hidden Valley Homeowner's Association for the common use and enjoyment of the owners. The Common Area to be owned by the Hidden Valley Homeowner's Association at the time of conveyance of the first lot is described as follows:

Outlots A, B, C, D, E and F, Hidden Valley Addition, according to the plat thereof on file and of record in the office of the County Recorder in and for Washington County, Minnesota.

ARTICLE IX
GENERAL PROVISIONS

Section 1. Association Easements. The Association shall have an easement to enter upon any lot or common areas in order to perform any obligation of the Association hereunder.

Section 2. Duration of Declaration of Covenants, Restrictions and Easement. The Covenants, Restrictions and Easements of this Declaration shall run with and bind the land and shall inure to the benefits of and be enforceable by the Association or the owner of any lot subject to this Declaration, or their respective legal representatives, heirs, successors and assigns. The Covenants and Restrictions herein set forth shall have a term of thirty (30) years from the date this Declaration is recorded, after which time, said Covenants and Restrictions shall be automatically renewed for successive periods of ten (10) years. The Covenants and Restrictions of this Declaration may be amended during the first thirty (30) year period by an instrument signed by not less than seventy-five percent (75%) of the owners and thereafter by an instrument signed by not less than a majority of the owners. Any amendment must be properly recorded.

Section 3. Enforcement. In the event any owner fail to comply with the provisions of this Declaration, or the Bylaws or Articles of Incorporation of the Association or with decisions of the Association which are made pursuant thereto, such failure will give rise to a cause of action on the part of the Association, or any aggrieved owner for the recovery of damages or for injunctive relief, or both. Owners shall have similar right of action against the Association. Enforcement of these Covenants and Restrictions may be by any proceeding at law in equity.

Section 4. Severability. Invalidation of any one of these Covenants or Restrictions by judgment of court order shall in no wise affect any other provisions which shall remain in full force and effect.

Section 5. EHAZVA Approval. As long as there is a Class B membership, the following actions will require the prior approval of the Federal Housing Administration or the Veterans Administration: Annexation of additional properties, dedication of Common Area, and amendment of this Declaration of Covenants, Conditions and Restrictions.

ARTICLE X
RIGHTS OF FIRST MORTGAGES

Section 1. Notice of Default. Upon request, a First Mortgagee shall be notified of any default by an owner of any obligation under this Declaration.

Section 2. Nonliability for Assessments. A First Mortgagee who obtains title to any lot pursuant to the remedies contained in a mortgage or by foreclosure shall not be liable for any assessments accrued prior to the First Mortgagee's acquisition of title.

Section 3. Payment of Assessments. A First Mortgagee may pay any assessments or other charges in default.

IN TESTIMONY WHEREOF, the said Corporation has caused these presents to be executed in its corporate name by its President and its Vice President, on this 14 day of July, 1986.

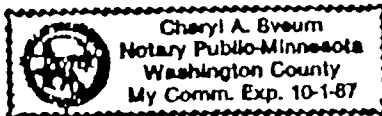
SECURE PROPERTIES, INC.

By Marlin R. Rygh
Its President

By Mike J. Rygh
Its Vice President

STATE OF MINNESOTA :
COUNTY OF WASHINGTON : SS.

The foregoing instrument was acknowledged before me this 14th day of July, 1986, by MARLIN R. RYGH, President, and MIKE J. RYGH, Vice President, of SECURE PROPERTIES, INC., a Minnesota corporation, on behalf of said corporation.



Cheryl A. Sveum
Notary Public

DRAFTED BY:

Forrest M. Anderson
HARPER & ANDERSON, CHARTERED
7501 - 80th Street South
Cottage Grove, MN 55016
(612) 459-0955

EXHIBIT A

Lot 1 through 13, Block 1, Hidden Valley Addition.
Lot 1 through 30, Block 2, Hidden Valley Addition.
Lot 1 through 6, Block 3, Hidden Valley Addition.
Outlots A, B, C, D, E, and F, Hidden Valley Addition.

EXHIBIT B

All in Section Eight (8), Township (27) North, Range (21) West: The Northwest quarter of the Northeast quarter (NW 1/4 of NE 1/4); The Northeast quarter of the Northwest quarter (NE 1/4 of NW 1/4). Subject to N.S.P. easement.

All in Section five (5), Township (27), Range (21) West; The Southwest quarter of the Southeast quarter (SW 1/4 of SE 1/4); the Southeast quarter of the Southwest quarter (SE 1/4 of SW 1/4).

All in Section Eight (8), Township Twenty Seven (27) North Range Twenty One (21) West: The Southwest quarter of the Northeast quarter (SW 1/4 of NE 1/4); The Southeast quarter of the Northwest quarter (SE 1/4 of NW 1/4); of Section, Township and Range aforesaid EXCEPTING THEREFROM Tracts A, B C, and D of REGISTERED LAND SURVEY NO 50. Except Lot 1 through 13, Block 1, Hidden Valley, and Lot 1 through 30, Block 2, Hidden Valley Addition, and Lot 1 through 6, Block 3, Hidden Valley Addition.

OFFICE OF
WASHINGTON COUNTY M.M.
CERTIFIED FILED
AND/OR RECORDED ON

JUN 22 11 38 AM '86

Doc. 75320 Ser. 33179
BOOK 107 PAGE 17

W. J. Anderson

Cert. 33179 Bk. 107 Pg. 1

33180 Bk. 107 Pg. 1

33181 Bk. 107 Pg. 1

33182 Bk. 107 Pg. 2

33183 Bk. 107 Pg. 2

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33212 Bk. 107 Pg. 50

33213 Bk. 107 Pg. 51

33214 Bk. 107 Pg. 52

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33216 Bk. 107 Pg. 54

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33225 Bk. 107 Pg. 63

33226 Bk. 107 Pg. 64

33227 Bk. 107 Pg. 65

33228 Bk. 107 Pg. 66

W. J. Anderson
7501 80th St. SE
Ottawa, Minn. 550

FIRST SUPPLEMENTARY DECLARATION
OF COVENANTS, CONDITIONS
AND RESTRICTIONS

THIS FIRST SUPPLEMENTARY DECLARATION, made this _____ day of December, 1988, by Secure Properties, Inc.

W I T N E S S E T H:

WHEREAS, Declarant has heretofore executed a Declaration of Covenants, Conditions and Restrictions, dated July 14, 1986, and filed in the Office of the Register of Deeds in and for Washington County, Minnesota, on July 22, 1986, as Document No. 75320, subjecting thereto the real property legally described as:

Lots 1 through 13 inclusive, Block 1;
Lots 1 through 30 inclusive, Block 2;
Lots 1 through 6 inclusive, Block 3;
Outlots A through F, inclusive,

all in Hidden Valley Addition, according to the plat thereof on file and of record in the office of the Register of Deeds, in and for Washington County, Minnesota.

WHEREAS, Article I, Section 2, of the Declaration provides that the Declarant shall have the right to bring within the provisions of the Declaration the Property described in Exhibit B to a General Plan of Development approved by the United States Department of Housing and Urban Development, Federal Housing Administration and Veterans Administration;

WHEREAS, Declarant is the owner of real property located in the City of Cottage Grove, County of Washington, State of Minnesota, legally described as:

Lots 1 through 8, Block 1;
Lots 1 through 11, Block 2;
Lots 1 through 4, Block 3;
Lots 1 through 8, Block 4;
Lots 1 through 3, Block 5;
Lots 1 and 2, Block 6;
Outlots A, B, C, D, E, F and G

all in Hidden Valley 2nd Addition, according to the plat thereof on file and of record in the office of the County Recorder in and for Washington County, Minnesota,

(hereinafter referred to as "Annexation Property")

WHEREAS, the Annexation Property lies entirely within the real property described in Exhibit B to the Declaration and Declarant is desirous that the Annexation Property be made subject to and brought within the provisions of the Declaration;

WHEREAS, the United States Department of Housing and Urban Development, Federal Housing Administration and Veterans Administration have determined that the Annexation Property is in accord with the General Plan of Development heretofore approved by them,

NOW, THEREFORE, Declarant hereby declares as follows:

1. The Annexation Property is and shall be held, transferred, sold, conveyed and occupied subject to this First Supplementary Declaration of Covenants, Conditions, and Restrictions and subject to the covenants, restrictions, charges and liens set forth in the Declaration, except as said covenants, conditions and restrictions are amended insofar as they apply to the Annexation Property.

2. Section 4, of Article I of the Declaration is hereby amended, insofar as it relates to the Annexation Property to read as follows:

"'Common Area' shall mean all real property owned by the Association for the common use and enjoyment of the owners. The Common Area to be owned by the Association at the time of the conveyance of the first Lot is described as follows:

Outlots A through F, inclusive, all in Hidden Valley Addition, according to the plat thereof on file and of record in the office of the Register of Deeds, in and for Washington County, Minnesota; and

Outlots A, B, C, D E and G, all in Hidden Valley 2nd Addition, according to the plat thereof on file and of record in the office of the County Recorder in and for Washington County, Minnesota."

3. Section 5, of Article VII of the Declaration, is hereby amended, insofar as it relates to the Annexation Property to read as follows:

Storage of Vehicles and Equipment. No commercial vehicles, recreational vehicles, trucks of 1 ton capacity or larger, campers, buses converted to campers or other light vehicles shall be parked, stored or left on any lot for more than 5 consecutive hours in one day, except within the house or garage. This prohibition shall not prohibit the parking of

contractors' trucks and equipment used during the construction of improvements to any lot or during the actual repair of the property. No motor vehicle which is not licensed and operable shall be parked or stored on any lot for more than 48 hours. No snowmobiles, boats, trailers, construction equipment, building materials or supplies, ice houses, pick-up campers or other extraneous and unsightly objects shall be stored on any lot except that construction equipment and building materials and supplies may be stored in a neat and orderly manner during the actual construction of improvements upon a lot.

4. All of the other provisions of the original Declaration shall remain the same.

IN TESTIMONY WHEREOF, said Corporation has caused these presents to be executed in its corporate name by its President and its Vice President on this 13th day of December, 1988.

SECURE PROPERTIES, INC.

By: Marlin R. Rygh
Its President

By: Mike J. Rygh
Its Vice President

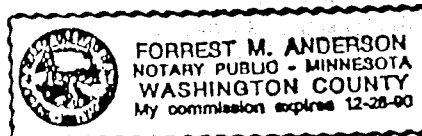
STATE OF MINNESOTA)
) ss.
COUNTY OF WASHINGTON)

The foregoing instrument was acknowledged before me this 13th day of December, 1988, by Marlin R. Rygh, President, and Mike J. Rygh, Vice President, of Secure Properties, Inc., a Minnesota corporation, on behalf of said corporation.

Forrest M. Anderson
Notary Public

DRAFTED BY!

Forrest M. Anderson
HARPER & ANDERSON, CHARTERED
7200 - 80th Street South
Cottage Grove, MN 55016
(612) 459-0955



FMARE23

1008409

SECOND SUPPLEMENTARY DECLARATION
OF COVENANTS, CONDITIONS
AND RESTRICTIONS

THIS FIRST SUPPLEMENTARY DECLARATION, made this 5 day
of March, 1991, by Secure Properties, Inc.

W I T N E S S E T H:

WHEREAS, Declarant has heretofore executed a Declaration of
Covenants, Conditions and Restrictions, dated July 14, 1986, and
filed in the Office of the Register of Deeds in and for
Washington County, Minnesota, on July 22, 1986, as Document No.
75320, subjecting thereto the real property legally described as:

Lots 1 through 13 inclusive, Block 1;
Lots 1 through 30 inclusive, Block 2;
Lots 1 through 6 inclusive, Block 3;
Outlots A through F, inclusive,

all in Hidden Valley Addition, according to the plat
thereof on file and of record in the office of the
Register of Deeds, in and for Washington County,
Minnesota.

WHEREAS, the Declarant has heretofore executed a First
Supplementary Declaration of Covenants, Conditions and
Restrictions dated December 13, 1988 and filed in the office the
Register of Deeds in and for Washington County, Minnesota
December 13, 1988 as Document No. 993505 subjecting thereto the
real property legally described as

Lots 1 through 8, Block 1;
Lots 1 through 11, Block 2;
Lots 1 through 4, Block 3;
Lots 1 through 8, Block 4;
Lots 1 through 3, Block 5;
Lots 1 and 2, Block 6;
Outlots A, B, C, D, E, F and G

all in Hidden Valley 2nd Addition, according to the
plat thereof on file and of record in the office of the
County Recorder in and for Washington County,
Minnesota,

WHEREAS, Article I, Section 2, of the Declaration provides that the Declarant shall have the right to bring within the provisions of the Declaration the Property described in Exhibit B to a General Plan of Development approved by the United States Department of Housing and Urban Development, Federal Housing Administration and Veterans Administration;

WHEREAS, Declarant is the owner of real property located in the City of Cottage Grove, County of Washington, State of Minnesota, legally described as:

Lots 1 through 9, Block 1;
Lots 1 through 3, Block 2; #27463
Lots 1 through 12, Block 3;
Outlots A and B

all in Hidden Valley 3rd Addition, according to the plat thereof on file and of record in the office of the County Recorder in and for Washington County, Minnesota,

(hereinafter referred to as "Annexation Property")

WHEREAS, the Annexation Property lies entirely within the real property described in Exhibit B to the Declaration and Declarant is desirous that the Annexation Property be made subject to and brought within the provisions of the Declaration;

WHEREAS, the United States Department of Housing and Urban Development, Federal Housing Administration and Veterans Administration have determined that the Annexation Property is in accord with the General Plan of Development heretofore approved by them,

NOW, THEREFORE, Declarant hereby declares as follows:

1. The Annexation Property is and shall be held, transferred, sold, conveyed and occupied subject to this First Supplementary Declaration of Covenants, Conditions, and Restrictions and subject to the covenants, restrictions, charges and liens set forth in the Declaration, except as said covenants, conditions and restrictions are amended insofar as they apply to the Annexation Property.

2. Section 4, of Article I of the Declaration is hereby amended, insofar as it relates to the Annexation Property to read as follows:

"'Common Area' shall mean all real property owned by the Association for the common use and enjoyment of the owners. The Common Area to be owned by the Association at the time of the conveyance of the first Lot is described as follows:

Outlots A through F, inclusive all in Hidden Valley Addition, according to the plat thereof on file and of record in the office of the Register of Deeds, in and for Washington County, Minnesota; and

Outlots A, B, C, D, E and G, all in Hidden Valley 2nd Addition, according to the plat thereof on file and of record in the office of the County Recorder in and for Washington County, Minnesota.

Outlots A and B, both in Hidden Valley 3rd Addition, according to the plat thereof on file and of record in the office of the County Recorder in and for Washington County, Minnesota."

3. Section 5, of Article VII of the Declaration, is hereby amended, insofar as it relates to the Annexation Property to read as follows:

Storage of Vehicles and Equipment. No commercial vehicles, recreational vehicles, trucks of 1 ton capacity or larger, campers, buses converted to campers or other light vehicles shall be parked, stored or left on any lot for more than 5 consecutive hours in one day, except within the house or garage. This prohibition shall not prohibit the parking of contractors' trucks and equipment used during the construction of improvements to any lot or during the actual repair of the property. No motor vehicle which is not licensed and operable shall be parked or stored on any lot for more than 48 hours. No snowmobiles, boats, trailers, construction equipment, building materials or supplies, ice houses, pick-up campers or other extraneous and unsightly objects shall be stored on any lot except that construction equipment and building materials and supplies may be stored in a neat and orderly manner during the actual construction of improvements upon a lot.

4. All of the other provisions of the original Declaration shall remain the same.

IN TESTIMONY WHEREOF, said Corporation has caused these presents to be executed in its corporate name by its President and its Vice President on this 31 day of March, 1991.

SECURE PROPERTIES, INC.

By: Marlin R. Rygh
Its President

By: Mike J. Rygh
Its Vice President

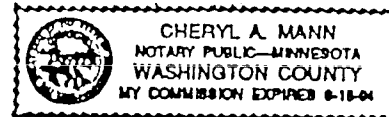
STATE OF MINNESOTA)
) ss.
COUNTY OF WASHINGTON)

The foregoing instrument was acknowledged before me this 31 day of March, 1991, by Marlin R. Rygh, President, and Mike J. Rygh, Vice President, of Secure Properties, Inc., a Minnesota corporation, on behalf of said corporation.

Cheryl A Mann
Notary Public

DRAFTED BY:

Forrest M. Anderson
Attorney at Law
7200 - 80th Street South
Cottage Grove, MN 55016
(612) 459-0955



FMARE23

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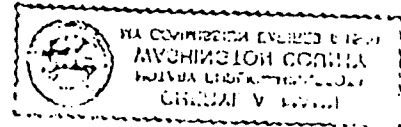
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Secure Property
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