

1728914 Page: 1 of 41 2/12/2025 10:17 AM REST \$113.00

RECORDER'S OFFICE, CASS COUNTY, ND 2/12/2025 10:17 AM I CERTIFY THAT THIS INSTRUMENT WAS FILED FOR RECORD THIS DATE. DEBORAH A. MOELLER, COUNTY RECORDER

by Shena Carcia

outy 1728914



### RIVER'S EDGE SECOND ADDITION TO THE CITY OF HORACE

DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS, RESERVATIONS, EASEMENTS, LIENS AND CHARGES



#### 1728914 Page: 2 of 41 2/12/2025 10:17 AN

REST \$113.00

### RIVER'S EDGE SECOND ADDITION TO THE CITY OF HORACE

# DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS, RESERVATIONS, EASEMENTS, LIENS AND CHARGES

THIS DECLARATION is made effective the May of February, 2025 by RIVER'S EDGE ESTATES, LLC, a North Dakota limited liability company (hereinafter, the "Developer").

#### **RECITATIONS:**

- A. This is the Declaration of Covenants, Conditions, Restrictions, Reservations, Easements, Liens and Charges for River's Edge Second Addition to the City of Horace (the "Declaration").
- B. River's Edge Estates, LLC is the Owner and Developer pursuant to the terms of this Declaration.
- C. The Declaration is for all property within River's Edge Second Addition to the City of Horace, Cass County, North Dakota.

**NOW, THEREFORE,** the Developer declares the Property is and shall be held, transferred, sold, conveyed, cared for and occupied subject to the covenants set forth in this Declaration.

# ARTICLE I. DEFINITIONS

Unless the context shall prohibit, the following terms, when used in this Declaration, shall have the following meanings:

"Architectural Review Committee" or "ARC" shall mean the Developer or the Developer's representative until such time as the Developer divests itself of the authority to act as the Architectural Review Committee using the procedure set forth in <a href="Section 3.1">Section 3.1</a>. The Architectural Review Committee may also establish Architectural Guidelines with which the Owners must comply.

"Building Control Line" shall mean the Watercourse Setback Line for Lots 18, 19, 20, 21, 22, 23, 24, 25 and 26, Block 8. No building or structure may be constructed on the riverside of the Watercourse Setback Line which is the Building Control Line.

"Building Plot" shall mean and consist of one or more Lots or one Lot and a portion or portions of adjacent Lots which have the same Owner. A Building Plot



1728914

Page: 3 of 41 2/12/2025 10:17 AM REST \$113.00

may never consist of less than one entire Lot as set forth in the Plat of River's Edge Second Addition to the City of Horace, recorded as Document No. 1688665 with the Cass County Recorder.

- "Covenants" shall mean the covenants, conditions, restrictions, reservations, easements, liens and charges set forth or referred to in this Declaration, as may from time to time be amended.
- "Declaration" shall mean this Declaration of Covenants, Conditions, Restrictions, Reservations, Easements, Liens and Charges may from time to time be amended.
- "Developer" shall mean and refer to River's Edge Estates, LLC, its successors and assigns, if any successors or assigns shall acquire a majority of the undeveloped Lots for the purpose of development.
- "Development" shall mean River's Edge Second Addition to the City of Horace.
- "Easements" shall mean those easements of record with the Cass County Recorder affecting any part of the River's Edge Second Addition to the City of Horace and/or as set forth in the Plat recorded as Document No. 1688665 with the Cass County Recorder, and all easements referred to in this document, including Schedules and Exhibits.
- "Family" shall mean one or more persons living in a residential building as a single housekeeping unit and shall exclude a group or groups of persons where three (3) or more persons thereof are not related to each other by blood, adoption or marriage.
- "Limited Use Area" refers to that area refers to that area to the east of the Watercourse Setback Line set forth in the Plat or on the Pond side of the 55-foot Storm Water Storage Easement set forth in the Plat.
- "Lot" or "Single Family Lot" shall mean a Lot as set forth in the Plat of River's Edge Second Addition to the City of Horace, recorded as Document No. 1688665 with the Cass County Recorder.
- "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of fee simple title to any Lot which is a part of the Property, including contract sellers, but excluding those having an interest merely as security for the performance of an obligation.
- "Property" shall mean that real property described more specifically in Article II of this Declaration and not excepted and/or excluded. The Property was platted as part of River's Edge Second Addition to the City of Horace.



1728914 Page: 4 of 41 2/12/2025 10:17 AM REST \$113.00

"*Plat*" refers to the Plat of River's Edge Second Addition to the City of Horace recorded with the Cass County Recorder as Document No. 1688665.

"Residential Lots" or "Lots" shall mean all Lots within River's Edge Second Addition to the City of Horace, as shown on the Plat of River's Edge Second Addition to the City of Horace, as Residential Lots except for those excepted and/or excluded as set forth in Article II.

"Structure" shall mean any building, house, shed, fence, wall, deck, stairs, landscaping feature, pool, play structure, patio, gazebo, sport court, ice rink, trellis, pergola, driveway, sidewalk, or any other type of structure.

"Watercourse Setback Line" shall mean the line running along and west of the Sheyenne River. No Structures or improvements may be constructed east of the Watercourse Setback Line.

# ARTICLE II. PROPERTY SUBJECT TO THIS DECLARATION

The Property, described in <u>Exhibit A</u>, which is and shall be held, transferred, sold, conveyed and occupied subject to this Declaration as Residential Lots is described as all property, including Lots, located in River's Edge Second Addition to the City of Horace, except for and excluding the following:

- Lot 17. Block 3 is owned by the City of Horace Park District:
- Lot 4, Block 9 is owned by the City of Horace Park District;
- Lot 7 and Lot 17, Block 9 are owned by the City of Horace;
- Lot 11, Block 8 is owned by the City of Horace Park District.

All of the above-described Lots are in River's Edge Second Addition to the City of Horace, Cass County, North Dakota. All real property which is not excepted and excluded as set forth above shall hereinafter be referred to as the "Property."

# ARTICLE III. ARCHITECTURAL CONTROL

Section 3.1. <u>Architectural Review Committee</u>. The River's Edge Second Addition Architectural Review Committee (or "ARC") is hereby established for the Property. The ARC shall be comprised of the Developer or its appointed representative until the earlier of the time that residences have been constructed and completed on all Residential Lots in the Property; or until such time as Developer decides to divest itself of responsibility for functioning as the ARC. When such control is relinquished in writing by the Developer, the responsibility shall be vested in a committee comprised of three (3) Owners of Residential Lots, who shall initially be appointed by the Developer and



1728914

Page: 5 of 41 2/12/2025 10:17 AM REST \$113.00

thereafter be elected by a majority of the Residential Lot Owners, whether at a meeting or by written ballot, as set forth in the Bylaws of River's Edge Second Addition Homeowners Association. The elected committee shall, at that time, adopt a meeting schedule and rules of operation. It shall be conclusively presumed that there has not been construction completed upon all Residential Lots and that the Developer has not divested itself of responsibility for Architectural Control until and unless there is a sworn affidavit placed of record with the Cass County Recorder from the Developer or its legal representative stating that one or the other of the factual circumstances exists for the Developer to relinquish control, except as otherwise provided in this Declaration, and the Developer is no longer the Architectural Review Committee. The effective date control is relinquished shall also be set forth in the affidavit. Whenever there is a reference in these documents to "Architectural Review Committee," "Review Committee" or "ARC," such reference shall include either the Developer or the appointed or elected committee, whichever is acting at that time.

Section 3.2. Procedure for Submission of Plans, Specifications and Application. An electronic copy of the Plans and Specifications in a format specified by the Developer or the ARC and a complete Application is required to be forwarded to review@riversedgend.com or other email address supplied by the Developer or the ARC for any planned structure or landscaping. The Application is available at www.riversedgend.com. Receipt by the ARC must be acknowledged electronically for the 30-day review period to commence. The 30-day review period will commence effective as of the date the ARC acknowledges receipt. The electronic plans. specifications and Application must be submitted to the ARC and approved prior to the commencement of construction. Approval or disapproval of these plans, specifications and Application will be made in writing within thirty (30) days after acknowledgement of receipt of these plans and specifications. Approval shall be in the sole discretion of the ARC to grant or deny, with the standard being in the sole discretion of the ARC. No grant or denial will be construed or considered to be arbitrary. The purpose of the ARC is to establish a high quality residential community of homes that are (i) similar in size, style and workmanship; (ii) free from objectionable or value-destroying features; and (iii) in conformity with the governing zoning codes, building codes and other applicable regulations then in force. All approvals or disapproval/denial from the ARC will be in writing.

Section 3.3. <u>Construction Time and Requirements; New Construction</u>. New construction of all primary structures shall be substantially completed within eighteen (18) months after issuance of any building permit for the structure. The Developer or the ARC, in its sole discretion, may grant up to two extensions, each for not more than twelve (12) months. No outside storage of building materials shall be permitted on any Lot after the 18-month construction period. All improvements constructed on Lots shall be new construction, and no buildings or other structures shall be moved from other locations onto any Lots. Construction of improvements on any Lot must commence within twenty-four (24) months of conveyance of the Lot by Developer to an Owner. Owner must stay current in payment of real estate taxes and installments of special assessments for each Lot purchased. This must occur within sixty (60) days following the 24-month period for commencement of construction. In the event Owner fails to pay the special assessments,



1728914

Page: 6 of 41 2/12/2025 10:17 AM REST \$113.00

both certified and uncertified, to the City of Horace within the 60-day period, Developer will have the option to purchase the Lot back from the then current Owner upon payment to the Owner of seventy-five percent (75%) of the price originally paid to Developer for the Lot. Owner must convey good and marketable title to Developer or Developer's designee free and clear of any lien, claim or encumbrance, with general real estate taxes and certified special assessments paid current, and if not paid current there will be a dollar for dollar reduction of the price to be paid.

- Section 3.4. <u>Architectural Control.</u> No building, fence, wall, deck, stairs, landscaping feature, pool, play structure, patio, gazebo, sport court, ice rink, trellis, pergola, driveway, sidewalk or any other structure shall be commenced, erected or maintained on the Lots, nor shall any exterior addition to or change or alteration thereto be made to any buildings or structures on the Lots, until the plans and specification for the same have been submitted to and approved in writing by the ARC or its appointed representative as set out in <u>Section 3.2</u> and <u>Section 3.5</u>.
- Section 3.5. <u>Plans and Specifications</u>. Plans submitted for approval shall include the following:
  - Section 3.5.1. A complete sets of house plans in electronic format acceptable to Developer or the ARC, and a completed application form, all as required by Section 3.2, with submissions sent to review@riversedgend.com.
  - Section 3.5.2. The house plan and application form must indicate construction materials and specifications, roofing material, exterior finishes, colors, proposed fencing and any proposed structure.
  - Section 3.5.3. The site plan must indicate the basement outline with projections shown as a dotted line. The garage footprint and exterior steps, patios or decks must be indicated. The main floor proposed grade and the basement floor grade must be clearly shown. The site plan must clearly indicate the finished landscape grade at each corner of the building as well as those adjacent to any unusual indentations within an elevation. The site plan should indicate sidewalk, walkway and driveway locations and sizes.
  - Section 3.5.4. Accessory structures (which may also be referred to as "sheds") such as pools, pool houses, gazebos, sheds, sport courts, ice rinks, trellises, pergolas, patios, utility buildings, storage buildings (site-built or premanufactured), additional garages, decks and play structures should be indicated on the site plan and must be approved by the ARC or its appointed representative in its sole discretion. Sheds, if permitted, must be constructed of the same exterior materials and colors as the principal residential structure on the Lot and may not exceed the square footage and other restrictions set forth in <u>Schedule 3.5.4</u>. No additional structures or accessory structures made of plastic or composite materials used as bins or sheds outside of the principal residence structure are allowed, except with ARC written approval. Maximum dimensions and other information regarding storage sheds are set forth in <u>Schedule 3.5.4</u>. The principal



1728914

Page: 7 of 41 2/12/2025 10:17 AM REST \$113.00

residence on a Lot must be constructed prior to construction of an accessory structure.

- Section 3.5.5. Any and all solar heating or energy devices or satellite dishes larger than 30" in length or diameter and all TV and radio antennae must be approved by the ARC or its appointed representative. Any satellite dishes or antennae must be mounted on the main residential building on the Property, unless location on another structure on the Lot is approved by the ARC or its appointed representative.
- Section 3.5.6. Each Lot will be restricted to construction of one single family detached residence with a two or three car attached garage.
- Section 3.5.7. All Lots in River's Edge Second Addition to the City of Horace not excepted as set forth in <u>Article II</u> shall have residential structures that are larger than the minimum square footage set forth in <u>Schedule 3.5.7</u>.
- Section 3.5.8. A reduction of the square footage with respect to any of the Lots may be granted by the Developer or the ARC, but only in special circumstances. Any reduction shall be evidenced by a written certificate of variance issued by the ARC.
- Section 3.5.9. No residence shall exceed two stories in height when viewed from the street or adjacent property. Roof slopes of not less than 3 in 12 are required, roof slopes of 6 in 12 and greater are encouraged. Flat roofs will be considered on a case by case basis by the ARC.
- Section 3.5.10. All residences must have a minimum of ten percent (10%) hard surface coverage which would include brick, manufactured or natural stone, dryvit or similar type materials.
- Section 3.5.11. No Residential Lot in River's Edge Second Addition to the City of Horace may be subdivided to create a new Residential Lot not set forth in the Plat of River's Edge Second Addition to the City of Horace. A Residential Lot in River's Edge Second Addition to the City of Horace may be added together with an adjacent Lot in River's Edge Second Addition to the City of Horace to form one Residential Lot. A Residential Lot may be divided between Owners on each side of that Lot to increase the size of the Residential Lots on each side of the Lot being divided. However, no Residential Lot may be decreased in size and remain a buildable Residential Lot unless it becomes a part of an adjacent Residential Lot which has not been reduced in size.
- Section 3.5.12. Lots 18, 19, 20, 21, 22, 23, 24, 25 and 26, Block 8, River's Edge Second Addition to the City of Horace are located along a watercourse (the Sheyenne River) and have setback restrictions as shown on the Plat based on the location of the Watercourse Setback Line affecting each of these Lots. All structures and improvements must be west of the Watercourse Setback Line.



1728914

Page: 8 of 41 2/12/2025 10:17 AM REST \$113.00

Lot 11, Block 8, River's Edge Second Addition will be a park Lot owned and operated by the City of Horace Park District.

Section 3.5.13. Lots 5, 6, 8, 9, 10, 11, 12, 13, 14, 15 and 16, Block 9, River's Edge Second Addition to the City of Horace are Residential Lots for residential buildings. These Lots are subject to easements and setback requirements. Lot 7, Block 9 is a City of Horace Lot for access to Lot 17, Block 9, which contains the pond.

Section 3.5.14. No fences of any kind are allowed except black aluminum open-picket fencing five (5) feet in height, which must be approved in writing by the ARC prior to construction. This includes a prohibition on fenced dog runs or dog containment areas outside of a residential structure and a prohibition on chain link fences for any use.

Section 3.5.15. The City of Horace, North Dakota will be the owner of Lot 17, Block 9, River's Edge Second Addition to the City of Horace, which is intended to be a pond. The City of Horace will have all responsibility for management and maintenance of Lot 17, Block 9.

# ARTICLE IV. RESTRICTIONS

The Property shall be subject to the following restrictions:

Section 4.1. <u>Land Use and Building Type.</u> All Residential Lots zoned R6 shall be used for single family purposes only. No building, fence, wall, deck, stairs, landscaping feature, pool, play structure, storage structure, patio, gazebo, sport court, ice rink, trellis, pergola, driveway, sidewalk or any other structure other than a private residential dwelling house, ARC-approved outbuildings, storage structures, garages, swimming pools and fences as approved in writing by the ARC (subject to limitations set forth in this document and/or placed by the ARC on the Lot as part of the approval process) may be erected, placed or maintained on any Lot within the Property. See also the requirements in <u>Section 3.4</u> and <u>Section 3.5.7</u>. Structures along the Sheyenne River must be located west of the Watercourse Setback Line, as set forth in the Plat and <u>Section 3.5.12</u>. Structures on Lots adjoining the Pond, which is Lot 17, Block 9, must be contained within the setback requirements for each such Lot.

Section 4.2. <u>Building Location</u>. No building or structure shall be erected on any Lot unless the building or structure is in compliance with the City of Horace zoning ordinances for residential zoning districts, including setbacks, unless variances are approved in writing by the ARC and the City of Horace. Eaves and steps shall also be constructed in such a way as to comply with applicable zoning ordinances and restrictions; provided, however, that this shall not be construed to permit any portion of a building on a Lot to encroach upon another Lot. Any storage shed approved by the ARC must be in compliance with Section 3.5.4.



1728914 Page: 9 of 41

2/12/2025 10:17 AM REST \$113.00

Lot Drainage Control. All Lots shall be graded and finished to Section 4.3. comply with the Drainage Plan approved by Developer. Positive drainage is required to divert water away from the residence and to prevent standing water and soil saturation which may be detrimental to structures and enjoyment of use of the Property and/or neighboring Property. The Developer or its engineer will provide a Drainage Plan which must be complied with for every structure being built. The top of the foundation wall must be at least twenty-four (24) inches above the grade of the top of the street curb in front of the Lot. Neither the City of Horace nor the Developer will have any responsibility for the proper grading and drainage of each Lot. Proper grading and drainage will be the responsibility solely of the Lot Owner. If an Owner buys a Lot for which the grading and drainage are already finished but the grading and/or drainage is not in compliance with the Drainage Plan, the purchasing Lot Owner will be responsible for correcting the grading and/or drainage issues if the selling Owner does not make the necessary corrections while the selling Owner owns the Lot. If the selling Owner does not correct the deficiency, it must be corrected by the purchasing Lot Owner at the purchasing Lot Owner's expense.

Section 4.4. <u>Fencing</u>. All fencing provided by the builder, the Owner, or anyone other than the Developer shall require the written approval of the ARC prior to installation.

Section 4.4.1. No fencing shall be permitted to extend beyond the front of the primary structure facing the front (street side) of the Lot, except on corner Lots, as may be approved by the ARC. No fence shall exceed five (5) feet in height. Vinyl privacy fences, chain link fences and natural wood fences are prohibited. Any allowed fence must be open-picket black aluminum with a maximum height of five (5) feet above ground level.

Section 4.4.2. Exterior dog kennels and exterior chain link fences are not permitted.

Section 4.4.3. Developer may install an open-picket painted aluminum fence by entrances to the River's Edge Second Addition development. Any such fences will be decorative and not designed to exclude motor vehicle traffic or pedestrians.

Section 4.5. <u>Landscaping</u>. The front and side Lots of each Property shall be sodded or seeded to grass prior to the end of the first summer construction season that the home is completed. If a residential structure is completed in the winter, it shall be sodded or seeded prior to the end of the following summer. If a residential structure is completed in the same year in which it was started, the rear Lot shall be seeded or sodded to grass within one year of occupancy of the completed residence. Weeds must be controlled at all times, both before and after construction. Boulevard trees must be installed within twelve (12) months of occupancy in accordance with the requirements of the City of Horace, North Dakota. All landscaping must be approved in writing by the ARC and completed within twelve (12) months from the date of issuance of a certificate of occupancy for structures on a Lot. Developer or the ARC, in their sole discretion, may grant an extension of up to 12 additional months to complete landscaping.



## 1728914

Page: 10 of 41 2/12/2025 10:17 AM REST \$113.00

- Section 4.6. <u>Diseases and Insects</u>. No Owner shall permit any thing or condition to exist upon any Lot which shall induce, breed or harbor infectious plant diseases or noxious insects.
- Section 4.7. <u>Antennas</u>. To the extent permitted by applicable law, the installation of antennas, satellite dishes or other devices for the transmission or reception of TV or radio signals or any other form or electromagnetic radiation shall be subject to the prior written approval of the ARC. Therefore, no antenna, satellite or microwave dish or other device for the transmission or reception of television or radio signals shall be constructed, installed, erected, used or maintained on any Lot without the prior written approval of the ARC unless applicable law prohibits the ARC from requiring such approval. Any such antennas must be installed in accordance with the guidelines set forth by the ARC.
- Section 4.8. Trash Containers and Collection. No garbage or trash shall be placed or kept on any Lot except in covered containers of a type, size and style which are approved by the ARC. In no event shall such containers be maintained so as to be visible from the street or neighboring property except to make the same available for collection and then only for the shortest time reasonably necessary to effect such collection. All rubbish, trash or garbage shall be removed from Lots and shall not be allowed to accumulate thereon. No outdoor incinerators shall be kept or maintained on any Lot. All garbage or trash shall be collected by a garbage or trash collection service as designated by the City of Horace. Garbage or trash may be put out for collection in an approved container. That container must be kept inside the residence or the garage of the residence, except that it may be put out for collection the night before the scheduled collection date and put away by 8:00 a.m. the day following the scheduled collection date.
- Section 4.9. <u>Rooftop HVAC Equipment Prohibited</u>. No heating, ventilating, air conditioning or evaporative cooling units or equipment related thereto may be mounted, installed or maintained on the roof of any Residential Unit, Garage, shed or other structure so as to be visible from neighboring property.
- Section 4.10. <u>Basketball Goals and Backboards</u>. No basketball goal or backboard shall be attached to a residential structure or other building. Basketball goals and backboards attached to a freestanding pole may be installed on a Lot, provided the location, design and appearance of the basketball goal and backboard is approved in writing by the ARC.
- Section 4.11. Animals. Other than household pets kept for non-commercial uses (limited to dogs, cats and birds), no animals, livestock, poultry or insects of any kind shall be raised, bred or maintained on any of the Lots. Pets will be restricted to the pet owner's Lot, must not be a nuisance and will not be allowed to stray to adjacent property. The Owner of the Lot with a dog or cat present is responsible for immediately picking up after the dog or cat. No chickens, roosters or domesticated or kept birds of any type are allowed on a Lot.



1728914

Page: 11 of 41 2/12/2025 10:17 AM REST \$113.00

Section 4.12. <u>Kennels</u>. No kennels or other facility for raising or boarding dogs or other animals are allowed unless approved in writing by the ARC and maintained in compliance with all ARC requirements.

Section 4.13. <u>Mailboxes</u>. The United States Postal Service has determined that mail delivery services to homes in River's Edge Second Addition to the City of Horace shall be to Centralized Box Units (CBUs). The location of the CBUs has been predetermined by the Postal Service with the approval of the Developer and the City of Horace. Each Owner should contact the Postal Service in Horace prior to moving in to coordinate lock keys and start of delivery service. Developer will cause installation of the initial CBUs required by the Postal Service. The Developer will have no responsibility for the repair or replacement of any CBUs if they become damaged. The damaging party will have primary responsibility for repairing or replacing a damaged CBU. If there is a failure by the party primarily responsible for repairing or replacing the CBU, the Association will have the expense, which may be assessed against individual Lot Owners.

Section 4.14. <u>Clotheslines</u>. Exterior clotheslines are not permitted. The hanging of clothes or laundry outside of a residence is not permitted on any Lot.

Section 4.15. Vehicle Parking/Storage. No commercial vehicles, motorhomes, boats, travel trailers, watercraft of any type, watercraft trailers, boats, recreational vehicles, trailers, ATVs, side-by-sides, 4-wheelers, car trailers, closed trailers, open trailers, other trailers or construction equipment ("Prohibited Items") shall be permitted on any Lot in the subdivision, except within a garage with the garage doors closed except when in active use. Construction equipment will be allowed during the normal course of construction and shall be promptly removed when construction is complete. Motorhomes, travel trailers and like-vehicles (camper vehicles) shall be temporarily permitted on the hard surface driveway of Lots for the purpose of loading and unloading such camper vehicles, or for temporary visits by visitors to the Lots for a maximum of seventy-two (72) hours. These temporary visits using a camper vehicles will not be allowed if the camper vehicle blocks the sidewalk or street. No equipment or vehicles may be parked or stored in a manner that extends into the street or obstructs a sidewalk. These Prohibited Items set forth in this Section 4.15 may not be parked anywhere in the streets of the Development, including on streets, public rights-of-way or private drives serving the River's Edge Second Addition. Neither these Prohibited Items nor operating motor vehicles such as cars and trucks may be parked on a Lot except on a hard surface driveway not partially or wholly blocking the sidewalk and not partially located in a street or right-of-way. Each day a violation of this provision occurs will be considered to be a separate violation. All motor vehicles kept on or about a property shall be currently licensed and shall be maintained in an operable condition at all times. Temporary mechanical difficulties and breakdowns not exceeding thirty (30) days are excepted. Any camper-type vehicles may be located on a Lot for not more than seventy-two (72) hours out of any fourteen (14) day period. A non-operational motor vehicle must be stored in the garage, with mechanical work performed on the motor vehicle while it is in the garage. Each violation will be assessed against the Lot Owner and/or the owner of the Prohibited Item, with a penalty in an amount not less than \$50.00 per violation and not more than \$500.00 per violation. Each unpaid penalty may result in a lien against the Lot.



1728914

2/12/2025 10:17 AM REST \$113.00

Signs. No billboards or advertising signs of any kind or character Section 4.16. shall be erected, placed, permitted or maintained on any Lot except as herein expressly permitted. A name and address sign used solely for the purpose of identification of the dwelling house occupants may be placed on the Property by its occupants provided the sign is no more than two feet square maximum and the design of the sign is approved by the ARC prior to installation. The provisions of the paragraph may be waived by the ARC only when, in its discretion, the same is necessary to promote the sale of the Property by signage in the areas of promotion of the premises, in the ARC's discretion. The ARC may erect, place and maintain such sign structures as it deems necessary for the operation or identification of the River's Edge Second Addition to the City of Horace. Nothing in this Declaration shall be deemed to prevent or prohibit Developer from installing and using sign structure to promote River's Edge Second Addition to the City of Horace and/or the sale or marketing of Lots and/or houses by Developer or contractors, or other developers, building homes for sale within River's Edge Second Addition to the City of Horace. One (1) professionally manufactured and maintained real estate "For Sale" sign as used by area real estate agents, not larger than 2' X 2', may be placed on a Residential Lot that is for sale.

Section 4.17. <u>Nuisance</u>. No noxious or offensive trade or activity shall be carried on upon any Lot nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood. Such restrictions shall include, but not be limited to, using the Lot as a dumping ground for rubbish, garbage, trash or other waste materials, the placing thereon of unsightly piles of dirt, lumber or other material except during construction, and then only during the course of construction. Such restrictions shall also include not allowing noxious weeds to occur on the Lot either during or after the period of construction of the home.

Section 4.18. <u>Dirt Removal</u>. No topsoil or excavation material may be removed from the Development property. When there occurs an excess of soil or excavation material as a result of basement excavation or Lot grading, the Developer will direct where within the River's Edge Second Addition property the excess excavation or soil, if any, is to be disposed of, at the Lot Owner's expense. Permission to remove excess excavation or soil must be obtained from the Developer or its engineer.

Section 4.19. <u>Appearance During Construction</u>. All Lots are to be kept clean during construction. This means that all trash, rubbish, containers and wrapping is to be collected on a daily basis and garbage is to be stored in appropriate containers out of sight, to the extent possible. Construction materials and construction equipment shall not block the sidewalk, if one exists on the Lot. Failure to keep the Lot free of debris during construction will result in a \$1,000 fine plus the costs of removal and disposal of the debris, if the Lot is not promptly cleaned in response to a warning from the Developer or the ARC. Dumping any construction materials, packaging, landscaping materials or debris on a Lot is prohibited and will result in a fine of up to \$1,000 together with the cost of removal of the unwanted items. The fine will be a lien assessed by the Developer or the ARC and may be collected as a lien against the Owner and the Lot.



1728914 Page: 13 of 41 2/12/2025 10:17 AM

\$113.00

Section 4.20. <u>Storm Water</u>. Each Lot shall be kept and maintained to be in compliance with current storm water regulations until such time as turf has been established on the Lot, either as the result of sodding or grass establishing itself on the Lot.

Section 4.21. Sump Discharge. No sump pump may be discharged into the Sheyenne River. A collection line to accept sump pump discharges will be located towards the rear of each Lot. The Owner must connect to and use the collection line. The Owner is responsible for connecting Owner's sump pump discharge line into the collection line. This must be done in a manner which does not damage the collection line or any other connection. If the collection line is damaged or another connection is damaged, the Owner of the Lot which gave rise to the damage is responsible for payment of all costs related to correcting the damage. The collection line is the property of the City of Horace, with the City of Horace having the obligation to maintain the collection line. Any connection to the collection line must be done in a manner which does not damage the collection line or its functioning and does not damage any other sump pump discharge line which is connected to the collection line. No individual sump pump lines not connected to a collection line are permitted. Sump water may not be discharged in the front yard, over the front sidewalk or into the street in front of the Lot. All sump lines must be buried and must drain towards the back of the Lot for connection with the collection line.

Section 4.22. <u>Propane Tanks</u>. No combustible liquid or gas tanks exposed to view from the public street shall be allowed on the Lots except for a 5-gallon tank used with an exterior gas grill. Exceptions may be granted by the Developer during construction periods.

Section 4.23. <u>Temporary Residence</u>. No trailer, basement, tent, shack, garage, barn or other outbuilding erected on the Lot shall at any time be used as a residence, nor shall any residence of a temporary character be permitted on any Residential Lot.

Section 4.24. <u>Easements</u>. The easements for the installation and maintenance of utility and drainage facilities are shown on the Recorded Plat of River's Edge Second Addition. Within the areas of easements, no structures, planting, fencing or other materials shall be placed, erected or permitted to remain which may damage or interfere with the flow of water through drainage channels or swales in the easements. The easement areas of each Lot and all improvements on the Lot shall be maintained continuously by the Owner except for the improvements for which the public authority or utility company is responsible. See also <u>Section 3.5.12</u>, <u>Section 3.5.13</u> and <u>Section 4.3</u>.

Section 4.25. <u>Claims Release</u>. All claims for damages, if any, arising out of the construction, maintenance and repair of the utility, drainage facility or easement area, or on account of temporary or other inconveniences caused thereby, which claim may otherwise have been asserted against the Developer, the utility provider, the City of Horace or the Horace Park District, or any of its agents, contractors or servants, are hereby released by each Owner of a Lot in River's Edge Second Addition to the City of Horace and the successors and assigns of each Owner acquiring an interest in any Lot.



1728914 Page: 14 of 41

2/12/2025 10:17 AM REST \$113.00

Section 4.26. <u>Mining and Wind Towers</u>. No derrick or other structure designed for use in exploring for oil or natural gas shall be erected, placed or permitted upon any part of the Lots, nor shall any oil, natural gas, petroleum, asphalt or hydrocarbon products or minerals of any kind be produced or extracted anywhere in the Lots. No oil drilling, oil development operation, oil refining, quarrying or mining operations of any kind shall be permitted on any Lot of any part of the properties, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted on any part of the Lots. No wind towers are allowed.

Section 4.27. <u>Power and Communication Lines</u>. For all Lots, temporary overhead, distribution and service lines are permitted until permanent underground facilities are installed. Otherwise, overhead lines are prohibited except during emergencies and repairs.

Section 4.28. <u>Structural Changes</u>. No house or structure shall be moved onto any of the Lots unless it is a new structure built to meet all of the current codes and specifically approved in writing by the ARC. No structure, once erected, shall at any time have its exterior altered or changed without the written consent of the ARC. No structure, once erected, shall at any time be altered or changed so as to permit its use to be in violation of zoning or the restrictions and conditions set forth herein.

Section 4.29. <u>Mortgages</u>. The breach of any of the foregoing covenants, conditions, reservations or restrictions does not defeat or render invalid any lien, mortgage or deed of trust made in good faith for value as to any Lot or Lots, or portion of Lots, in the Development; but this Declaration shall be binding upon, and effective against, any mortgagee, trustee or owner whose title or whose grantor's title is or was acquired by foreclosure, trustee sale or otherwise.

Section 4.30. <u>Driveways and Sidewalks</u>. Driveways and parking areas must be hard surfaces. All driveway approaches located within the City of Horace right-of-ways must be cast-in-place concrete. All driveways (other than the approaches) must be constructed with either interlocking paving stones or cast-in-place concrete. Driveways may not extend beyond the width of the garage. No additional parking slabs are permitted.

Section 4.31. Mowing and Weed Control. The Owner is responsible for the mowing and weed control of the Lot which the Owner purchases from and after the closing of the purchase. This will involve the regular mowing of the Lot and appropriate treatment to keep weeds under control, but not to kill grass on the Lot unless it is part of a plan to reseed or sod the Lot. A failure to mow or control weeds after written notice will result in the Developer or its contractor performing these functions on behalf of the Owner, with all costs being assessed against the Owner. Any assessed cost billed to the Owner which is not paid within thirty (30) days will incur a late payment fee of \$100 and will become a lien against the Lot, with all costs, including attorneys' fees and costs, also being the responsibility of the Owner, together with interest at the rate of twelve percent (12%) per annum or the highest rate allowed by law, whichever is less.



1728914

2/12/2025 10:17 AM REST \$113.00

Section 4.32. Improper Maintenance and Use of Lots. In the event any portion of any Lot in River's Edge Second Addition to the City of Horace is so maintained as to present a public or private nuisance, or so as to substantially detract from the appearance, quality or value of the surrounding Lots or other areas of the Development which are substantially affected thereby or related thereto, or in the event any portion of a Lot is being used in a manner which violates this Declaration, or in the event the Owner of any Lot is failing to perform any of Owner's obligations under this Declaration or Association Documents, the Developer or the River's Edge Second Addition Homeowners Association may make a finding to such effect, specifying the particular condition or conditions which exist, and pursuant thereto give notice thereof to the offending Owner that unless corrective action is taken within fourteen (14) days and diligently pursued to completion, the Developer or the River's Edge Second Addition Homeowners Association may cause such action to be taken on the Owner's Lot at that Owner's expense. If, at the expiration of the 14-day period of time, the requisite corrective action has not been taken, the Developer and/or the River's Edge Second Addition Homeowners Association is authorized and empowered to cause such action to be taken and the cost thereof shall be paid by such Owner to the Developer or to the River's Edge Second Addition Homeowners Association upon demand, and payment of such amounts may be secured by an Assessment Lien. Each Lot Owner grants the Developer, the River's Edge Second Addition Homeowners Association and their respective agents an irrevocable license to enter the Owner's Lot for the purpose of correcting the default and does waive and release all claims related in any manner to corrective action by the Developer, the River's Edge Second Addition Homeowners Association or their respective agents.

- Section 4.33. <u>Burning</u>. No burning of garbage, trash, trees, leaves, branches, construction materials or similar items will be permitted. Fire pits are allowed, provided they comply with all applicable City of Horace ordinances and laws.
- Section 4.34. <u>Solar Panels</u>. No solar panels may be constructed or installed on a Lot, including on a building on a Lot, without the express written consent of the ARC.
- Section 4.35. Rentals. No Lot or improvements to a Lot, including a residence, may be used for short-term rentals, which are strictly prohibited. Short-term rentals are any rentals for a period of less than one complete 12-month period to the same tenant. Subletting, lease terminations or similar actions in an attempt to circumvent this short-term rental prohibition are also prohibited. Any attempted short-term rental is subject to a fine of up to \$500 per day. Short-term rentals are prohibited whether they are the result of direct negotiations between a Lot Owner and a renter or through the use of short-term rental services such as Airbnb, VRBO or any other similar service provider. If a Lot is rented long-term (longer than one year), both the Lot Owner and the Lot Owner's tenant are responsible for being in compliance with this Declaration and all Rules and Regulations at all times.
- Section 4.36. <u>Joining of Lots</u>. Two or more Lots may not be joined together to constitute one Lot or used as one Lot without the written approval of the Developer.



1728914 Page: 16 of 41 2/12/2025 10:17 AM REST \$113.00

### ARTICLE V.

### RIVER'S EDGE SECOND ADDITION HOMEOWNERS ASSOCIATION

Membership in Association. Upon the completion of construction Section 5.1. of a residence on each Residential Lot on the Property, or at any time, in the sole discretion of the Developer, governing control of the Declaration, including covenants and restrictions, may be transferred to River's Edge Second Addition Homeowners Association (the "Association"). Immediately upon transfer, the Developer shall appoint a board of three (3) Lot Owners. The Association may then elect a board of three (3) Lot Owners who shall constitute the governing Board of the Association (the "Board") and oversee enforcement of the Declaration. Every Owner of any Lot which is subject to the Declaration is subject to assessment by the Association shall be a mandatory member of the Association. There shall be one (1) vote per Lot on all matters calling for a vote of the members. This is not intended to include persons or entities who hold an interest only as security for the performance of an obligation, such as a mortgage. All members of the Association shall be governed and controlled by the Articles of Incorporation and the Bylaws of the Association, which shall not conflict with the provisions of this Declaration. Prior to delivery of control to the Association, the authority to create and enforce assessments is with the Developer. The Developer may determine the Property will become part of an association involving adjoining property or other property in the River's Edge Additions, in addition to being a part of this Association.

Section 5.2. <u>Creation of a Lien and Personal Obligation and Assessments</u>. The Developer hereby covenants, and each Owner of any Lot by acceptance of a deed thereof, whether or not so expressed in such deed, is deemed to covenant and agrees to pay the Association or a fund established by the Developer annual general assessments or charges, and special assessments for capital improvements. All assessments shall be a charge on the Lot and shall be a continuing lien upon the property (Lot) against which each such assessment is made. Each such assessment shall also be the personal obligation of the Owner of such property at the time when the assessment initially becomes due. In the event of a conflict with any other document, this Declaration will control to the extent allowed by applicable law.

Section 5.3. <u>Method of Assessment</u>. The Developer or the Association shall fix the annual assessment upon the basis provided herein, provided, however, that the annual assessment shall be sufficient to meet the obligations imposed by this Declaration. The Developer or the Association shall set the date(s) such assessments shall become due. The Developer or the Association may provide for collection of assessments annually or in monthly, quarterly, or semi-annual installments, provided, however, that upon default of the payment of any one or more installments, the entire balance of said assessment may be accelerated, at the option of the Developer or the Association, to be declared due and payable in full for the current year and all past years.

Section 5.4. <u>General Assessment</u>. The general assessment levied by the Developer or the Association shall be used exclusively to promote the improvements, maintenance and operation of the roads, trails, signage, mailboxes, common areas, parks (if any), perimeter landscapes and entrance to River's Edge Second Addition to the City



1728914 Page: 17 of 41 2/12/2025 10:17 AM REST \$113.00

of Horace. Each Residential Lot, whether improved or unimproved, shall be assessed at a uniform rate with the assessment commencing on a date and for an amount determined necessary by the Developer or the Association. Until a Lot is sold by the Developer, the Developer will be responsible for payment to the City of Horace of special assessments on the unsold Lot which have been certified for collection. The Developer will also be responsible for the provision of and cost of lawn mowing and lawn care for all Lots until the Lot has been sold by Developer, at which time the obligation for that Lot becomes the buyer/Owner's obligation. The buyer of a Lot is responsible for all assessments against the Lot for the full calendar year in which they purchase the Lot. This includes the assessments of the Association and the special assessments by the City of Horace.

Section 5.5. Special Assessment for Capital Improvements. In addition to the annual assessments authorized above, the Developer or the Association may levy, in any assessment year, a special assessment applicable for that year and for not more than the next four succeeding years for the purpose of defraying in whole or in part, the cost of any construction, reconstruction, repair or replacement of capital improvements located within the development, including roads, paving of roads, common areas (if any), parks (if any), entrances and the landscaped area or areas of entrance, street lighting, decorative lighting, banners or other decorations to enhance the aesthetic value of the subdivision, sidewalks or any other improvement, including fixtures and personal property related thereto, providing that any such assessment shall require the approval of a majority of the Owners who are voting in person or by proxy at a special meeting duly called for that purpose. So long as Developer owns any Lot, any special assessment must also be approved in writing by the Developer. Any special assessment shall be levied in an equal amount for each Residential Lot, except that special assessments that relate solely to private road repair or improvements will be assessed only against those Lots using the private road.

Section 5.6. <u>Surplus Funds</u>. The Developer or the Association shall not be obligated to spend in any year all the Assessments and other sums received by it in such year, and may carry forward as surplus any balances remaining. The Developer or the Association shall not be obligated to reduce the amount of the Annual Assessment in the succeeding year if a surplus exists from a prior year, and the Developer or the Association may carry forward from year to year such surplus as the Board, in its discretion, may determine to be desirable for the greater financial security of the Association and the accomplishment of its purposes.

### Section 5.7. Enforcement of Liens and Covenants.

Section 5.7.1. All delinquent assessments, together with interest thereon (at an interest rate equal to the rate of twelve percent (12%) per annum or the highest rate allowed by law, whichever is less), and costs of collection thereof, including attorneys' fees and costs, as herein provided, shall be charged on the Lot and shall be a continuing lien upon the Lot against which each assessment is made. Each such assessment, together with interest thereon, attorneys' fees and



1728914

Page: 18 of 41 2/12/2025 10:17 AM REST \$113.00

costs of collection thereof, shall also be the personal obligation of the person who was the Owner of such Lot(s) at the time when the assessment become due.

Section 5.7.2. If the Developer or Association elects to claim a lien for nonpayment of assessments, it may do so at any time after the occurrence of a default. The Developer or Association will make demand for payment to the defaulting Owner by giving notice to the Owner at the Owner's last known address. Delivery by email to the most recent email address provided by the Owner is permissible. This notice shall state the date and amount of the delinquency. If such delinquency is not paid within ten (10) days after delivery of the notice, the Developer or the Association may elect to file a Claim of Lien against the Lot of such delinquent Owner. The filing will be with the Cass County Recorder's Office. The Claim of Lien shall state:

- 1. The name of the delinquent Owner;
- 2. The legal description of the Lot against which the claim is made;
- 3. The amount claimed to be due and owing;
- 4. That the Claim of Lien is made by the Developer or the Association pursuant to the terms of this Declaration;
- 5. That the lien claimed against the Lot is in an amount equal to the amount of the stated delinquency; and
- 6. Due demand has been made upon the defaulting or delinquent Owner pursuant to this Declaration, and that said amount was not paid within the required time period after such demand.

Section 5.7.3. Upon recordation of a duly executed and acknowledged original of the claim of lien by the Cass County Recorder, the lien claimed therein shall immediately attach to the real property and become effective, subject to the limitations hereinafter set forth. Each default shall constitute a separate basis for a Claim of Lien or a lien, but a number of defaults may be included within a single Claim of Lien. Any such lien may be foreclosed by appropriate action in court or in the manner provided by law for the foreclosure of real estate mortgages pursuant to the statutes of the State of North Dakota.

Section 5.7.4. The lien of the assessments provided for above shall be subordinate to the lien of any first mortgage or other mortgage placed of record prior to the recording of the lien. Sale or transfer of any Lot pursuant to or as part of a foreclosure of a mortgage which has priority over this lien shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall release any Lots from liability for assessments becoming due from or after the sale or transfer which is part of the first or superior mortgage. The amount due represents a lien against the property and the personal responsibility of the Owner(s) of the Lot at the time the obligation to the Association was incurred.



1728914 Page: 19 of 41

2/12/2025 10:17 AM REST \$113.00

Section 5.7.5. In addition to lien rights, the Developer or Association, as the case may be, shall have the authority to levy fines upon any homeowner who remains in default of these covenants after written notice of default. The amount of such fines shall be adjusted on a periodic basis by the Developer or Association, but the minimum amount per violation shall be set at \$50.00 and the maximum amount per violation shall be set at \$500.00. The Developer or the Association may change the minimum amount payable for a violation. Any fine not paid shall be a charge on the Lot; a continuing lien on the Lot; and an obligation of the Owner of the Lot, and will include attorney's fees and the costs. Any amount not paid when due will bear interest at the rate of twelve percent (12%) per annum or the highest interest rate allowed by law, whichever is less. Each day a default exists may be considered a separate violation, in the discretion of the Developer or the Association.

# ARTICLE VI. MAINTENANCE

Section 6.1. Areas of Association Responsibility. The Developer, until the Developer assigns the responsibility to the Association, subsequent to formation of the Association, and then the Association (or its delegated representative) shall be responsible for the management and maintenance of the signage, mailboxes, perimeter landscaping, lighting and decorating, signage, fences in common areas, common areas and entrance into River's Edge Second Addition to the City of Horace, and the improvements located therein that are not an individual Lot Owner's responsibility. There is an exception for any part thereof which any governmental entity is maintaining or is obligated to maintain. The cost of this maintenance may be assessed as set forth in Article V. The Developer, or the Board of the Association, shall be the sole judge as to the appropriate maintenance of all common areas. No Owner, resident or other person shall obstruct or interfere with the Developer or the Association in performance of the management or maintenance of the common areas and the improvements located thereon.

Section 6.2. <u>Lots</u>. Each Owner of a Lot shall be responsible for the maintenance of his/her Lot, and all buildings, landscaping or other improvements situated thereon. All buildings, landscaping and other improvements shall at all times be kept in good condition and repair. All grass, hedges, shrubs, vines, trees and plants of any type on a Lot shall be irrigated (except where prohibited by Easements), mowed, trimmed and cut at regular intervals so as to be maintained in a neat and attractive manner. Trees, shrubs, vines, plants, and grass which die shall be promptly removed and replaced with living foliage of like kind, unless different foliage is approved in writing by the ARC. No yard equipment, wood piles or storage areas may be maintained so as to be visible from neighboring property or streets. All Lots upon which no Residential Units, buildings or other structures, landscaping or improvements have been constructed shall be maintained in a weed-free and attractive manner once sold by Developer.



1728914

Page: 20 of 41 2/12/2025 10:17 AM REST \$113.00

Section 6.3. <u>Assessment of Certain Costs of Maintenance and Repair</u>. In the event that the need for maintenance of a common area is caused through the willful or negligent act of any Owner, his family, tenants, guests or invitees, the cost of such maintenance or repair shall be paid by such Owner to the Developer or the Association, upon demand and payment of such amounts, shall be secured by the Assessment Lien.

Improper Maintenance and Use of Lots. In the event any portion Section 6.4. of any Lot is so maintained as to present a public or private nuisance, or as to substantially detract from the appearance, quality or value of the surrounding Lots or other areas of the Project which are substantially affected thereby or related thereto, or in the event any portion of a Lot is being used in a manner which violates this Declaration, or in the event the Owner of any Lot is failing to perform any of its obligations under the Declaration or Association Documents, the Developer or the Board may make a finding to such effect, specifying the particular condition or conditions which exist, and pursuant thereto give notice thereof to the offending Owner that unless corrective action is taken within fourteen (14) days, the Developer or the Board may cause such action to be taken on the Owner's Lot at that Owner's expense. If, at the expiration of the fourteen day period of time, the requisite corrective action has not been taken, the Developer and/or the Board is authorized and empowered to cause such action to be taken and the cost thereof shall be paid by such Owner to the Developer or the Association upon demand and payment of such amounts shall be secured by the Assessment Lien. Each Lot grants the Developer, the Association and their respective agents an irrevocable license to enter the Owner's Lot for the purpose of correcting the default and does waive and release all claims related in any manner to corrective action by the Developer, the Association or their respective agents.

Section 6.5. <u>Landscaping Plan</u>. If any tree required by the City of Horace to be planted on a Lot is not timely planted, the Developer will plant the tree(s) and assess the Lot Owner \$1,000 per tree for supplying and planting the tree. The Lot Owner is responsible for presenting a landscaping plan for the Owner's Lot, which landscaping plan is acceptable to the ARC which will, upon approval of the landscaping plan, provide written approval to the Lot Owner. The buyer will have twelve (12) months from the date of issuance of the certificate of occupancy for the building on the Lot within which to complete the landscaping work in accordance with the landscaping plan specified by the Developer or the ARC. The Developer or the ARC may grant a written extension of up to 12 additional months to complete the landscaping. A copy of the Lot Owner's landscaping plan generally acceptable to the Developer or the ARC will be provided by the ARC to the Lot Owner.

# ARTICLE VII. GENERAL PROVISIONS

Section 7.1. <u>Enforcement.</u> If any party shall violate or attempt to violate any of the Covenants contained in this Declaration, it shall be lawful for the Developer, the Board (if then established) or any Owner to prosecute proceedings at law or in equity against the person or persons violating or attempting to violate the Declaration and either



1/28914 Page: 21 of 41 2/12/2025 10:17 AM REST \$113.00

prevent him/her from violating the Declaration and/or recover damage for such violation. Recovery may include the Developer or the Board placing a lien against any one or more Lots violating this Declaration and enforcing that lien the same as a mortgage may be enforced under North Dakota law.

- Section 7.2. <u>Right to Enforce</u>. Failure to enforce any of the Covenants or Restrictions now or hereafter imposed pursuant to the covenants or restrictions should not be deemed a waiver of the right to do so thereafter, nor shall it be construed as an act of acquiescence or approval on the part of the Developer or the Association.
- Section 7.3. Developer Assessments. The Developer, its successors and assigns, including the Association, shall have the right to assess the Lots within the Development annual general assessments or charges and special assessments for capital improvements to be used exclusively to promote the improvement, maintenance and operation of the signage, mailboxes, common areas, drainage areas and easements, parks (if any), utility easements, perimeter landscaping, lighting, signage, development fencing and/or the entrance(s) to the Development. Each Lot, whether improved or unimproved, shall be assessed at a uniform rate. If a Residential Lot is situated upon more than one Lot, the two or more Lots upon which the residential unit is situated shall be assessed according to the percentages of square footage of any partial Lot which is part of a full Lot. No assessments may be made against Lots owned by the Developer during the time the Developer owns one or more Lots. The Developer or Association, or their respective successors and assigns, may place a lien upon any Lot which has not paid its assessment when due, except that no lien may be placed upon a Lot owned by the Developer. Any lien placed against a Lot may be foreclosed in the same manner as a mortgage may be foreclosed under North Dakota law.
- Section 7.4. <u>Duration</u>. This Declaration and the Covenants of this Declaration shall run with and bind the Property and shall inure to the benefit of and be enforceable by heirs, devisees, successors and assigns for a term of thirty (30) years from the date this Declaration is recorded. After which time said Declaration, Covenants, conditions, restrictions, reservations, easements, liens and charges shall be automatically extended for successive periods of ten (10) years unless an instrument signed by at least an eighty percent (80%) majority of the Lots by the then Owners has been recorded, agreeing to modify said Covenants and restrictions, in whole or in part; provided, however, the easements created are perpetual and run with the real property and Lots involved, regardless of amendment or termination of this Declaration.
- Section 7.5. <u>Severability</u>. The invalidation of any of these Covenants, conditions, restrictions, reservations, easements, liens and charges by judgment or court order shall in no way affect any other provisions, which shall remain in full force and effect.
- Section 7.6. <u>Amendments</u>. This Declaration, Covenants and the Bylaws may be amended by the Developer at any time until the Developer has sold all Lots in River's Edge Second Addition to the City of Horace and divests itself of the right to amend the Declaration, Covenants and/or the Bylaws. It shall be conclusively presumed that the Developer has not divested itself of control of the ARC or of the right to amend the



1728914

Page: 22 of 41 2/12/2025 10:17 AM REST \$113.00

Declaration, Covenants and/or Bylaws until there is a sworn affidavit placed of record with the Cass County Recorder so stating, signed by the Developer or its legal representative. Before and after that affidavit has been recorded, Sections 3.5.7, 3.5.11, 3.5.12, 3.5.13 and 4.25 may only be amended at any time with the written consent of the Developer. Once the Developer has divested itself of control of the ARC and the right to amend the Declaration, Covenants and Bylaws, this Declaration, Covenants and Bylaws may be amended only by an instrument signed by the owners of not less than eighty percent (80%) of the Lots in River's Edge Second Addition to the City of Horace after the Developer has divested itself of responsibility for architectural control and its right to amend by recording an affidavit to that effect with the Cass County Recorder. Any instrument amending, modifying or cancelling the Declaration, Covenants and/or the Bylaws must be properly filed and recorded with the Cass County Recorder in order to become effective. In the event of a conflict between the Association and the Developer over provisions of the Declaration, Covenants and/or Bylaws, the position of the Developer will control.

Section 7.7. Additional Lands. The Developer may add additional land to be subject to this Declaration. The rights reserved to the Developer to subject additional land to this Declaration shall not be implied or construed so as to impose an obligation upon the Developer to subject any of such additional land to this Declaration or to the jurisdiction of the Owners. If such additional land is not subjected to this Declaration, the Developer's reserved rights shall not impose any obligation on the Developer to place any covenants and restrictions similar to those contained herein upon such additional land nor shall such rights in any manner limit or restrict the use to which such additional land may be put by the Developer or any subsequent owner thereof, whether such uses are consistent with the covenants and restrictions imposed hereby or not.

Section 7.8. <u>Developer.</u> River's Edge Estates, LLC and its successors and assigns is the Developer and the Declarant described herein. The Developer shall have the right to grant, assign and convey all of its rights to enforce these declarations, covenants, conditions, reservations, easements, liens and charges described herein. The Developer shall have the right to grant, assign and convey all of its rights to enforce these declarations, covenants, conditions, reservations, easements, liens and charges to such Association, including River's Edge Second Addition Homeowners Association or other entity acceptable to the Developer as may be organized and established for such purposes at such time as, in the sole discretion and judgment of the Developer, such entity is able to enforce the restrictions herein contained. If no Association or other entity is organized, the rights of the Developer shall vest in the Owners of the Lots when all saleable Lots within River's Edge Second Addition to the City of Horace are built upon and landscaped in a manner acceptable to the Developer or the ARC and the City of Horace, or July 1, 2055, whichever occurs last.

Section 7.9. <u>Bylaws</u>. The Bylaws of River's Edge Second Addition Homeowners Association, Inc. are attached hereto as <u>Exhibit B</u>. These Bylaws will apply to all Lots within River's Edge Second Addition to the City of Horace, except for those Lots excluded as stated in <u>Article II</u> of this Declaration.



1728914

Page: 23 of 41 2/12/2025 10:17 AM REST \$113.00

Section 7.10. <u>Conflict</u>. In the event of a conflict between the terms of the Bylaws of River's Edge Second Addition Homeowners Association and <u>Article V</u> of this Declaration, <u>Article V</u> of this Declaration shall control.

Section 7.11. <u>Kirkwood Drive</u>. Lots 18, 19, 20, 21, 22, 23 and 24, Block 8, River's Edge Second Addition to the City of Horace will be serviced by Kirkwood Drive, which is a private road. There will be a separate Kirkwood Drive Homeowners Association for these Lots as it relates to Kirkwood Drive. There will be a separate Declaration of Covenants, Conditions, Restrictions, Reservations, Easements, Liens and Charges and a separate set of Bylaws for these Lots. These Lots will also be subject to this Declaration and the Bylaws set forth in <u>Exhibit B</u>.

Section 7.12. <u>Hebgen Drive</u>. Lots 2, 3, 5, 6, 7, 8, 9 and 10, Block 9, River's Edge Second Addition to the City of Horace will be serviced by Hebgen Drive, which is a private road. There will be a separate Hebgen Drive Homeowners Association for these Lots as it relates to Hebgen Drive. There will be a separate Declaration of Covenants, Conditions, Restrictions, Reservations, Easements, Liens and Charges and a separate set of Bylaws for these Lots. These Lots will also be subject to this Declaration and related Bylaws set forth in Exhibit B.

(Signature Page to Follow)



1728914

2/12/2025 10:17 AM REST \$113.00

IN WITNESS OF ITS TERMS AND CONDITIONS, the undersigned, with the authority to amend as set forth in Section 7.6 of this Declaration, has caused this Declaration to be executed this day of Filmony, 2025.

**DEVELOPER:** 

**RIVER'S EDGE ESTATES, LLC** 

a North Dakota limited liability company

By: Donald A. Dawbert, Jr. Its: Managing Member

STATE OF NORTH DAKOTA ) : ss. COUNTY OF CASS )

On this // day of february, 2025, before me personally appeared DONALD A. DABBERT, JR., the Managing Member of RIVER'S EDGE ESTATES, LLC, the entity that is described and that executed the within instrument, and acknowledged to me that such entity executed the same.

LAUREN N. JOHNSON Notary Public State of North Dakota My Commission Expires July 28, 2026

otary Mublic

(Signature Page to River's Edge Second Addition to the City of Horace Declaration of Covenants, Conditions, Restrictions, Reservations, Easements, Liens and Charges)



## 1728914

2/12/2025 10:17 AM REST \$113.00

#### **SCHEDULE 3.5.4**

#### STORAGE SHED MAXIMUM DIMENSIONS

The information in this <u>Schedule 3.5.4</u> relates to each Lot within River's Edge Second Addition. Any shed or storage shed which is to be constructed is subject to the restrictions set forth in this Schedule and the restrictions set forth in the Declaration to which this Schedule is attached.

- 1. No sheds are allowed for the following Lots:
  - Block 8, Lots 13-17, inclusive, and Lots 18-26, inclusive;
  - Block 9, Lots 2, 3, 5, 6 and 8-16, inclusive.
- Storage sheds with a maximum dimension of 12'x12'x12' may be permitted to be constructed on the following Lots, if plans and specifications are approved by the Developer or the ARC:
  - Block 3, Lots 2-6, inclusive, and Lots 18-26, inclusive;
  - Block 2, all Lots;
  - Block 4, all Lots;
  - Block 5, all Lots;
  - Block 6, all Lots;
  - Block 7, all Lots;
  - Block 8, Lots 1-10, inclusive.
- 3. For Block 3, Lots 7-16, inclusive, the following shall apply:
  - 3.1. Storage sheds shall not exceed a maximum of 26 feet in height. Storage sheds shall not be taller than the principal structure on the same property. The sidewall plate height of the storage shed shall not be higher than 16 feet. Plate height is measured from the lowest grade to the top framing member of the wall.
  - 3.2. The maximum sizing of storage sheds or accessory structures on these Lots will depend on the Lot size and will be as follows:
    - Lots less than 8,400 SF 500 SF Maximum accessory structure size;
    - Lots 8,401 SF to 32,670 SF 840 SF Maximum accessory structure size;
    - Lots 32,671 SF to 1 acre 2,000 SF Maximum accessory structure size;
    - Lots 1.01 acres to 2 acres 3,500 SF Maximum accessory structure size;
    - Lots 2.01 acres to 3 acres 4,500 SF Maximum accessory structure size;
    - Lots 3.01 acres to 4 acres 5,000 SF Maximum accessory structure size;
    - Lots 4.01 acres to 5 acres 5,500 SF Maximum accessory structure size;
    - Lots 5.01 acres to 10 acres 6,000 SF Maximum accessory structure size.



1728914 Page: 26 of 41

2/12/2025 10:17 AM REST \$113.00

All storage sheds or accessory structures must be approved in writing by the Developer or the ARC prior to commencement of construction.

### **General Provisions**

All measurements for these Lots will be from the exterior walls of the storage shed and from the top of the highest point of the storage shed roof.

These storage sheds remain subject to the requirement that the Developer or the ARC approve the plans and specifications.



1/28914 Page: 27 of 41 2/12/2025 10:17 AM REST \$113.00

### **SCHEDULE 3.5.7**

#### MINIMUM SQUARE FOOTAGE

All Lots in River's Edge Second Addition to the City of Horace not excepted as set forth in <u>Article II</u> shall have residential structures that are as large as or larger than the minimum of the square footage set forth in this Schedule:

#### Block 8, Lots 18-26, inclusive:

- Rambler 2,200 square feet
- Two-story 2,600 square feet

#### All Lots in Block 9:

- Rambler 2,000 square feet
- Two-story 2,400 square feet

### Block 2, All Lots, Block 3, All Lots, Block 8, Lots 1-17, inclusive:

- Rambler 1,800 square feet
- Two-story 2,400 square feet

### Block 4, All Lots; Block 5, All Lots; Block 6, All Lots; and Block 7, All Lots:

- Rambler 1,600 square feet
- Two-story 2,400 square feet

### **General Provisions**

The square feet shown includes only above-grade square feet. These figures do not include the square footage of garage space, patios, decks or porches in the required square footage of the residential structures.

Split-level or bi-level structures are not allowed.



1728914 Page: 28 of 41 2/12/2025 10:17 AM REST \$113.00

## **EXHIBIT A**

### **LEGAL DESCRIPTION**

River's Edge Second Addition to the City of Horace, Cass County, North Dakota



**EXHIBIT B** 

**BYLAWS** 



1728914 Page: 30 of 41

2/12/2025 10:17 AM REST \$113.00

### **EXHIBIT B**

### **BYLAWS**

#### RIVER'S EDGE SECOND ADDITION HOMEOWNERS ASSOCIATION

RIVER'S EDGE SECOND ADDITION HOMEOWNERS ASSOCIATION, a North Dakota nonprofit corporation (the "Association") organized under N.D.C.C. Chapter 10-33 (the "Act") and the Articles of Incorporation of the Association (the "Articles"), has agreed to and adopted the following Bylaws:

# ARTICLE I. DEFINITIONS

Section 1.1. <u>Definitions</u>. Any words or terms used in these Bylaws which are defined in the Declaration of Covenants, Conditions, Restrictions, Reservations, Easements, Liens and Charges of River's Edge Second Addition to the City of Horace recorded with the Cass County Recorder in Cass County, North Dakota (the "Declaration") will have the meaning described in the Declaration. The terms "Declarant" or "Developer" as used herein shall refer to the same entity. The term "Premises" as used herein shall refer to River's Edge Second Addition to the City of Horace, Cass County, North Dakota.

# ARTICLE II. MEMBERS AND VOTING

- Section 2.1. <u>Members</u>. Each Owner of a Lot on the Premises, except for the City of Horace, North Dakota, and the City of Horace Park District, shall be a Member of the Association, and no other person or entity shall be entitled to membership. The Declarant, or its successors in interest or assigns, shall be entitled to membership in the Association only so long as the same is the Owner of one or more Lots on the Premises. There is one class of Members in the Association. These Bylaws shall apply to all Lots in River's Edge Second Addition to the City Horace, Cass County, North Dakota.
- Section 2.2. <u>Transfer of Membership</u>. Each membership is appurtenant to the Lot on which it is based and shall transfer automatically by voluntary or involuntary conveyance of the ownership of that Lot. It shall be the responsibility of each Owner, upon becoming entitled to membership, to notify the Association in writing that they are the Owner/Member and their contact information, including email address. Until so notified, the Association may continue to carry the name of the former Owner as a Member, in its sole discretion. In the event the Owner of any Lot should fail or refuse to transfer the membership to the transferee, the Association shall have the right to record the transfer upon the books of the Association and issue a new membership to the transferee, and thereupon the old membership outstanding in the name of the transferor shall be null and void as though the same had been surrendered, except for any money



1728914

Page: 31 of 41 2/12/2025 10:17 AM REST \$113.00

and/or lien obligation of the Owner/transferor and of the Lot to the Developer and/or to the Association.

Section 2.3. <u>Multiple Owners</u>. When more than one person or entity holds an ownership interest in a Lot, the vote for such Lot shall be exercised by a single representative as they agree between or amongst themselves and jointly signify in writing to the Secretary of the Association, but in no event shall more than the assigned voting power be cast with respect to any Lot, nor shall the voting power allocated to a Lot be split or otherwise cast separately by the several Owners of the Lot. In the event multiple Owners of a Lot cannot agree on the exercise of voting power for such Lot, any one of the Owners may apply to the Board of Directors of the Association which, after hearing all parties at a special meeting, shall determine the manner of exercise of voting power for said Lot by a majority vote of the Directors voting at the special meeting. A Director shall not vote upon such determination with respect to a Lot of which that Director is one of multiple Owners.

Section 2.4. <u>Voting</u>. A majority (greater than 50%) of those voting, with each Lot having one (1) vote through the Owner of that Lot, shall govern all determinations of the Lot Owners unless a greater vote is required by the Declaration or these Bylaws. No vote shall be cast with respect to any Lot while it is owned by the Association. During any period when an assessment against a Lot remains unpaid for more than sixty (60) days after the assessment becomes due and payable, the delinquent Lot Owner's voting rights may be suspended by the Developer or by the Board of Directors until all payments to the Association and/or the Developer are current.

Section 2.5. Quorum. Except as otherwise provided in these Bylaws, the presence in person or by proxy of Owners representing more than fifty percent (50%) of the voting power of the Association shall constitute a quorum. If the voting power of a Lot is suspended by reason of delinquency in payment of assessments, such voting power shall be deducted from the quorum requirement with a majority of more than 50% computed based on Owners qualified to vote after the deduction shall constitute a quorum.

Section 2.6. <u>Proxies</u>. Votes by the Members may be cast in person or by proxy. Proxies must be filed with the Secretary of the Association before the appointed time of each meeting. A person designated by proxy to act for a Member need not be a Member.

# ARTICLE III. MEETING OF THE MEMBERS

- Section 3.1. <u>Place of Meetings</u>. Meetings of the Association shall be held at a suitable place convenient to the Lot Owners as may be designated by the Board of Directors.
- Section 3.2. <u>Annual Meetings</u>. The first annual meeting of Members shall be set by the Developer. At such first annual meeting of the Members, the Members may



1728914

Page: 32 of 41 2/12/2025 10:17 AM REST \$113.00

designate a regular date for successive annual meetings. If the Members fail to designate such a regular date, the Board of Directors may continue to designate the date of the next annual meeting until such a designation is made by a majority vote of the Members. If any designated date falls upon a legal holiday, it shall be understood that the actual date of the meeting shall be the next business day succeeding such designated date. At such meetings, in accordance with the requirements of Section 4.4 of these Bylaws, the Directors shall be elected by ballot of the Lot Owners. The Lot Owners may also transact such other business of the Association as may properly come before them. In all events, a meeting of the Members shall be held at least annually. If a regular meeting of the Members has not been held during the preceding fifteen (15) months, twenty percent (20%) or more of the Members with voting rights may demand a meeting by notice to the President of the Board, and if there is no President, to any Director of the Board of Directors.

Section 3.3. <u>Special Meetings</u>. It shall be the duty of the President of the Association to call a special meeting of the Members as directed by the resolution of the Board of Directors or upon the presentation to the Secretary of the Association of a petition therefor signed by twenty percent (20%) or more of the Members with voting rights, or by two (2) Directors. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice unless all of the Members with voting rights have waived notice of the meeting under the Act. One or more special meetings may be held before there has been a first annual meeting.

Section 3.4. Notice of Meetings. It shall be the duty of the Secretary of the Association to send to each Lot Owner a notice of the date, time, place and complete agenda of the regular, special or annual meeting and the procedure for appointing proxies at least fourteen (14) days (and not more than thirty (30) days) in advance of an annual meeting of Lot Owners, and not less than seven (7) days (and not more than thirty (30) days) in advance of any other meeting. The notice shall be hand-delivered or emailed (to all Members who have supplied an email address), or sent by United States mail, postage prepaid, to all Lot Owners of record at the address of their respective Lots, or to such other address or addresses as any of them may have designated in writing to the Secretary of the Association. A failure to provide a working email address to the Secretary will result in a \$50 charge to that Member each year for the extra work it takes to give notice in another manner.

Section 3.5. <u>Adjourned Meetings</u>. If any meeting of Lot Owners cannot be commenced because a quorum is not present, the Lot Owners who are present, either in person or by proxy, may adjourn the meeting to a time not less than forty-eight (48) hours, nor more than thirty (30) days, from the time the original meeting was called, with no further notice than that notice given at such adjourned meeting. A quorum at the next meeting time will be necessary for the meeting to occur.

Section 3.6. <u>Order of Business</u>. The order of business at all annual meetings of Lot Owners shall be as follows:



1728914 Page: 33 of 41

2/12/2025 10:17 AM REST \$113.00

- 1. Roll call.
- 2. Proof of notice of meeting or waiver of notice.
- 3. Reading of minutes of preceding meeting.
- 4. Report of officers.
- 5. Report of committees.
- 6. Designation of regular date for annual meetings (if necessary).
- 7. Announcement of members of Nominating Committee for the Board of Directors (as appropriate).
- 8. Election of Board of Directors.
- 9. Unfinished business.
- 10. New business.
- 11. Open forum.
- 12. Announcement of date, time and place of the meeting of new Board of Directors (as appropriate).
- 13. Adjournment.
- Section 3.7. <u>Fair Voting Procedures</u>. The following shall be considered minimum standards to assure fair voting procedures:
  - (a) All proxies should be available for inspection prior to and during a meeting of the Members so that a reasonable opportunity is afforded to challenge and count proxies.
  - (b) All mail ballots and all proxies cast at a meeting should be first opened at the time the votes on an election or issue are counted and tallied.
  - (c) In the case of an election of a Director, every candidate or designee of a candidate may observe the counting and tallying of votes; and on any other issue, a reasonable number of observers from both sides of each issue shall observe the counting and tallying of ballots.
  - (d) The vote count on each election and issue shall be announced before adjournment of the meeting and shall be available to all Members in written form signed by the Secretary of the Association through the Association website (or by email, if an email address has been provided) within seven (7) days of the meeting.
  - (e) A Member who is delinquent in payment of assessments may reinstate voting rights for a meeting by payment of the delinquency by delivering an immediately negotiable check with adequate funds or providing other proof of payment to the Secretary, Treasurer or President of the Association before the meeting is called to order, unless a different requirement is adopted by the Board



### 1728914

Page: 34 of 41 2/12/2025 10:17 AM REST \$113.00

and the delinquent Member is given written notice thereof at least fifteen (15) days before the meeting.

# ARTICLE IV. BOARD OF DIRECTORS

- Section 4.1. <u>Initial Board of Directors</u>. The initial Board of Directors shall consist of three (3) persons appointed by the Developer who need to be Lot Owners or representatives of Lot Owners, and who shall serve until the first annual meeting of the Members and thereafter until their successors are elected and qualified. Should any vacancy occur in the initial Board of Directors, the vacancy shall be filled by the Developer. The initial Board of Directors shall have the power to adopt the Bylaws of the Association, to elect officers, to establish a schedule of assessments which shall be effective until December 31st of the year in which the first annual meeting of the Association occurs. The initial Board of Directors shall have generally the powers and duties as set forth in <u>Section 4.5</u>.
- Section 4.2. <u>Number and Qualification</u>. The number of Directors constituting the Board of Directors after the initial Board of Directors shall be three (3); provided, however, that the number of Directors may be increased to five (or thereafter decreased back to three) by affirmative vote of the majority of all Lot Owners/Members eligible to vote at any annual meeting of the Members, subject to any limitations in the Articles. All Directors elected by the Lot Owners shall themselves be a Lot Owner or an officer or employee of a corporation or other entity owning a Lot.
- Section 4.3. <u>Nomination</u>. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations also may be made by any two Members in a written nomination to the Secretary of the Association or by motion and second from the floor at an annual meeting. The Nominating Committee shall consist of a Chairperson (who shall also be a member of the Board of Directors) and two or more Members of the Association selected by the Chairperson. The Nominating Committee shall be appointed by the Board prior to each annual meeting of the Members to serve from the close of such annual meeting until the close of the next annual meeting, and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall, in its discretion, determine, but not less than the number of vacancies that are to be filled.
- Section 4.4. <u>Term and Election</u>. The term of office of each Director shall be fixed at one (1) year or until a successor is duly elected. Directors shall be elected by majority vote of Lot Owners (or a representative) eligible to vote as set forth in <u>Section 2.4</u>. Each Director shall hold office until his or her respective successor has been elected and has agreed to serve. There is no limit on the number of terms a Director may serve.
- Section 4.5. <u>Power and Duties</u>. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Lots and the Association. The Board of Directors may act on behalf of the Association and do all such things and



1728914 Page: 35 of 41

2/12/2025 10:17 AM REST \$113.00

all such acts in the name of the Association as allowed for the Association in the Act, the Declaration and/or these Bylaws.

- Section 4.6. <u>Vacancies</u>. Any vacancy in the Board of Directors arising by death or resignation of a Director elected or appointed by the Developer shall be filled only by appointment made by the Developer. Any other vacancy shall be filled by act of the remaining Directors, whether or not constituting a quorum, and a Director so appointed shall serve for the unexpired term of the Director's predecessor in office.
- Section 4.7. Removal of Directors. At any regular or special meeting of the Lot Owners duly called, any one or more of the Directors may be removed, with or without cause, by a majority of the Lot Owners authorized to elect such Director, present in person or by proxy, and a successor may then and there be elected to fill the vacancy thus created. Any Director whose removal has been proposed by the Lot Owners shall be given an opportunity to be heard at the meeting.
- Section 4.8. <u>Organization of Meeting</u>. The first meeting of the Board of Directors each year following the annual meeting of Lot Owners shall be held within ten (10) days after the annual meeting of Lot Owners, and if the date, time and place are announced at the annual meeting of Lot Owners, no further notice shall be necessary.
- Section 4.9. <u>Regular Meetings</u>. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority vote of the Directors, but at least one such meeting shall be held each calendar year. Written notice of regular meetings of the Board of Directors shall be given to each Director at least ten (10) days prior to the day set for such meeting by the Board of Directors or by the President. Notice may be given by email.
- Section 4.10. <u>Special Meetings</u>. Special meetings of the Board of Directors may be called by the President with not less than seven (7) days written notice (by email) to each Director, which notice shall state the purpose of the meeting and the time and place within the City of Horace, State of North Dakota. Special meetings of the Board of Directors shall be called by the President or Secretary in a like manner and on like notice upon the written request of at least two (2) Directors. Notice may be given by email.
- Section 4.11. <u>Open Meetings</u>. Except as otherwise provided in the Act or in the Declaration, meetings of the Board of Directors must be open to Lot Owners. To the extent practicable, the Board shall give reasonable notice to the Lot Owners of the date, time and place of a Board meeting. This may be done by email. Notice is given if the date, time and place of a meeting is announced at a previous meeting of Lot Owners or the Board. Notice is not required if an emergency requires immediate consideration of a matter by the Board.
- Section 4.12. <u>Remote Participation</u>. A meeting of Directors or any committee of the Board may be conducted by telephone, Zoom or Microsoft Teams conference or any means of communication through which the participants may simultaneously hear and speak to each other during the meeting, if notice of the meeting has been given as



1/28914 Page: 36 of 41 2/12/2025 10:17 AM REST \$113.00

would be required for a meeting, and if the number of persons participating in the conference is sufficient to constitute a quorum. A Director may participate in a Board meeting by means of communication through which the Director, other Directors participating, and all other Directors physically present at the meeting may simultaneously hear and speak to each other during the meeting. Participation in a meeting by this means constitutes personal presence at the meeting.

Section 4.13. <u>Waiver of Notice</u>. Before or at any meeting of the Board of Directors, any Director may waive notice of such meeting and such waiver shall be deemed equivalent to the giving and receipt of such notice. Attendance by a Director at any meeting of the Board shall be a waiver of notice by such Director of the time, place and purpose thereof, unless a Director specially appears to protest or dispute the meeting or the notice.

Section 4.14. <u>Board of Directors Quorum and Voting</u>. At all meetings of the Board of Directors, a majority of the Directors shall constitute a quorum for the transaction of business, and the acts of a majority of the Directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors. If at any meeting of the Board of Directors there is less than a quorum present, the meetings may be adjourned from time to time until a quorum is present. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

Section 4.15. No Proxies. Directors shall not vote by proxy.

Section 4.16. <u>Action Without a Meeting</u>. Any action that could be taken at a meeting of the Board of Directors may be taken without a meeting when authorized in a writing signed by all of the Directors.

Section 4.17. <u>Compensation</u>. The Directors will receive no compensation for their services as Directors. However, when authorized by the Board, Directors and officers may be reimbursed for actual expenses incurred in connection with the business of the Association, and officers may be compensated for bookkeeping or recordkeeping functions.

Section 4.18. <u>Committee of the Board</u>. The Board may create and appoint one or more committees to investigate or deal with specific matters. The number of members and the members of the committee will be set by the Board. The committee will report to the Board. Board members may be appointed to a committee. The Board may choose to take action based on a committee report. A committee does not have the power to establish a policy or take action. This may only be done by the Board or by the Association.



#### 1728914 Page: 37 of 41

2/12/2025 10:17 AM REST \$113.00

# ARTICLE V. OFFICERS OF THE ASSOCIATION

Section 5.1. <u>Designation</u>. The principal officers of the Association shall be a President, Vice President, Secretary and a Treasurer. All principal officers shall be elected by and from the Board of Directors. Any two or more of the offices of Vice President, Treasurer and/or Secretary may be filled by the same person. The Board may, from time to time, appoint an assistant Secretary and such other officers with such duties as, in the Board's judgment, may be desirable, and such officers need not be Directors.

- Section 5.2. <u>Election of Officers</u>. The principal officers of the Association shall be elected annually by the Board of Directors at the organization meeting of each new Board. All officers shall hold office at the pleasure of the Board until a replacement is elected or the officer is removed.
- Section 5.3. <u>President.</u> The President of the Association shall be the chief executive officer of the Association and shall preside at all meetings of the Association and the Board of Directors. The President shall see that all orders and resolutions of the Board are carried out, and shall sign all leases, mortgages, contracts, deeds and other written instruments (except to the extent that the Board of Directors authorizes or mandates the delegation of such signature authority in a different manner).
- Section 5.4. <u>Vice President</u>. The Vice President of the Association shall act in the place of the President and perform the President's duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President are able to act, the Board of Directors shall appoint some other Director to act on an interim basis. The Vice President also shall perform such other duties as shall, from time to time, be required by the Board of Directors.
- Section 5.5. <u>Secretary</u>. The Secretary of the Association shall keep the minutes of all meetings of the Board of Directors and the minutes of all meetings of the Association. The Secretary shall give notice of all meetings of the Board and of the Members; keep appropriate current records showing the Members of the Association, together with their addresses and email addresses; and shall perform such other duties as may be required by the Board. The Secretary may be compensated for these services. The Secretary is not required to be a member of the Board.
- Section 5.6. <u>Treasurer</u>. The Treasurer shall have responsibility for Association funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in the books belonging to the Association. The Treasurer shall sign all checks and shall be responsible for the deposit of all monies and valuable effects in the name and to the credit of the Association in such depositories as may from time to time be designated by the Board of Directors, except to the extent that the Board of Directors authorizes or mandates the delegation of such authority to a manager or agent. The Treasurer may be compensated for these services. The Treasurer is not required to be a member of the Board.



1/28914 Page: 38 of 41 2/12/2025 10:17 AM REST \$113.00

Section 5.7. <u>Committees</u>. The Board shall appoint members of a Nominating Committee, as provided in these Bylaws. In addition, the Board of Directors may establish other committees and appoint their members as deemed appropriate in carrying out its purposes. This is further addressed in <u>Section 4.18</u>.

# ARTICLE VI. ANNUAL REPORTS

Section 6.1. <u>Annual Reports</u>. The Association shall prepare and provide to each Lot Owner at or prior to each annual meeting a report of the affairs of the Association, including at least the following information:

- (a) A statement of any capital expenditures in excess of \$500 approved by the Board of Directors for the current year or succeeding two (2) fiscal years.
- (b) A statement of the balance of any reserve or replacement fund and any portion of the fund designated for any specified project by the Board of Directors.
- (c) A copy of the statement of revenues and expenses for the Association's last fiscal year and a balance sheet as of the end of said fiscal year.
- (d) A statement of the status of any pending litigation or judgments to which the Association is a party.
- (e) A statement of the insurance coverage provided by the Association, if any.
- (f) A statement of the total past due assessments on all Lots, current as of not more than sixty (60) days prior to the date of the meeting.

# ARTICLE VII. MISCELLANEOUS

- Section 7.1. <u>Right to Substitute</u>. Whenever a Director or officer of the Association is an officer or employee of a corporate Lot Owner, or a partner or employee of a partnership Lot Owner, or a member of a limited liability company Lot Owner, the respective corporation, partnership or limited liability company may, by written notice to the Association, remove such Director or officer of the Association and designate another such person to serve the unexpired balance of the term.
- Section 7.2. <u>Indemnification of Officers and Directors</u>. To the fullest extent permitted by the Act, as amended from time to time, or by other provisions of law, each officer or Director who was or is a party or is threatened to be made a party to any proceeding by reason of a former or present official capacity in the Association shall be indemnified and defended by the Association, including attorneys' fees and legal costs. The Association may purchase liability insurance for protection against such claims.



1728914 Page: 39 of 41 2/12/2025 10:17 AM

\$113.00

Section 7.3. <u>Notice</u>. The term "notice" has the meaning given in §10-33-01 of the Act. Notice may also be given by email in all situations.

Section 7.4. Amendment to Articles and Bylaws. Until the second Board of Directors has been constituted pursuant to these Bylaws, an amendment to the Articles and/or these Bylaws shall not be considered by the Association. This does not restrict the Developer's right to amend the Articles and Bylaws. After the second Board of Directors has been constituted pursuant to these Bylaws, an amendment to the Articles or these Bylaws may be adopted upon the amendment receiving an affirmative vote of the Members of who have authority to cast at least seventy-five percent (75%) of the total percentage votes in the Association (meaning a vote of 75% of the Owners of all Lots), in writing, at any regular, special or annual meeting of the Association. The Developer shall have the right to amend the Bylaws and Articles at any time until the Developer has sold all Lots in River's Edge Second Addition to the City of Horace and divests itself of the right to amend as set forth in the Declaration by written statement to that effect recorded with the Cass County Recorder.

Section 7.5. <u>Conflicts</u>. If any of these Bylaws conflict with the provisions of the Act, the provisions of the Act will govern. If any of these Bylaws conflict with the provisions of the Declaration or the Articles of Incorporation, the provisions of the Declaration or Articles will apply.

Section 7.6. <u>Inspection of Books and Records</u>. Current copies of the Declaration, Bylaws and other rules concerning the Association, and the books, records and financial statements of the Association, shall, during reasonable and normal hours by arrangement through the Secretary of the Association, be available for inspection by any Lot Owner, prospective purchaser, Lot lender or the holder, insurer and guarantor of a mortgage on any Lot at the principal office of the Association or elsewhere as specified by the Secretary of the Association, and copies of the same may be purchased at reasonable cost. Business hours may vary, as there will be no full-time employees. This information may also be available through the Association website, when established.

Section 7.7. <u>Financial Statements</u>. The Association shall make a statement for the preceding fiscal year available to the holder, insurer or guarantor of any first mortgage that is secured by a Lot in the community upon submission of a written request for statement. The financial statement shall be available within 120 days after the Association's fiscal year end. Any financial statement shall be furnished free of charge (limited to one request per requesting party per year) within a reasonable time upon written request from any such Owner, lender, holder, insurer or guarantor, or any prospective Owner, lender, holder, insurer or guarantor.

Section 7.8. <u>Notice to Association</u>. Any Owner who mortgages the Owner's Lot shall notify the Association through the management agent, if any, or the President or Secretary in the event there is no management agent, of the name and address of the mortgagee, and the Association shall maintain such information in a book or file entitled "Mortgagees of Lots."



1728914 Page: 40 of 41 2/12/2025 10:17 AM REST \$113.00

Section 7.9. <u>Compliance</u>. Each Lot Owner, and any lender or holder of any mortgage that is secured by a Lot, shall be governed by and shall comply with the terms, conditions, obligations and provisions of the Act, the Declaration, the Articles, these Bylaws and the Rules and Regulations of the Association, as any of the same may be amended from time to time.

Section 7.10. Rules and Regulations. The Developer or the Board may, from time to time, promulgate such rules and regulations as it deems reasonable and necessary for the administration, management, operation, protection of value and use of the Common Elements and any other areas, facilities and improvements which Members of the Association are entitled to use so as to promote the common use, enjoyment and protection of property values thereof by Lot Owners, and for the protection and preservation thereof, and may, in addition, adopt such reasonable rules and regulations as it may deem necessary with respect to Lot Owners, including, without limiting the generality of the foregoing, the right to adopt such rules and regulations with reference to animals and leases. Copies of such rules and regulations and any amendments thereto shall be furnished to all Members from an officer of the Association and/or be available on the Association website. However, a failure to furnish or post such rules or regulations shall not affect their validity or enforceability. Subject to obtaining any required consent of the Developer pursuant to the Declaration, any such rule or regulation may be amended, modified or revoked, and new and additional rules and regulations may be adopted by the Members at an annual or special meeting of the Members or by the Developer until the Developer has sold all Lots in River's Edge Second Addition to the City of Horace and divests itself of the right to amend as set forth in Section 7.4.

(Signature Page to Follow)



1728914

2/12/2025 10:17 AM REST \$113.00

THE UNDERSIGNED hereby certifies that the foregoing are Bylaws of River's Edge Second Addition Homeowners Association, adopted the day of February, 2025.

RIVER'S EDGE SECOND ADDITION HOMEOWNERS ASSOCIATION

By: RIVER'S EDGE ESTATES, LLC

a North Dakota limited liability company

By: Donald A. Dabbert, Jr. Its: Managing Member

STATE OF NORTH DAKOTA ) : ss. COUNTY OF CASS )

On this the day of Lebrum, 2025, before me personally appeared DONALD A. DABBERT, JR. as Managing Member of River's Edge Estates, LLC, the entity that is described in and that executed the within instrument, and acknowledged to me that such entity executed the same.

LAUREN N. JOHNSON Notary Public State of North Dakota My Commission Expires July 28, 2026

Notary Public

(Signature Page to Bylaws of River's Edge Second Addition Homeowners Association)