

RULES AND REGULATIONS

LEGACY LOFTS

INTRODUCTION

It is important that we preserve the living and architectural style that Legacy Lofts represents. The goal of these Rules and Regulations is to provide reasonable, practical guidelines for the operation of Legacy Lofts. Residents and guests are obligated to comply with these Rules and Regulations and the Association's Governing Documents. The Board of Directors of the Association has approved these, and may approve other, Rules and Regulations based upon authority contained in Section 5.6 of the Declaration. The terms used in these Rules and Regulations have the same meanings as set forth in Section 1 of the Declaration. References made to the Association in these rules means the Board acting for and on behalf of the Association.

GENERAL USE REGULATIONS

1. Persons residing on or using the Property are obligated to comply with all applicable laws, ordinances and regulations of the City of Minneapolis and other governmental authorities. If charged with a violation by a governmental authority, the Owner or Occupant is obligated to indemnify, defend and hold the Association, and other Owners and Occupants, harmless from all fines, penalties, costs, attorney's fees or prosecution resulting from the violation.

2. Please be considerate of other residents and refrain from engaging in conduct which is a material annoyance or nuisance to others. Owners and Occupants are responsible for the behavior of their families, guests and tenants while at Legacy Lofts. The cost of repair of damage to the Property resulting from the acts of Owners and Occupants and their tenants and guests may be assessed against the Owner's Unit.

3. Legacy Lofts is a condominium. Business or commercial activity may not be conducted in the Residential Units, except for the limited, incidental activities described in Section 7 of the Declaration.

4. For health reasons, garbage and refuse should be placed in leak proof trash bags and deposited in designated trash receptacles. Municipal regulations regarding garbage pickup apply. Material that can be recycled should be placed in designated recycle receptacles.

5. Flammable substances may not be kept on the Property except in safe containers. No inherently dangerous items such as explosives may be kept on the Property, including Owners' storage unit, at any time.

6. Except as expressly permitted by law, firearms, air guns and other devices designated to fire a potentially lethal projectile may not be discharged or carried on the Property, except for carrying to and from a vehicle for purposes of transporting the device.

7. Persons authorized by the Board, or public safety personnel, may enter the Units at any time for the purpose of correcting any condition which is reasonably believed to present an imminent danger of serious loss or damage to any portion of the Property, or injury or death to any person. These authorized persons may also enter the Units upon reasonable advance notice for purposes of maintaining, repairing and replacing Common Elements or any parts of the Units which the Association may be obligated to maintain.

8. Managers and others who provide services to the Association are required to take direction only from the Board or Association officers. Comments regarding services or actions of persons performing work for the Association should be directed to the Board or to the manager.

USE OF COMMON ELEMENTS

1. Common Element spaces are for the enjoyment of all residents, and we ask that you be considerate of the rights of others.

2. Please use your best efforts to prevent the Common Elements from becoming unsightly. Personal property may not be stored, displayed or otherwise left outside the Units, except as authorized by the Board.

3. Walkways, driveways, stairwells, elevators and other portions of the Common Elements used for access to and from the Units, may not be obstructed, or used for storage, activities or any purpose other than access.

4. In order to preserve the aesthetic character and beauty of the Property, all originally installed plants, trees and landscaping should be left undisturbed, except for routine maintenance.

ARCHITECTURAL AND EXTERIOR RESTRICTIONS

1. Legacy Lofts is subject to recorded architectural covenants. No Person may modify or remove any part of the Common Elements, nor change the appearance of any portion of the Common Elements, except in accordance with the requirements set forth in Section 7 of the Declaration. Contractors hired by an Owner to perform work on the Owner's Unit must provide proof of insurance acceptable to the Board.

2. Identification, signs, flags or displays of any kind may not be placed anywhere outside the Units without prior approval of the Board. An "open house" sign of a reasonable size approved by the Board may be temporarily erected in a location approved by the Board during an open house when a Unit is for sale.

3. Additional buildings, animal enclosures, awnings, shelters, additions, poles or other structures or physical improvements or alterations of any kind, temporary or permanent, which are visible from the exterior of a Unit, are prohibited without the prior written approval of the Board as set forth in Section 7 of the Declaration. Owners and Occupants have the responsibility for obtaining approval from the Board prior to making any exterior change to their Unit, or any interior change which could affect the building's structure or weather-tight shell. If any such change is made without approval by the Board, the Association has the right to remove the unapproved change, and otherwise correct the changed condition, at the expense of the offending Owner.

4. Cable T.V. and local channel access is available in all Residential Units. Individual antennas may be installed only in accordance with Federal Communication Commission Regulations. Please contact the Board for details.

WINDOW TREATMENT

All window treatment in Legacy Lofts shall be of professional quality and of a light, neutral color of white, off-white, or beige with no pattern when viewed from the exterior of the building. Canvas or wood blinds with a natural finish are also permitted.

UTILITIES

Each Owner is responsible for the maintenance, repair, replacement and charges relating to public utilities or other similar services metered solely to his/her Unit.

PARKING

1. Legacy Lofts will contain one at-grade level of parking and three levels of underground parking. Each owner of a unit in Legacy Lofts must also own at least one Parking Unit, and may purchase additional Parking Units, depending upon availability. Ownership of Parking Units are restricted to owners or tenants of Residential Units except for the following: 1) Parking Units owned by the Declarant or 2) Parking Units designated by Declarant as unrestricted parking prior to conveyance to Declarant's successors in title, which may be made available for contract parking. Access to the parking ramp, stairwells and elevator will be restricted, and subject to control by an electronic access system.

2. Access for the at-grade parking in Legacy Lofts will be from 13th Avenue South and a separate access for the three levels of underground parking in Legacy Lofts will also be from 13th Avenue South.

3. Legacy Lofts will have sixteen (16) guest parking stalls, including one handicapped stall, all located on the first floor of the building and will have access from 13th Avenue South. These parking stalls may be used by contractors, employees and sales team of Declarant until all Units are sold. After that, these sixteen stalls will be restricted to use by guests of the owners of Legacy Lofts. The Board may approve additional rules and regulations to manage the use of the guest parking.

COMMUNITY ROOM

Legacy Lofts maintains one community room located on the second floor of the building. In an effort to preserve the quiet enjoyment of those residents living in adjoining Units, and to protect the Association from unwarranted liability, the following Rules and Regulations have been approved:

1. The community room is available for general use by all Owners and Occupants. However, the community room may be reserved for private, Owner-hosted functions by advance reservation, with priority based upon the time of application. Owners reserving the community room may be required to pay a deposit, and to sign an agreement covering the user's obligations for clean-up and related matters.

2. The community room is not designed to host functions which generate significant noise or disturbance, since they are located adjacent to, across the hall from and above residential units. If there is any question as to the appropriateness of a function, please check with management.

3. No function involving attendees other than Owners and Occupants may be held if alcoholic beverages are consumed at the function, unless the host Owner signs an agreement to indemnify the Association against all liability arising out of the activities of attendees during or following the function. There are no similar restrictions on Association-sponsored functions at which alcoholic beverages are served if there are no attendees other than Owners and Occupants.

EXERCISE ROOM (INCLUDING SAUNA) AND WEIGHT ROOM

Legacy Lofts maintains one exercise room, including a sauna, located on the second floor of the building and a weight room on the first floor of the building. In an effort to preserve the quiet enjoyment of those residents living in adjoining Units and Units located below the exercise room, and to protect the Association from unwarranted liability, the following Rules and Regulations have been approved:

1. All Owners, Occupants and guests using the exercise room, sauna and weight room do so at their own risk. There is no supervision and Owners, Occupants and guests must use the these areas in a safe manner and in compliance with all of the rules provided herein and posted.

2. The exercise room, sauna and weight room are available for general use by all Owners and Occupants. These rooms may not be reserved for private use.

3. Appropriate attire shall be worn in the exercise room, sauna and weight room at all times. All users of the exercise room, sauna and weight room shall wear appropriate attire and footwear while in transit between their Unit and these areas.

4. All persons using the exercise room, sauna and weight room are responsible for keeping it clean and presentable.

5. No person under the age of sixteen (16) shall be permitted in the exercise room, sauna or weight room unless under the supervision of an adult.

6. In addition to these rules, the Association may post additional rules in the exercise room.

OUTDOOR PLAYGROUND

Legacy Lofts maintains an outdoor playground area located in the green space on the Property. In an effort to preserve the quiet enjoyment of those residents living in Legacy Lofts and to protect the Association from unwarranted liability, the following Rules and Regulations have been approved for the use of both the dog run and pet grooming area:

1. All Owners, Occupants and guests do so at their own risk. There is no supervision and Owners, Occupants and guests must use in a safe manner and in compliance with all of the rules provided herein and posted in the playground area.

2. All persons using the areas are responsible for keeping it clean and presentable, including properly disposing of any litter.
3. Children must be supervised by an adult at all times.
4. In addition to these rules, the Association may post additional rules.

DOG RUN, PET GROOMING AREA AND PET RELIEF AREAS

Legacy Lofts maintains an outdoor dog run area located in the green space on the Property and a pet grooming area located on the first floor of the Property. In addition, there is one (1) indoor pet relief areas located on the P2 parking level. In an effort to preserve the quiet enjoyment of those residents living in Legacy Lofts and to protect the Association from unwarranted liability, the following Rules and Regulations have been approved for the use of both the dog run and pet grooming area:

1. All Owners, Occupants and guests do so at their own risk. There is no supervision and Owners, Occupants and guests must use in a safe manner and in compliance with all of the rules provided herein and posted in the dog run, pet grooming area and/or pet relief area.
2. All persons using the areas are responsible for keeping it clean and presentable, including properly disposing of any litter and properly disposing of pet waste. Owners must dry their pet after using the dog grooming area to avoid wet animals from traveling through the common areas.
3. In addition to these rules, the Association may post additional rules.

ROOF TOP DECKS/BALCONIES

1. In Legacy Lofts all Units have some form of private balcony. The decks and balconies are available for use only by the Owners and Occupants, and their guests, of the Unit which is served by the deck or balcony. Access to any part of the roof area, other than a designated deck, is prohibited.

2. Activities on the decks or balconies may not reasonably interfere with the peaceful enjoyment and use by other residents of their living Units, decks or balconies. Owners are responsible for the conduct of their guests.

3. Structures or other physical improvements of any kind require prior approval by the Board.

4. Personal property such as tables, chairs or umbrellas must be secured when not in use so they do not blow off the deck or balcony.

5. Decks or balconies may not be used to store personal property, except for seasonal furniture in season.

6. Charcoal grills are strictly prohibited. For safety reasons, gas grills are subject to strict City code requirements and are only allowed to be used with the gas line that is permanently installed in the building. No propane tanks are allowed.

7. Routine maintenance of each deck or balcony is the responsibility of the Owners and Occupants of the Unit which is served by the deck. Other maintenance, repair and replacement will be performed by the Association and the cost assessed against the Unit served by the deck.

8. The cost of repair of damage to any deck or the roof caused by an Owner or Occupant, or their guests, will be assessed against the Owner's or Occupant's Unit.

SWIMMING POOL/HOT TUB

1. All Owners, Occupants and guests using the swimming pool and hot tub do so at their own risk. There is no lifeguard on duty and Owners, Occupants and guests must use the swimming pool and/or the hot tub in a safe manner and in compliance with all of the rules provided herein and posted in the pool area.

2. Owners and Occupants shall not have more than four (4) guests at one time and must accompany guests in the pool area.

3. The swimming pool and hot tub are available for general use by all Owners and Occupants. The swimming pool area may not be reserved for private, Owner-hosted functions.

4. Showers shall be taken before entering the swimming pool or the hot tub. All hairpins shall be removed before entering the pool or the hot tub.

5. Appropriate swimming trunks or swimming suits shall be worn in the swimming pool and the hot tub and pool area at all times. All users of the swimming pool and hot tub shall wear appropriate attire and footwear while in transit between their Unit and the pool area.

6. No glass containers of any kind are permitted in the pool area. All persons using the pool are responsible for keeping it clean and presentable.

7. No person under the age of sixteen (16) shall be permitted in the swimming pool or hot tub or pool area unless under the supervision of an adult. Children must be toilet trained in order to use the pool.

8. The swimming pool and hot tub, including the surrounding deck area, are seasonal use only.

9. In addition to these rules, the Association may post additional rules in the pool area.

GOLF SIMULATORS

Legacy Lofts maintains a golf simulator room located on the first floor of the building. In an effort to preserve the quiet enjoyment of those residents living in Units located above, and to protect the Association from unwarranted liability, the following Rules and Regulations have been approved:

1. The golf simulators must be reserved for Owner-hosted functions by advance reservation, with priority based upon the time of reservation. Owners reserving the golf simulators

shall be required to pay a fee for use and a deposit, and to sign an agreement covering the user's obligations for clean-up and related matters.

2. No function involving attendees other than Owners and Occupants may be held if alcoholic beverages are consumed at the function, unless the host Owner signs an agreement to indemnify the Association against all liability arising out of the activities of attendees during or following the function. There are no similar restrictions on Association-sponsored functions at which alcoholic beverages are served if there are no attendees other than Owners and Occupants.

COMMUNITY ROOF DECK AND LAWN BOWLING

Legacy Lofts maintains a community roof deck and lawn bowling area located on the second floor of the building. In an effort to preserve the quiet enjoyment of those residents living in adjoining Units, and to protect the Association from unwarranted liability, the following Rules and Regulations have been approved:

1. The community roof deck and lawn bowling area are available for general use by all Owners and Occupants. However, the community roof deck and lawn bowling may be reserved for private, Owner-hosted functions by advance reservation, with priority based upon the time of application. Owners reserving community roof deck or lawn bowling may be required to pay a deposit, and to sign an agreement covering the user's obligations for clean-up and related matters.

2. The community roof deck and lawn bowling area are not designed to host functions which generate significant noise or disturbance, since they are located adjacent to Residential Units. If there is any question as to the appropriateness of a function, please check with management.

3. No function involving attendees other than Owners and Occupants may be held if alcoholic beverages are consumed at the function, unless the host Owner signs an agreement to indemnify the Association against all liability arising out of the activities of attendees during or following the function. There are no similar restrictions on Association-sponsored functions at which alcoholic beverages are served if there are no attendees other than Owners and Occupants.

4. The community roof deck and lawn bowling are seasonal use only.

GAME ROOM

Legacy Lofts maintains a game room area located on the first floor of the building. In an effort to preserve the quiet enjoyment of those residents living in Units located above, and to protect the Association from unwarranted liability, the following Rules and Regulations have been approved:

1. The game room is available for general use by all Owners and Occupants. The game room may not be reserved for private, Owner-hosted functions.

2. The game room is are not designed to host functions which generate significant noise or disturbance, since they are located below Residential Units. If there is any question as to the appropriateness of a function, please check with management.

ANIMALS

1. Common, domesticated house pets such as dogs, cats, fish or birds ("permitted pets") may be kept by an Owner or Occupant in his/her Unit, subject to the Declaration and these Rules and Regulations. No other animals may be kept anywhere on the Property. Birds, fish and other household pets (other than dogs and cats) shall be kept in appropriate cages or tanks within the Owner's Unit.

2. A maximum of two dogs or two cats, or one of each, may be kept in any Unit.

3. A pet must be housed and maintained exclusively within the Owner's Unit, except when under the direct control of the Owner or other handler. Outdoor pet enclosures of any type are prohibited. No pet may be left unattended outdoors.

4. Owners are responsible to pay for any damage to the Property caused by their pets, and are obligated to hold harmless and indemnify the Association, and its officers and directors, against any loss, claims or liability arising out of any act of the pet.

5. Permitted pets are not allowed to relieve themselves on the Property, except in the designated pet area or within the Owner's Unit in the case of cats or animals customarily kept in enclosures. Solid waste left on the Property, including the designated pet area, must be promptly disposed of by the pet's owner or other handler.

6. Permitted pets may be walked on the Property only in accordance with local leash laws.

7. Any repeated or prolonged disturbance by a pet, such as noise, odor, waste or threatening or nuisance activity, will be cause for imposition of a fine on the pet's owner and/or the removal of the offending pet from the Property by the Board. The Board's decision concerning the removal of a pet may, upon written petition of the pet's owner, be appealed to a vote of the other Owners at a meeting of the Association; provided, that the pet's owner must pay the cost of calling and holding the meeting.

8. The pet owner is responsible for any personal injury or property damage caused by the pet and shall indemnify, hold harmless and defend the Association, and its officers and directors, and other Owners and Occupants, from and against all loss, damages and liability of any kind arising out of any act of the pet.

9. Notwithstanding the foregoing, no rules shall be imposed which restrict the keeping of a qualified "service animal" for a disabled or handicapped person in violation of any applicable state or federal statutes, regulations or rules; provided, that the service animal shall be subject to the same behavioral rules as other pets.

REMODELING

1. Hours for construction work and/or remodeling are from 8:30 A.M. until 4:30 P.M. Monday through Friday. There is no construction work allowed on weekends, except that unit owners may perform light maintenance tasks themselves at any time which create no noise, or may perform light tasks themselves which generate modest noise of brief, limited duration between 10:00 AM and 4:30 PM. Examples in this category include hanging pictures, replacing damaged finish

items, etc. Big projects and work performed by contractors or vendors are not permitted on the weekend.

2. Any work performed in a Unit, which may cause a noise disturbance to other residents, must be cleared in advance with the Property Manager. A memo will then be circulated to surrounding residents regarding the noise disturbance.

3. All contractors must remove all debris from the premises when leaving at 4:30 P.M. each day. No materials of any kind may be left in hallways, put down the trash chute, left in the guest parking area or put in the Association dumpsters. This includes wood, sheetrock, carpet scraps, tile, cardboard boxes, paint, etc. Onsite staff are authorized to enforce this Rule.

4. It is the Owner's responsibility to contact and verify with the City of Minneapolis prior to work commencing whether a permit is required. The City of Minneapolis requires certification prior to issuance of a building permit, that hard surface flooring to be installed meet a sound class (IIC of 50), which standard (IIC of 45 if field tested) is also required by the Association. After installation, the Association reserves the right to order a field test within 180 days after completion of installation at Association expense. If the test result does not meet the standard, the cost of the field test shall be at the expense of the Owner and in which case, the Association may order removal of the newly installed floor at the Owner's expense.

5. Contractors are responsible for cleaning up after themselves at the end of each workday. This clean-up includes whatever it takes to restore the area to how it was before work began.

6. Any required repair to the Building, elevator, or other Common Elements resulting from construction or remodeling work will be billed at actual cost to the Owner of the Unit where work is being performed. In addition, any mess caused by construction work or construction workers or service personnel that has to be cleaned by Building will be billed at \$50.00 per hour. Residents should make it clear to their contractors, when scheduling to have construction work done in their Unit, that they are responsible for damage and are required to clean up any mess in the Common Elements.

7. A key release authorization form must be completed by the Owner authorizing their Unit key to be signed out to any contractor, plumber, electrician, or other service personnel. Keys are signed out at and returned to the Front Desk at the end of the working day and signed back in. Any keys accidentally taken off the Property must be returned immediately to the front desk.

Any construction or remodeling work, which involves plumbing modification or riser shutoff, needs to be coordinated through the Property Manager. The building has shared plumbing facilities and any changes to the plumbing may or may not affect other residents. Please consult with the Property Manager prior to any plumbing remodeling or changes.

ADMINISTRATION

1. Waivers from the provisions of these Rules and Regulations for specific situations may be granted by the Board for good cause shown if, (i) in the judgment of the Board the waiver will not violate the Governing Documents nor interfere with the rights of other Owners or Occupants, and (ii) the waiver is granted to other Owners and Occupants under the same

circumstances. Waivers will not be granted unless an emergency or highly extenuating circumstance exists.

2. The Board has the authority to amend these Rules and Regulations, and make such other Rules and Regulations, from time to time, as it deems necessary for the use, safety, care and cleanliness of the Property, and for securing the common comfort and convenience of all residents.

VIOLATIONS/HEARINGS

When there is a violation of these Rules and Regulations or the Governing Documents, the Board is authorized to pursue various remedies. These remedies include, but are not limited to, legal action for damages or equitable relief in any court, imposition of late charges for past due assessments, imposition of reasonable fines for violations, towing of vehicles or the correction of any condition which violates the Rules and Regulations or Governing Documents. Prior to the exercise of certain remedies, the Board shall, upon written request of the offending Owner, grant the Owner a fair hearing with respect to the violation. Please refer to Section 12 of the Declaration for a complete discussion of the Association's remedies and the hearing procedures.