

**DISCLOSURE MATERIALS
RIVER EAST CONDOMINIUM
MILWAUKEE, WISCONSIN**

**DECLARANT: FIRARI INVESTMENTS, LLC
 SHEILA FIRARI
 P. O. BOX 36
 GERMANTOWN, WI 53022**

- 1. THESE ARE THE LEGAL DOCUMENTS COVERING YOUR RIGHTS AND RESPONSIBILITIES AS A CONDOMINIUM OWNER. IF YOU DO NOT UNDERSTAND ANY PROVISIONS CONTAINED IN THEM, YOU SHOULD OBTAIN PROFESSIONAL ADVICE.**
- 2. THESE DISCLOSURE MATERIALS GIVEN TO YOU AS REQUIRED BY LAW MAY BE RELIED UPON AS CORRECT AND BINDING. ORAL STATEMENTS MAY NOT BE LEGALLY BINDING.**
- 3. YOU MAY AT ANY TIME WITHIN 5 BUSINESS DAYS FOLLOWING RECEIPT OF THESE DOCUMENTS, OR FOLLOWING NOTICE OF ANY MATERIAL CHANGES IN THESE DOCUMENTS, CANCEL IN WRITING THE CONTRACT OF SALE AND RECEIVE A FULL REFUND OF ANY DEPOSITS MADE.**

INDEX

The disclosure materials which the Seller is required by law to provide to each prospective condominium unit purchaser contain the following documents and exhibits:

1. **Declaration.** The Declaration establishes and describes the condominium, the units and the common elements. The Declaration begins at page 1-1 of these disclosure materials.
2. **By-Laws.** The By-Laws contain rules which govern the condominium unit owners' Association, of which each unit owner is a member, and affect the rights and responsibilities of unit owners. The proposed By-Laws begin on page 2-1 of these disclosure materials.
3. **Management or Employment Contracts.** Certain services may be provided to the condominium through contracts with individuals or private firms. Discussion of these items begins at page 3-1 of these disclosure materials.
4. **Rules and Regulations.** The Condominium Association is empowered to establish reasonable rules and regulations governing the use of the units and the common elements. The initial rules and regulations are set forth beginning at page 4-1 of these disclosure materials.
5. **Floor Plan and Plat.** The Seller has provided a floor plan of the unit being offered for sale and a plat of the condominium which shows the locations of the units and all facilities and common elements which are part of the condominium. The floor plan and plat are shown beginning at page 5-1 of these disclosure materials.
6. **Annual Operating Budget.** The Association incurs expenses for the operation of the condominium which are assessed to the unit owners. Since it is anticipated that the two unit owners will share and exchange responsibility for the items of upkeep, repair and maintenance which would normally incur expense for the condominium, no budget has been prepared.

TABLE OF CONTENTS
RIVER EAST CONDOMINIUM
805-809 PEARSON STREET
MILWAUKEE, WISCONSIN

ARTICLE 1	1-1
ESTABLISHMENT	1-1
Section 1.1 - Intent	1-1
Section 1.2 - Name and Address	1-1
Section 1.3 - Description of Land	1-1
Section 1.4 - Condominium Plat	1-1
 ARTICLE 2	 1-2
BUILDINGS AND UNITS	1-2
Section 2.1 - Description	1-2
Section 2.2 - Unit Defined	1-2
Section 2.3 - Unit Identification System	1-2
Section 2.4 - Unit Fixtures.	1-3
 ARTICLE 3	 1-3
COMMON AND LIMITED COMMON ELEMENTS	1-3
Section 3.1 - Description	1-3
Section 3.2 - Limited Common Elements	1-3
Section 3.3 - Percentage Interest	1-4
Section 3.4 - Transfer of Common Elements	1-4
Section 3.5 - Partition of Common Elements	1-4
 ARTICLE 4	 1-4
ASSOCIATION OF UNIT OWNERS	1-4
Section 4.1 - Legal Entity	1-4
Section 4.2 - Membership and Voting Rights	1-4
Section 4.3 - By-Laws	1-5
Section 4.4 - Action by the Association	1-5
Section 4.5 - Powers of the Association	1-5
Section 4.6 - Meetings of the Association	1-5
 ARTICLE 5	 1-5
REPAIRS AND MAINTENANCE	1-5
Section 5.1 - Common Elements	1-5
Section 5.2 - Limited Common Elements	1-5
Section 5.3 - Individual Units	1-5
Section 5.4 - Limitations on Changes	1-5
Section 5.5 - Entry for Repairs	1-6

ARTICLE 10	1-11
INSURANCE	1-11
Section 10.1 - Insurance by Association	1-11
Section 10.2 - Assessment of Premiums	1-11
Section 10.3 - Coverage	1-11
Section 10.4 - Use of Proceeds	1-12
Section 10.5 - Insurance by Unit Owners	1-12
Section 10.6 - Limitation on Liability	1-12
 ARTICLE 11	 1-12
EASEMENTS AND ENCROACHMENTS	1-12
Section 11.1 - Utility Repair Easements	1-12
Section 11.2 - Easements to Run with the Land	1-13
Section 11.3 - Encroachments	1-13
 ARTICLE 12	 1-13
MISCELLANEOUS PROVISIONS	1-13
Section 12.1 - Notice to Mortgage Lenders	1-13
Section 12.2 - Covenants to Run with Land	1-13
Section 12.3 - Non-Waiver of Covenants	1-13
Section 12.4 - Waiver of Damages	1-14
Section 12.5 - Mortgaging Units and Real Estate Taxes	1-14
Section 12.6 - Amendment of Declaration	1-14
Section 12.7 - Severability	1-14
Section 12.8 - Service of Process	1-14

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Milwaukee County, WI

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JOHN LA FAVE
REGISTER OF DEEDS

AMOUNT 43.00

DECLARATION

Document No.

Return to: Atty. Jack A. Enea
Schloemer, Alderson, Spella,
Muehlbauer & Enea, S.C.
P. O. Box 176
West Bend, WI 53095

RIVER EAST CONDOMINIUM MILWAUKEE, WISCONSIN

DECLARATION made pursuant to the Condominium Ownership Act of the State of Wisconsin, being Chapter 703 of the Wisconsin Statutes, by Firari Investments, LLC, Milwaukee, Wisconsin, hereinafter referred to as "Declarant".

ARTICLE 1 ESTABLISHMENT

Section 1.1 - Intent. The Declarant, by the execution and recording of this Declaration, intends that the land herein described, the buildings and improvements constructed or to be constructed thereon, and all easements, rights and appurtenances belonging thereto shall be subject to the condominium form of ownership and use in the manner provided by the Condominium Ownership Act of the State of Wisconsin (hereinafter the "Act"), the provisions of this Declaration and the by-laws of the association of unit owners (hereinafter the "Association").

Section 1.2 - Name and Address. The name by which this condominium shall be known is "River East Condominium" and its street address is 805-809 East Pearson Street, Milwaukee, Wisconsin.

Section 1.3 - Description of Land. The land which is the subject of this Declaration is described as follows:

The North ½ of Lot 5 and the North ½ of Lot 6, in Block 11, in Hubbard and Pearson's Addition to Milwaukee, Milwaukee County, Wisconsin, located on Lot 5, in Section 21, in Township 7 North, Range 22 East, in the City of Milwaukee, Milwaukee County, Wisconsin.

Section 1.4 - Condominium Plat. The Declarant, contemporaneously with the recording of this Declaration, has filed for record in the office of the Register of Deeds for Milwaukee County, a condominium plat entitled "River East Condominium", consisting of one sheet, certified on

December 18, 2002 and revised April 1, 2003 by Daniel E. Mack, Land Surveyor. References herein to the "condominium plat" or "plat" shall be to said recorded plat.

ARTICLE 2 BUILDINGS AND UNITS

Section 2.1 - Description. The condominium includes two three-story units, each with attached two-stall garage. The building is of wood frame construction with brick veneer, vinyl siding and fiberglass shingle roof. Each unit of the condominium includes a kitchen/dining area, living room, three bathrooms, a utility room, two bedrooms and an attached two-stall garage.

Section 2.2 - Unit Defined. A condominium unit is that portion of the building intended for private use and occupancy as a residential dwelling, consisting of one or more rooms or enclosed spaces on one or more levels and having outer boundaries formed:

- A. as to finished areas, by and including the interior surface materials (i.e., drywall, paneling, tiling and floor coverings) of the perimeter and internal structural walls, floors and ceilings; and
- B. as to any unfinished areas, by the following:
 - 1. upper boundaries shall be the horizontal plane created by the undersurface of the ceiling/floor joists or the undersurface of the chords of the roof trusses, as the case may be;
 - 2. lower boundaries shall be the upper surface of the unfinished floor; and
 - 3. vertical boundaries shall be the interior surfaces of the unfinished perimeter and structural walls.

Each unit includes its unit fixtures. The boundaries of each unit have the dimensions and are located as shown on the condominium plat.

Section 2.3 - Unit Identification System. Each unit has a unit identification number, a street address and a real estate tax key number. The unit identification numbers, which shall be used and shall be legally sufficient for all conveyance purposes, are as follows:

Unit Identification Number	Unit Street Address	Tax Key Number
1	805 East Pearson Street, Milwaukee, WI	Part of 354-0762-000-1
2	809 East Pearson Street, Milwaukee, WI	Part of 354-0762-000-1

Section 2.4 - Unit Fixtures. Improvements to a unit which are permanent in nature are unit fixtures. Typical unit fixtures include the following: interior non-load bearing walls, interior doors, window and door glass, cabinetry, electric wiring and lighting fixtures, wall to wall floor coverings, plumbing fixtures and pipes, heating and air-conditioning systems, water heater, exhaust fans and such other built-in or permanent improvements or appliances which may be within the unit.

ARTICLE 3 COMMON AND LIMITED COMMON ELEMENTS

Section 3.1 - Description. The common elements and facilities of the condominium are all of its land, improvements and appurtenances, excluding the units as defined in Article II of this Declaration, and including, without limitation, the following:

- A. the land described in Section 1.3 of this Declaration;
- B. the building structures, including perimeter and load-bearing walls, perimeter floors and ceilings, roof systems, foundations, structural support systems, exterior finish materials, entry stoops, porches, decks and patios;
- C. the electric, telephone, communication, gas, water, sanitary sewer and other utility lines, laterals, conduits or pipes, whether located in-ground, above-ground or within building walls and which are not owned and maintained by a public or private utility company;
- D. the driveways and sidewalks;
- E. the lawn and landscape areas and improvements, including specifically the landscape area located between Units I and II and patio on west side of balcony; and
- F. all other parts of the condominium necessary or convenient for the existence, maintenance and safety of the condominium or normally in common use by all unit owners.

Some common elements may, depending upon their location and use, be classified as limited common elements.

Section 3.2 - Limited Common Elements. Certain common elements which are contiguous to a unit are classified as limited common elements and shall be reserved for the exclusive use and benefit of the occupants of such unit. They include, without limitation, the following:

- A. those common elements, if any, identified as limited common elements on the condominium plat;

- B. the electric, telephone, communication, gas, water, sewer and other utility lines, conduits or pipes from the service board or service connection to and within each unit;
- C. that portion of the outdoor area of the condominium property which is adjacent to the unit as depicted on the condominium plat;
- D. the front entry stoop, sidewalk, patio and the garage driveway appurtenant to the unit;
- E. the doors and windows of a unit; and
- F. such other parts of the common elements necessary, convenient or appurtenant to or normally exclusively used by the occupants of a unit.

Section 3.3 - Percentage Interest. Each unit owner shall have an undivided one-half (½) equal interest in the common elements of the condominium as a tenant in common with the other unit owner of this condominium.

Section 3.4 - Transfer of Common Elements. The percentage interest of each unit owner in the common elements of the condominium shall not be separated from the unit to which it appertains and shall be deemed to be conveyed, leased or encumbered with the unit even though such interest is not expressly mentioned or described in the conveyance or other instrument.

Section 3.5 - Partition of Common Elements. There shall be no partition of the common elements through judicial proceedings or otherwise unless this Declaration is terminated and the property is withdrawn from the terms of this Declaration and any statute of Wisconsin applicable to condominium ownership.

ARTICLE 4 ASSOCIATION OF UNIT OWNERS

Section 4.1 - Legal Entity. The affairs of this condominium shall be governed by an unincorporated association of unit owners which is a legal entity for all purposes, to be known as the River East Condominium Owners' Association (herein the "Association").

Section 4.2 - Membership and Voting Rights. The record owner(s) of each unit, which may be the Declarant, shall automatically be members of the Association. Membership in the Association is appurtenant to and shall not be separated from ownership of a condominium unit. There shall be one vote for each unit at all meetings of the Association. The vote for each unit shall be exercised as the owners of that unit determine, but in no event shall more than one vote be cast with respect to any unit. There can be no split vote. Unit owners may vote by proxy, but the proxy is effective only for a maximum period of 180 days following its issuance, unless granted to a mortgagee or lessee.

Section 4.3 - By-Laws. The administration of the Association shall be governed by By-Laws initially adopted by the Declarant which may be amended from time to time as therein provided.

Section 4.4 - Action by the Association. Upon unanimous vote or written agreement the Association may take any action authorized by the Act, this Declaration, the Association's By-Laws or any rules and regulations of the Association. In the event the Association members are unable to reach an agreement with regard to any Association action, the same shall be settled by arbitration proceedings as set forth in the By-Laws.

Section 4.5 - Powers of the Association. The Association may take any action authorized by the Act, this Declaration, the Association's By-Laws or any rules and regulations of the Association.

Section 4.6 - Meetings of the Association. Meetings of the Association shall be governed by the By-Laws.

ARTICLE 5 REPAIRS AND MAINTENANCE

Section 5.1 - Common Elements. The Association shall be responsible for the management, control, maintenance, repair and replacement of the common elements and shall cause the same to be kept in good, safe, clean, attractive and sanitary condition; provided, however, that the cost to repair or replace any portion of the common elements damaged through the fault or negligence of a unit owner or occupant may be assessed in accordance with Section 7.4 of this Declaration.

Responsibility for the care and maintenance of the common elements, including the building exterior may be assigned jointly or alternately to the unit owners or may be contracted for with a third party. In any event, maintenance and repair of the building exterior shall be done in a manner which will maintain the uniformity of materials, function and appearance of the building exterior as a single structure.

Section 5.2 - Limited Common Elements. Each unit owner shall be responsible for keeping the limited common elements appurtenant to his or her unit in good, safe, clean, attractive and sanitary condition and order satisfactory to the Association. If, after notice from the Association, a unit owner has failed to timely maintain, repair or replace a limited common element appurtenant to his or her unit, the Association may do so and the cost thereof may be assessed in accordance with Section 7.4 of this Declaration.

Section 5.3 - Individual Units. Each unit owner shall be responsible for keeping his or her unit and all of its equipment, fixtures and appurtenances in good order, condition and repair and in a clean, safe and sanitary condition. Further, each unit owner shall be responsible for the maintenance, repair and replacement of unit fixtures as identified in Section 2.4 of this Declaration.

Section 5.4 - Limitations on Changes. No unit owner shall alter the floor plan or modify the fixtures of his/her unit without first obtaining the written consent of the Association. Likewise,

no unit owner shall make any alteration, change or improvement to common or limited common elements without such consent. A unit owner shall not perform, or allow to be performed, any act or work which would impair the structural soundness or integrity of the building or the safety of the property, or impair any easement or hereditament.

Section 5.5 - Entry for Repairs. Each unit owner shall have the right, at reasonable times and under reasonable conditions, to enter upon or across the other unit and its limited common elements in connection with the maintenance, repair or replacement of utilities or water and sewer services affecting his or her unit.

ARTICLE 6 RECONSTRUCTION

Section 6.1 - Reconstruction. In the event the condominium is destroyed or damaged so as to render the building containing the units untenable, the Association shall determine whether to proceed with repair and reconstruction or with termination of the condominium and sale of the property. If the Association fails to make that determination within 30 calendar days of the damage, the property shall be subject to an action for partition at the suit of either owner; provided, however, that the property shall be sold as an entity and shall not be partitioned in kind. If the damage is confined to one unit, not affecting the other unit, such damage shall be repaired forthwith.

ARTICLE 7 ASSESSMENTS FOR COMMON EXPENSES

Section 7.1 - Purpose of Assessments. The assessments levied by the Association shall be used to promote the recreation, health, safety and welfare of the residents in the condominium; to provide for the repair, maintenance, insurance and improvement of the common elements; to provide for such emergency repairs as the Association may deem necessary; and to create reserve funds for the purposes authorized by this Declaration and the By-Laws.

Section 7.2 - Common Expenses. Common expenses are defined as follows:

- A. all sums lawfully assessed against the unit owners by the Association for the management, control, maintenance, repair and replacement of common elements;
- B. expenses declared common expenses by the Act, by this Declaration or the By-Laws;
- C. amounts determined by the Board of Directors to be collected and held from time to time as a reserve fund for the future acquisition, replacement or repair of common elements. The reserve fund shall accumulate from year to year in a non-lapsing account of the Association.

Section 7.3 - Share of Common Expenses. Each unit owner shall be responsible for the payment of that proportionate share of the common expenses reflected by the percentage interest in the common elements assigned to each unit by Section 3.3 of this Declaration; provided, however,

that expenses incurred by the Association to repair any portion of the common elements damaged through the fault or negligence of a unit owner or occupant may be accounted for separately and be charged to the unit owner responsible therefor as a special charge.

Section 7.4 - Special Charges. Expenses incurred by the Association to repair or replace any portion of the common elements damaged through the fault or negligence of a unit owner or occupant and expenses incurred by the Association for the maintenance, repair or replacement of limited common elements in accordance with Section 5.2 of this Declaration may be accounted for separately and be charged to the unit owners responsible therefor as a special charge.

Section 7.5 - Annual Assessments. The Association shall, as provided in the By-Laws, determine an annual budget for common expenses and fix an annual assessment which shall be paid by each unit owner on a monthly basis. Monthly payments not made when due shall render the unpaid annual assessment for such year delinquent and such amount shall be due and payable in full. The failure or delay of the Association to prepare the annual budget or to notify any unit owner of his/her assessment shall not constitute a waiver or release of such unit owner's obligation to pay his/her proportionate share of the common expenses whenever the same shall be determined; and in the event of such failure or delay of the Association to prepare the annual budget, each unit owner shall continue to pay the annual assessment at the then existing rate until the new assessment is determined.

Section 7.6 - Common Surpluses. In the event of a common surplus at the end of any fiscal year, such surplus (excluding amounts held in the reserve fund) shall be credited to the unit owners' next annual assessments for common expenses in proportion to the percentage of interest for each unit established by Section 3.3 of this Declaration.

Section 7.7 - Special Assessment. In addition to the annual assessments the Association may, in the absence of sufficient reserve funds, levy special assessments for the purpose of defraying in whole or in part the cost of any construction, reconstruction, acquisition, replacement or repair of common elements, or to finance any underestimated, unusual or unpredicted cost. Such special assessment shall be levied and collected in the manner set forth in the By-Laws. The proceeds of a special assessment shall be collected, held and disbursed by the Association for the sole purpose for the which the same was levied.

Section 7.8 - Uniform Rate of Assessment. The annual assessments and any special assessments shall be levied at a uniform rate for all units in accordance with the percentage interest established by Section 3.3 of this Declaration.

Section 7.9 - Covenant to Pay. In accordance with the statutory liability created by the Act, the owner of each unit, by the acceptance of a deed therefor, whether or not it be so expressed in the deed, shall be conclusively deemed to have covenanted and agreed with every other unit owner and with the Association to pay to the Association all assessments and charges, regular or special, in accordance with the provisions of the Act, this Declaration and the By-Laws. Liability for assessments and charges may not be avoided by waiver of the use or enjoyment of any common element or by abandonment of the unit for which the assessments or charges are made.

Section 7.10 - Liability for Assessments upon Conveyance

- A. In a voluntary conveyance, the grantee shall be jointly and severally liable with the grantor for all unpaid assessments levied against the grantor for his or her share of the common expenses up to the time of the conveyance and for which a statement of condominium lien is filed as provided herein, without prejudice to the rights of the grantee to recover from the grantor the amount paid by the grantee for such assessments.
- B. Any grantee of a unit is entitled to a statement from the Association setting forth the amount of unpaid assessments against the grantor and the grantee is not liable for, nor shall the unit conveyed be subject to a lien which is not filed pursuant to Section 7.11 hereof for, any unpaid assessment against the grantor in excess of the amount set forth in the statement. If the Association does not provide such statement within 10 business days after grantee's request, it shall be barred from claiming against the grantee under any lien which is not filed under Section 7.11 hereof prior to the request for the statement.

Section 7.11 - Lien for Assessments. All assessments, regular or special, and special charges levied pursuant to this Article, together with interest thereon and actual costs of collection, constitute a lien upon such unit and upon the undivided interest in the common elements appurtenant thereto, in favor of the Association, provided that a statement of lien is filed within two years after the date on which the assessment becomes due. The lien is effective against the unit at the time the assessment becomes due regardless of when within the two-year period it is filed. A statement of condominium lien signed and verified by a director of the Association is filed in the land records in the office of the Clerk of Circuit Court of Milwaukee County and shall contain the legal description of the unit, the name of the record owner thereof, the amount of assessment due and the period for which the assessment was due. Upon full payment of an assessment for which the lien is claimed, the unit owner shall be entitled to a fileable satisfaction of the lien.

Section 7.12 - Priority of Lien. Such lien shall be superior to all other liens and encumbrances on such unit, except only for:

- A. liens of general and special taxes;
- B. liens of a first mortgage recorded prior to the making of the assessment;
- C. construction liens filed prior to the making of the assessment; and
- D. all sums unpaid on any veteran secondary mortgage loan made under §45.80, Stats.

All other liens created after the date of the recording of this Declaration shall be inferior in priority to liens of the Association for any assessment, whether or not so specifically set forth in the instruments creating such liens.

Section 7.13 - Enforcement of Lien. A lien may be enforced and foreclosed by the Association in the same manner and subject to the same requirements as a foreclosure of mortgages on real property. An action to foreclose the lien must be initiated within three years following the recording of the statement of condominium lien; provided, however, that no action may be brought except after 10 days prior written notice to the unit owner given by registered mail, return receipt requested, to the address of the unit owner shown on the books of the Association. The Association may recover costs and actual attorney fees and may bring suit for any deficiency following fore-closure in the same proceeding.

ARTICLE 8 COVENANTS ON USE AND OCCUPANCY

Section 8.1 - Use of Premises. All units in the condominium shall, except as hereafter provided, be used exclusively for single-family residential purposes consistent with the size and facilities of the units.

Section 8.2 - Prohibited Activities and Signs. No industry, business, trade, occupation or profession of any kind, whether commercial, religious, educational or otherwise, whether designed for profit, altruism, exploration or otherwise, shall be conducted, maintained or permitted on any part of the condominium; nor, except as permitted by Association rules or regulations, shall any "For Sale" or "For Rent" signs or other window displays or advertising be maintained or permitted by any owner on any part of the condominium. The right is reserved by the Declarant to place "For Sale" or "For Rent" signs on any unsold or unoccupied unit, and to place such other signs on the property as may be required to facilitate the sale of unsold units.

Section 8.3 - Use of Common Elements. Each unit owner shall have the right to use the common elements and facilities in common with all other unit owners for the purposes of access to, use, occupancy and enjoyment of his or her unit and the common elements, which right shall extend to the unit owner and the unit owner's family, invitees and tenants. Such use shall, however, be subject to and be governed by the Act, this Declaration, the By-Laws and the Association rules and regulations, to the end that the condominium may be operated and maintained as an attractive residential complex. Specifically, there shall be no obstruction of, nor shall anything be kept or stored on any part of the common elements and facilities without the prior written agreement of the Association. Nothing shall be altered on, constructed in or removed from the common elements and facilities except upon the prior written agreement of the Association.

Section 8.4 - Pets and Animals. No pets, animals, livestock or poultry of any kind shall be raised, bred or kept in any unit or in or on the common areas except such household pets as may be kept in units in strict compliance with Association rules and regulations.

Section 8.5 - Fences Regulated. No fence of any kind and no visual screen, barrier, hedge or other device or structure of any type may be erected within the condominium unless it has been approved by the Association as an integral part of the landscaping plan.

Section 8.6 - Motor Vehicles. The number of motor vehicles, including motorcycles, which may be kept on the condominium property may be limited by Association rules and regulations and all vehicles shall be kept and parked in strict compliance with such rules and regulations. Except for the vehicles of guests of unit occupants, and except as provided in Section 8.7 hereof, the parking of all other vehicles of any kind on the condominium property is prohibited. All motor vehicles must be licensed and operable.

Section 8.7 - Commercial and Recreation Vehicles. No person shall use any of the common elements of the condominium for the parking, storage or operation of motor homes, campers, trucks over one-ton capacity, snow-mobiles, all-terrain vehicles or other commercial or recreation-type vehicles, except as permitted by Association rules and regulations.

Section 8.8 - Nuisances. Unlawful, immoral, noxious or offensive activity shall not be carried on in any unit or in the common elements, nor shall anything be done therein or thereon, either willfully or negligently, which may be or become, in the judgment of the Association, an annoyance or nuisance to the other unit owners or unit occupants.

Section 8.9 - Insurance and Safety Hazards. No owner or occupant shall, within his or her unit or anywhere on the condominium property store, collect, permit or use any material or product which will increase the rate of insurance or result in cancellation of insurance or create a safety hazard.

Section 8.10 - Roof Structures. No owner or occupant shall place upon the roof of any building any antenna, tower, solar collector or other similar device without the prior approval of the Association.

Section 8.11 - Accessory Structures. No accessory structure shall be constructed or placed on the condominium property except by action of the Association.

Section 8.12 - Leasing of Units. The Declarant may lease units which it owns upon such terms and conditions as it determines. After a unit has been sold by the Declarant, the unit owner may not thereafter lease the unit for a term of less than one month. The owner of a leased unit shall notify the Association of the tenant's name and telephone number.

Section 8.13 - Unoccupied Units. If the occupant of a unit, whether the owner or a tenant, intends to leave such unit unoccupied for a period of more than one month, the occupant shall notify the Association prior thereto of the occupant's forwarding address and of a telephone number where the occupant can be reached.

ARTICLE 9 REMEDIES FOR BREACH OF COVENANTS, RESTRICTIONS AND REGULATIONS

Section 9.1 - Compliance Required. Every unit owner and occupant shall comply strictly with every rule, restriction, condition or regulation adopted by the Association under the By-Laws,

and with the covenants, conditions and restrictions set forth in the Act, this Declaration, By-Laws or in the deed to the unit.

Section 9.2 - Emergency Entry for Abatement. The Association shall have the right, in cases of emergency affecting the health or safety of other occupants or affecting the safety of the building or any other unit, to enter any unit for the purpose of abating the breach of rule, regulation, restriction, covenant or condition which causes such emergency. Damages arising from such entry shall be the responsibility of the owner of the unit entered.

Section 9.3 - Legal Remedies. Failure to comply with any of the By-Laws, rules, covenants, conditions or restrictions is grounds for action to recover sums due, for damages or injunctive relief, or both, maintainable by the Association or, in a proper case, by an aggrieved unit owner.

ARTICLE 10 INSURANCE

Section 10.1 - Insurance by Association. The Association shall obtain and continue in effect policies of insurance providing coverage for the condominium property (as defined in §703.02(14) of the Act) against loss or damage by fire or other hazard and against liability claims. The amount of protection and the types of hazards to be covered shall be reviewed and determined at least annually by the Board of Directors. The insurance provided by the Association shall be without prejudice to the right of each unit owner to insure his or her own unit for personal benefit provided, however, that no owner shall be entitled to exercise his or her right to maintain individual unit insurance in such a way as to decrease the amount which may be realized under any Association insurance policy.

Section 10.2 - Assessment of Premiums. Premiums for policies of insurance obtained by the Association shall be common expenses assess-able to the unit owners in accordance with the percentage of interest established by Section 3.3 of this Declaration. The cost of insurance is included in the annual Association budget and is, therefore, part of the annual assessment established pursuant to Section 7.5 of this Declaration which is payable on a monthly basis.

Section 10.3 - Coverage. The Association shall provide the following types of insurance coverage:

- A. **Property Insurance.** The Association shall be the named insured individually and as trustee for each of the unit owners and their mortgagees as their interests may appear in the percentages established by Section 3.3 of this Declaration. All condominium property shall be insured for not less than full replacement value. Such insurance shall provide protection against loss or damage by fire and other hazards covered by a standard special coverage (all risk) endorsement. To the extent possible, such insurance shall provide that the insurer waives its rights of subrogation as to any claim against unit owners, the Association and their respective servants, agents and guests, and that the insurance cannot be canceled, invalidated nor suspended on account of conduct of any one or more unit owners or the Association

or their servants, agents and guests without thirty (30) days prior written notice to the Association giving it an opportunity to cure the defect within that time.

- B. **Liability Insurance.** Public liability insurance shall be provided covering all claims customarily insured against with respect to the common elements and facilities and the Association's management thereof.
- C. **Workers Compensation.** Workers compensation insurance shall be provided by the Association to the extent necessary to comply with applicable state law.
- D. **Other Insurance.** The Board of Directors may provide such other insurance as it determines is necessary or desirable.

Section 10.4 - Use of Proceeds. Insurance proceeds shall first be disbursed by the Association as trustee for the repair or restoration of the damaged common elements. The unit owners and their mortgagees shall not be entitled to receive payment of any portion of the insurance proceeds unless the Association has determined not to rebuild or a court has ordered partition of the condominium property or there is a surplus of insurance proceeds after the common elements have been completely repaired or restored.

Section 10.5 - Insurance by Unit Owners. Unit owners shall be responsible to provide policies of insurance covering their respective units and following items:

- A. The contents of the owner's unit, the owner's automobile, any additions and improvements to his or her unit, the fixtures, decorating and furnishings therein and the owner's personal property stored elsewhere within the condominium.
- B. Public liability coverage to the extent not insured by the liability insurance carried by the Association for all of the unit owners pursuant to Section 10.03 hereof.

Section 10.6 - Limitation on Liability. No unit owner or his mortgagee shall have any claim against any other unit owner, the Association, its officers or directors, the Declarant, the manager or managing agent of the condominium or their respective employees and agents for damage to the common elements, the units or to any personal property located in the units or common elements caused by fire or other casualty to the extent that such damage is covered by fire and other forms of casualty insurance.

ARTICLE 11 EASEMENTS AND ENCROACHMENTS

Section 11.1 - Utility Repair Easements. Easements are hereby declared and granted for utility repair purposes, including the right to install, lay, maintain, repair and replace water mains, laterals and pipes, sanitary sewer mains, laterals and pipes, gas mains, storm sewers, telephone wires and equipment, cable television lines, electrical conduits and wires and equipment over, under, along, through and on any part of the common elements. These easements shall run only to the

Declarant and Association and not to any utility company unless specifically conveyed or granted by the Declarant or the Association.

Section 11.2 - Easements to Run with the Land. All interests and rights described and set forth in this Declaration are easements appurtenant to, and running with the land, perpetually in full force and effect and shall at all times inure to the benefit of and be binding upon the Declarant, his successors and assigns, and upon any unit owner, purchaser, mortgagee or other person or entity having an interest in said land or any part or parcel thereof.

Section 11.3 - Encroachments. In the event that, by reason of the construction, settling or shifting of any building, any part of the common elements encroaches or shall hereafter encroach upon any part of any unit, or any part of any unit encroaches or shall hereafter encroach upon any part of the common elements or upon another unit, valid easements for the maintenance of such encroachments and for the use of such adjoining space are hereby established and shall exist for the benefit of such unit owners and the common elements as the case may be, so long as all or any part of the building containing such unit shall remain standing; provided, however, that in no event shall a valid easement for any encroachment be created in favor of the owner of any unit, or in favor of the owners of the common elements if such encroachment occurred due to the willful conduct of such owner or owners. The provisions contained in this paragraph relating to such easements shall apply only insofar as it may be necessary to carry out the terms and intent of the Declaration.

ARTICLE 12 MISCELLANEOUS PROVISIONS

Section 12.1 - Notice to Mortgage Lenders. Upon written request to the Association, the holder of any duly recorded mortgage or other interest in any unit shall be given a copy of any and all notices permitted or required by this Declaration to be given to the unit owner whose unit is subject to such mortgage or interest.

Section 12.2 - Covenants to Run with Land. Each grantee (purchaser of a unit) of the Declarant, and each subsequent purchaser, by the acceptance of a deed or contract of conveyance, accepts the same subject to all restrictions, conditions, covenants, reservations, liens and charges, and to the jurisdiction, rights, benefits and privileges of every character hereby granted, created, reserved or declared; and all impositions and obligations hereby imposed shall be deemed and taken to be covenants running with the land and shall bind any person having at any time any interest or estate in said land or any unit thereon, and shall inure to the benefit of such unit owner in like manner as though the provisions of this Declaration were recited and stipulated at length in each and every deed of conveyance or instrument of title.

Section 12.3 - Non-Waiver of Covenants. No covenant, restriction, condition, obligation or provision contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur or any time lapse.

Section 12.4 - Waiver of Damages. Neither the Declarant nor his agents, representatives or employees shall be liable for any claim whatsoever arising out of or by reason of any actions performed pursuant to any authority reserved, granted or delegated to the Declarant pursuant to this Declaration, or the Declarant's capacity as developer, owner, manager or seller of the condominium, whether such claim (i) is asserted by unit owner, unit occupant, unit mortgagee, the Association or by any person or entity claiming through any of them; or (ii) is made on account of injury to person or damage to or loss of property, wherever located and however caused.

Section 12.5 - Mortgaging Units and Real Estate Taxes. In accordance with the Act each unit owner has the right to mortgage or encumber his or her unit and the percentage interest in common elements appurtenant to that unit. Further, in accordance with the Act, each unit, together with its percentage interest in the common elements, is subject to property tax assessments and the collection of taxes in the same manner as any other parcel of real estate.

Section 12.6 - Amendment of Declaration.

- A. This Declaration may be amended with the unanimous written consent of the unit owners. Unit owners' written consent is not effective unless it is approved by the mortgagee of the unit, if any.
- B. All such amendments shall be effective upon recording the same in the office of the Register of Deeds of Washington County, Wisconsin; provided, however, that no provision of this Declaration may be changed, modified or rescinded so as to conflict with the provisions of the Act.

Section 12.7 - Severability. The invalidity of any covenant, restriction, condition, limitation or any other provision of this Declaration or any part of the same, shall not impair or affect in any manner the validity, enforceability or effect of the remainder of this Declaration.

Section 12.8 - Service of Process. At the time of the adoption of this Declaration, the registered agent for service of process shall be Sheila Firari, P. O. Box 36, Germantown, WI 53022. Change of agent for service of process may be accomplished by resolution of the Board of Directors of the Association which change of registered agent shall be filed with the Secretary of State and the Clerk of the municipality in which the condominium is located.

IN WITNESS WHEREOF, the said Declarant, has executed this Declaration on the 2nd day of May, 2003.

FIRARI INVESTMENTS, LLC

BY: Sheila Firari
Sheila Firari

STATE OF WISCONSIN)
 : SS.
WASHINGTON COUNTY)

Personally came before me this two day of May, 2003, the above named Sheila Firari, to me known to be such person who executed the foregoing instrument and acknowledged the same.

Margorie J. Lesch
Margorie J. Lesch
Notary Public, Washington Co., Wis.
My Commission Dec 7, 2003

This instrument was drafted by
Atty. Jack A. Enea
of
SCHLOEMER, ALDERSON, SPELLA
MUEHLBAUER & ENEA, S.C.
101 South 6th Avenue
West Bend, WI 53095

CONSENT OF MORTGAGE HOLDER

M&I Marshall & Ilsley Bank, West Bend, Wisconsin, holder of the following mortgage from Firari Investments, LLC recorded in the office of the Washington County Register of Deeds on June 13, 2003 as Document No. 8296740 hereby consents to the execution and recording of the Declaration creating River East Condominium and hereby submits its mortgage described above to the foregoing Declaration.

IN WITNESS WHEREOF, the said M&I Marshall & Ilsley has caused this instrument to be signed by its duly authorized officers on its behalf.

Dated and executed at West Bend, Wisconsin this 21st day of APRIL, 2003.

M&I MARSHALL & ILSLEY BANK

BY:

Christopher P. Guse

(name)

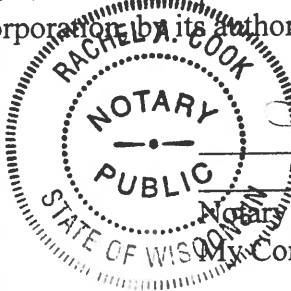
BY:

Michael D. Vogel

(name)

STATE OF WISCONSIN)
 : SS.
WASHINGTON COUNTY)

Personally came before me this 21st day of April, 2003, the above named Christopher P. Guse and Michael D. Vogel, Business Banking Officer (office) and Vice President (office), respectively of the above corporation, to me known to be such persons and officers who executed the same as such officers as the deed of said corporation by its authority.



Rachel A. Cook

(type or print name)

Notary Public, Washington Co., Wis.

Commission

7-3-05

REFL

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IMAGE

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TABLE OF CONTENTS
RIVER EAST CONDOMINIUM
805-809 EAST PEARSON STREET
MILWAUKEE, WISCONSIN

ARTICLE 1	2-1
GENERAL PROVISIONS	2-1
Section 1.1 - Authority	2-1
Section 1.2 - Arbitration	2-1
Section 1.3 - Fiscal Year	2-1
 ARTICLE 2	 2-1
MEETINGS OF MEMBERS	2-1
Section 2.1 - Annual Meeting	2-1
Section 2.2 - Special Meetings	2-1
Section 2.3 - Quorum	2-1
Section 2.4 - Presiding Officers	2-1
 ARTICLE 3	 2-1
BOARD OF DIRECTORS	2-1
Section 3.1 - Directors	2-1
Section 3.2 - Vacancy	2-2
Section 3.3 - Compensation	2-2
Section 3.4 - Action Taken Without A Meeting	2-2
Section 3.5 - Automatic Termination	2-2
Section 3.6 - Contracted Services	2-2
 ARTICLE 4	 2-2
ASSESSMENT FOR COMMON EXPENSES	2-2
Section 4.1 - Special Assessments	2-2
Section 4.2 - Liens: Collection and Enforcement	2-2
 ARTICLE 5	 2-2
RULES AND REGULATIONS	2-2
Section 5.1 - Adoption	2-2
 ARTICLE 6	 2-3
ASSIGNMENT OF COMMON AREAS	2-3
Section 6.1 - Assignment of Common Areas	2-3
 ARTICLE 7	 2-3
AMENDMENT	2-3
Section 7.1 - Amendment	2-3

**RIVER EAST CONDOMINIUM
OWNERS' ASSOCIATION
BY-LAWS**

**ARTICLE 1
GENERAL PROVISIONS**

Section 1.1 - Authority. These By-Laws are adopted pursuant to the Act and Section 4.3 of the Declaration and are intended to govern the administration of the Association. These by-laws shall be interpreted and applied so as to be consistent with the Condominium Ownership Act and the Declaration.

Section 1.2 - Arbitration. In the event the Association members or the Directors are unable to reach agreement with regard to any Association action, the matter shall be submitted to arbitration in accordance with Chapter 788 of the Wisconsin Statutes.

Section 1.3 - Fiscal Year. The fiscal year of the Association shall begin on the 1st day of January and end on the 31st day of December of every year.

**ARTICLE 2
MEETINGS OF MEMBERS**

Section 2.1 - Annual Meeting. After the conveyance of one unit by the Declarant an Association meeting shall be held at which the members shall establish the month and day of the annual meeting of the Association which shall be held on the same day of the same month each year thereafter.

Section 2.2 - Special Meetings. Special meetings of the members may be called at any time by agreement of the two unit owners.

Section 2.3 - Quorum. The presence at the meeting of all members entitled to vote shall constitute a quorum for any action.

Section 2.4 - Presiding Officers. The voting members present at the meeting shall appoint a person to preside at the meeting and a person to keep the minute book.

**ARTICLE 3
BOARD OF DIRECTORS**

Section 3.1 - Directors. The affairs of the Association shall be managed by a Board of two directors, each having a term of two years, which terms shall be staggered. The owners of each unit shall have the right to appoint one director. Both directors shall be unit owners.

Section 3.2 - Vacancy. In the event of death or resignation of a director, his successor shall be selected by the unit owner who first appointed the director and shall serve for the unexpired term of his predecessor.

Section 3.3 - Compensation. No director shall receive compensation for services rendered to the Association; however, a director may be reimbursed for actual expenses incurred in the performance of duties. The directors may agree in advance to reimburse a director for the reasonable value of personal non-director services provided to the condominium.

Section 3.4 - Action Taken Without A Meeting. The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of both directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

Section 3.5 - Automatic Termination. The term of a director shall automatically terminate upon the transfer of ownership of the unit from which the director was appointed. The new owner of the unit shall promptly appoint a new director to serve the unexpired term.

Section 3.6 - Contracted Services. Upon unanimous agreement of the directors, the Board may engage the services of a manager, managing agent or contract for other services as deemed necessary.

ARTICLE 4 ASSESSMENT FOR COMMON EXPENSES

Section 4.1 - Special Assessments. In addition to regular assessments, the Association may levy special assessments for the purpose of defraying, in whole or part, the cost of special or unexpected expenses.

Section 4.2 - Liens: Collection and Enforcement. The provisions of the Act and the Declaration shall be controlling with respect to the establishment of the lien for unpaid assessments and with respect to the collection of assessments and the enforcement of liens.

ARTICLE 5 RULES AND REGULATIONS

Section 5.1 - Adoption. The Association may adopt administrative rules and regulations governing the use and occupancy of the units; the use of the common elements; the conduct of the unit owners, unit occupants and their guests; and, to establish penalties for the infraction thereof. Such rules and regulations or any portion of such rules and regulations may be adopted, amended or rescinded by action of the Association.

ARTICLE 6
ASSIGNMENT OF COMMON AREAS

Section 6.1 - Assignment of Common Areas. The Association may assign particular portions of the common elements for storage purposes, for garden plots, for patio areas or for other purposes for the exclusive use of the owners or lessees of either unit. Such assigned areas shall thereafter be designated as limited common elements.

ARTICLE 7
AMENDMENT

Section 7.1 - Amendment. These by-laws may be amended by unanimous written agreement of the Association members.

MANAGEMENT OR EMPLOYMENT CONTRACTS

No management or employment contracts or contracts for maintenance have been entered into.

RULES AND REGULATIONS

1. **PARKING.** It is the intent of the Association that unit occupants' motor vehicles should be parked within the garages. In no event shall an occupant or guest park a vehicle in a manner which will block vehicular accessways within the condominium or which will block access to the refuse and garbage dumpsters by the City.
2. **GARBAGE AND REFUSE.** All garbage and refuse is to be placed in a container acceptable to the City of Milwaukee for pickup by the City. Unit owners and occupants are responsible to remove from the property any material which the Village will not pick up.
3. **LAUNDRY.** Owners and occupants are not permitted to place laundry poles or lines of any type, whether temporary or permanent, outside of the exterior walls of the building. In addition, porches and decks shall not be used for drying laundry.
4. **APPLIANCE USE.** Dishwashers, garbage disposal units, whirlpool tubs, clothes washers and dryers shall not be used between 10:00 P.M. and 7:00 A.M.
5. **FLAMMABLES.** Storage of flammables (gas, propane, etc.) in separate containers (other than vehicle gas tanks) is not recommended inside a unit or its garage.
6. **"FOR SALE" SIGNS.** Signs offering a unit for sale shall be limited to one window sign not larger than 24" x 30".
7. **OWNER RESPONSIBILITY.** Unit owners are responsible for making certain that all unit occupants, guests and employees are aware of these rules and regulations and that they comply with them.
8. **PEACE AND ORDER.** All unit occupants and their guests shall conduct themselves, particularly when in common areas, in a manner which is respectful of the peaceful and quiet enjoyment of the condominium by the other occupants. All occupants and their guests shall also comply with all applicable laws and ordinances.
9. **ENFORCEMENT.** When Association has reason to believe there is noncompliance with rules and regulations within a unit, Association is permitted to enter that unit at reasonable hours of day when that unit occupant is present to verify compliance.

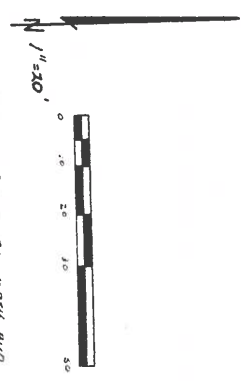
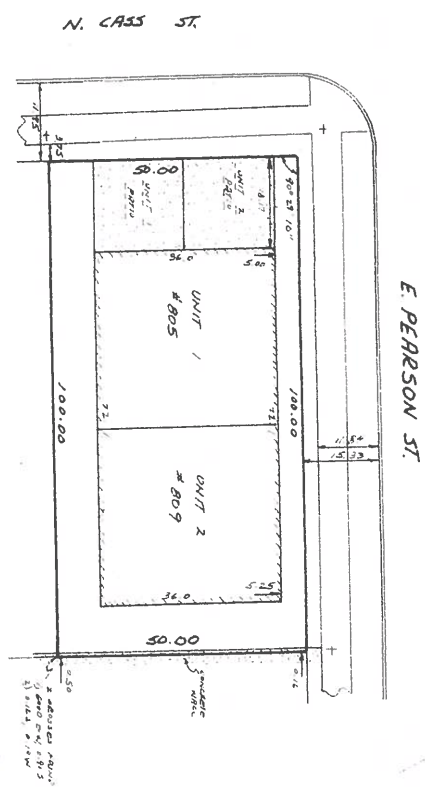
RIVER EAST CONDOMINIUM

Known As 805-809 East Pearson Street

The North 1/2 of Lot 5 and the North 1/2 of Lot 6 in Block 11, in Hubbard and Pearson's Addition to Milwaukee, Milwaukee County, Wisconsin, located on Lot 5 in Section 21, in Township 7 North, Range 22 East, in the City of Milwaukee, Milwaukee County, Wisconsin.

Declarant
Firari Investments LLC
P. O. Box 36
Germanstown, WI 53022

Surveyor
Daniel E. Mack
12100 W. Chapman Avenue
Greenfield, WI 53228



BOUNDARY MAPS AS SHOWN AND
EAST MEASURED FROM SHOWN
+ = 5' OFFSET CROSS

PARTIAL ARE LIMITED COMMON
AREAS

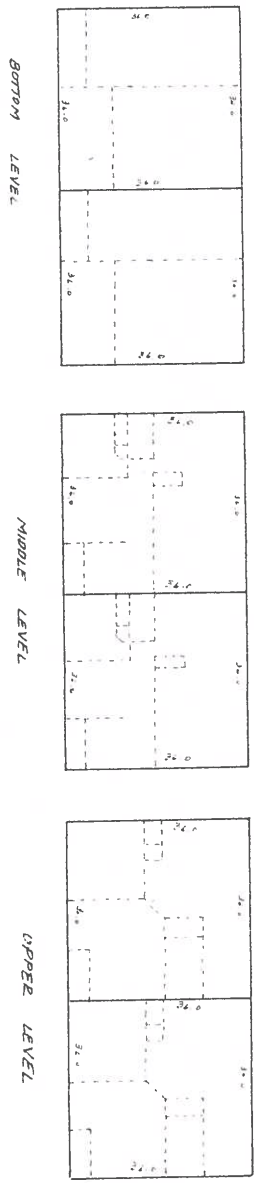
Surveyor's Certificate

I hereby certify that by the direction of the declarant I have surveyed and mapped the land shown and described hereon and that it is a true and correct representation of River East Condominium and that the identification and location of each unit and the common elements can be determined from the plat.

Dated this 18th day of December, 2002.

REVISED 4/01/03

Daniel E. Mack
Daniel E. Mack, S-1310



ARTICLE 6	1-6
RECONSTRUCTION	1-6
Section 6.1 - Reconstruction	1-6
 ARTICLE 7	 1-6
ASSESSMENTS FOR COMMON EXPENSES	1-6
Section 7.1 - Purpose of Assessments	1-6
Section 7.2 - Common Expenses	1-6
Section 7.3 - Share of Common Expenses	1-6
Section 7.4 - Special Charges	1-7
Section 7.5 - Annual Assessments	1-7
Section 7.6 - Common Surpluses	1-7
Section 7.7 - Special Assessment	1-7
Section 7.8 - Uniform Rate of Assessment	1-7
Section 7.9 - Covenant to Pay	1-7
Section 7.10 - Liability for Assessments upon Conveyance	1-8
Section 7.11 - Lien for Assessments	1-8
Section 7.12 - Priority of Lien	1-8
Section 7.13 - Enforcement of Lien	1-9
 ARTICLE 8	 1-9
COVENANTS ON USE AND OCCUPANCY	1-9
Section 8.1 - Use of Premises	1-9
Section 8.2 - Prohibited Activities and Signs	1-9
Section 8.3 - Use of Common Elements	1-9
Section 8.4 - Pets and Animals	1-9
Section 8.5 - Fences Regulated	1-9
Section 8.6 - Motor Vehicles	1-10
Section 8.7 - Commercial and Recreation Vehicles	1-10
Section 8.8 - Nuisances	1-10
Section 8.9 - Insurance and Safety Hazards	1-10
Section 8.10 - Roof Structures.	1-10
Section 8.11 - Accessory Structures.	1-10
Section 8.12 - Leasing of Units	1-10
Section 8.13 - Unoccupied Units	1-10
 ARTICLE 9	 1-10
REMEDIES FOR BREACH OF COVENANTS,	
RESTRICTIONS AND REGULATIONS	1-10
Section 9.1 - Compliance Required	1-10
Section 9.2 - Emergency Entry for Abatement	1-11
Section 9.3 - Legal Remedies	1-11