

RECEIVED

NOV 17 2003

WISCONSIN
DTIARTICLES OF INCORPORATION
OFTHE BASTIDE AT THE GATEHOUSE CONDOMINIUM ASSOCIATION, INC.

The undersigned, for purposes of forming a corporation under the provisions of Chapter 181 of the Wisconsin Statutes, as amended, hereby adopts the following Articles of Incorporation:

ARTICLE 1. NAME: The name of the corporation shall be: THE BASTIDE AT THE GATEHOUSE CONDOMINIUM ASSOCIATION, INC.

ARTICLE 2. INITIAL PRINCIPAL OFFICE: The mailing address of the initial principal office of the corporation shall be: 407 Pilot Court, Suite 400, Waukesha, WI 53188

ARTICLE 3. INITIAL REGISTERED OFFICE AND AGENT: The address of the corporation's initial registered office shall be 407 Pilot Court, Suite 400, Waukesha, WI 53188, and the name of its initial registered agent at such address shall be William Hohnstein.

ARTICLE 4. INCORPORATOR: The name and address of the incorporator is BLUMENFELD and HANSON, S.C., 1200 North Mayfair Road, Suite 170, Wauwatosa, Wisconsin, 53226.

ARTICLE 5. MEMBERS: The corporation will have members who may be admitted for no consideration or for such consideration as is determined by the Board of Directors.

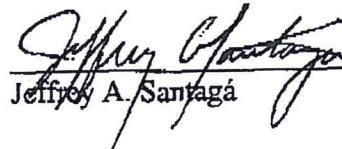
ARTICLE 6. DIRECTORS: The number of directors shall be such number as is fixed from time to time by and in the manner provided for in the Bylaws

ARTICLE 7. AMENDMENT: These Articles of Incorporation may be amended from time to time in accordance with the provision of applicable law in effect at the time of amendment.

Executed on the 17th day of November, 2003.

Blumenfeld and Hanson, S.C.

By:


Jeffrey A. Santaga

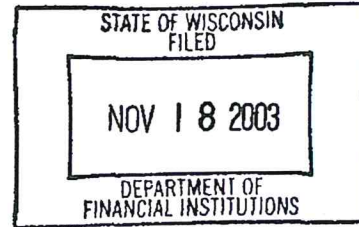
This instrument was drafted by
Jeffrey A. Santaga, Esq
of the law firm of
BLUMENFELD and HANSON, S.C
1200 North Mayfair Road, Suite 170
Wauwatosa, WI, 53226
(414) 302-0300
(Please Return)

00021290.WPD

B050371

ARTICLES OF INCORPORATION
CHAPTER 181

\$35.00 + 25.00 = \$60.00



11/18/03
018401
1560

PROPERTY MANAGEMENT AGREEMENT

Agreement made November 18, 2003, between The Bastide at the Gatehouse Condominium Association, Inc., a corporation organized under the laws of the State of Wisconsin, having its principal office at 407 Pilot Court, Waukesha, WI, 53188, (herein referred to as "Association") and Highstone Management, a sole proprietorship operating under the laws of the State of Wisconsin, having its principal office at 407 Pilot Court, Suite 400, Waukesha, WI 53188, (herein referred to as "Agent").

RECITALS

A. Association operates and governs the following-described real property: The Bastide at the Gatehouse, a Condominium, located in the City of Waukesha, County of Waukesha, hereinafter referred to as the Property.

B. Agent is experienced in the business of managing real estate.

C. Association desires to engage the services of Agent to manage and operate the Property, and Agent desires to provide such services on the following terms and conditions.

In consideration of the mutual covenants contained herein, the parties agree:

SECTION ONE. EMPLOYMENT OF AGENT

Agent shall act as the exclusive agent of Association to manage and maintain the Property.

SECTION TWO. MAINTENANCE, REPAIRS AND OPERATIONS

Agent shall use its best efforts to insure that the Property is maintained in an attractive condition and in a good state of repair. In this regard, Agent shall use its best skills and efforts to serve the Unit Owners of the Property and shall purchase necessary supplies, make contracts for, or otherwise furnish, electricity, gas, fuel, water, telephone, window cleaning, refuse disposal, pest control, and any other utilities or services required for the management of the Property. Agent shall make or cause to be made and supervise necessary repairs and alterations to the Property. Expenditures for repairs and alterations in excess of five thousand Dollars (\$5,000.00) shall not be made without prior written consent of Association, except in the case of emergency, or if Agent in good faith determines that such expenditures are necessary to protect the Property from damage, to prevent injury to persons or loss of life, or to maintain services to Unit Owners.

SECTION THREE. GOVERNMENT REGULATIONS

Agent shall manage the Property in full compliance with all laws and regulations of any federal, state, county or municipal authority having jurisdiction over the Property.

SECTION FOUR. INSURANCE

4.1. Agent shall obtain the insurance, at the expense of Association, required by the Bylaws of the Association and such insurance shall be maintained in force during the full term of this agreement:

4.2. All of the policies shall name Agent and Association as co-insureds as their respective interests may appear. Agent shall deliver certificates evidencing such insurance coverage to Association within 90 days from the issuance and renewal of the policies. Association shall cooperate with Agent and any insurer in the making and delivery of all reports, notices, and other items required in connection with any of the insurance policies.

SECTION FIVE. RECORDS AND REPORTS

Agent will keep books, accounts and records that reflect all revenues and all expenditures incurred in connection with the management of the Property. The books, accounts and records shall be maintained at the principal place of business of Agent. Agent shall, during regular business hours, make the books, accounts and records required to be maintained hereunder available to Association or the representatives of Association for examination by appointment on no less than five days' prior notice. All such examinations shall be at the expense of Association.

SECTION SIX. COMPENSATION OF AGENT

Agent shall receive a management fee \$17.50 per unit per month payable as to each unit in the first calendar month following the month in which the original sale of the unit is closed. Any management fee due Agent hereunder shall be paid to Agent within ten (10) days after the end of each month.

SECTION SEVEN. ADDITIONAL DUTIES AND RIGHTS OF AGENT

7.1. In addition to the foregoing, Agent shall perform all services that are necessary and proper for the management of the Property, and shall report to Association promptly any conditions concerning the Property that, in the opinion of Agent, require the attention of Association.

7.2. To properly perform the services required by this agreement, Agent is authorized to engage, on behalf of Association, any entity that is an affiliate of Agent, provided that the compensation paid for the services shall be competitive with nonaffiliated entities providing the same or similar services.

SECTION EIGHT. TERMINATION AND RENEWAL

This agreement shall be for a term commencing on November 18, 2003 and ending on December 31, 2003. At the termination of this agreement, it shall be renewed automatically for terms of one year each that may be terminated by either party by giving not less than 90 days' notice in writing to the other party.

SECTION NINE. TERMINATION FOR CAUSE

If Agent breaches any of the terms of this agreement, Association shall give Agent written notice of such breach. If Agent fails to remedy the breach within 30 days after receiving the above-described notice,

Association may terminate this agreement.

SECTION TEN. AGENT AS INDEPENDENT CONTRACTOR

Agent is an independent contractor and not an employee of Association for any purpose.

SECTION ELEVEN. NOTICE

All notices, requests, demands or other communications hereunder shall be in writing, and shall be deemed to have been duly given if delivered in person, or within 2 days after deposited in the United States mail, postage prepaid, certified, with return receipt requested, or otherwise actually delivered to the parties' respective addresses as first listed above. Either party hereto may change the address at which it receives written notices by so notifying the other party hereto in writing.

SECTION TWELVE. PARTIES BOUND; ASSIGNMENT

This agreement shall be binding on and inure to the benefit of the parties hereto, and their respective successors and assigns; provided, however, that this agreement may not be assigned by Agent without prior written consent of Association, or by Association without prior written consent of Agent. Anything in the foregoing to the contrary notwithstanding, Agent may, without the consent of Association, delegate the performance of (but not responsibility for) any duties and obligations of Agent to any independent contractor or entity.

SECTION THIRTEEN. EFFECT OF PARTIAL INVALIDITY

Should any section or any part of any section of this agreement be rendered void, invalid or unenforceable for any reason by any court of law exercising competent jurisdiction, such a determination shall not render void, invalid or unenforceable any other section or any part of any section in this agreement.

SECTION FOURTEEN. CHOICE OF LAW

This agreement has been made and entered into in the State of Wisconsin, and the laws of such state shall govern the validity and interpretation of this agreement and the performance due hereunder.

SECTION FIFTEEN. INTEGRATION

The drafting, execution and delivery of this agreement by the parties have been induced by no representations, statements, warranties or agreements other than those expressed in this agreement. This agreement embodies the entire understanding of the parties, and there are no further or other agreements or understandings, written or oral, in effect between the parties relating to the subject matter hereof unless expressly referred to in this agreement.

SECTION SIXTEEN. ARBITRATION

In case of any dispute regarding any terms or performance of the terms of this agreement, the dispute shall be subject to arbitration in accordance with the commercial rules and regulations then obtaining under the American Arbitration Association, including optional rules for emergency relief, in the City of Milwaukee, State of Wisconsin.

SECTION SEVENTEEN. MODIFICATION

This agreement may not be modified unless such modification is in writing and signed by both parties to this agreement.

IN WITNESS WHEREOF, the parties have executed this agreement the day and year first above written.

Highstone Management

By: William Hohnstein
William Hohnstein, Owner

The Bastide at the Gatehouse Condominium Association, Inc.

By: William Hohnstein
William Hohnstein, President

Attest: _____
Marcia Hohnstein, Secretary