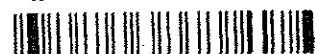


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Name and Return Address

Peter McCombs
Murn & Martin, S.C.
W229 N1792 Amber Lane
Waukesha, WI 53186

**DECLARATION OF
CONDOMINIUM
OWNERSHIP AND OF
EASEMENTS,
RESTRICTIONS AND
COVENANTS FOR
RAINBOW LAKE
CONDOMINIUMS**

Recorded
DEC. 18, 2006 AT 10:35AM
SHARON A MARTIN, REGISTER OF DEEDS
WASHINGTON COUNTY, WISCONSIN

Fee Amount: \$137.00

Tax Key No.

291 11190140001

~~Parcel Identification Number (PIN)~~

291 11190130048

Recording Area

137-64

THIS DECLARATION is made and entered into by Rainbow Lake Associates Limited Partnership, a Wisconsin limited partnership (including any assign, "Declarant"), on December 15th, 2006.

RECITALS

A. Declarant is the owner in fee simple the real property described on the attached Exhibit A located in the West Bend, Washington County, Wisconsin (the "Property").

B. Declarant desires and intends by this Declaration to submit and subject the Property and the Improvements, as defined below, and all rights and privileges belonging or in any way pertaining to the Property or the Improvements or both, to the provisions of the Condominium Ownership Act of the State of Wisconsin, Chapter 703 of the Wisconsin Statutes, as amended from time to time (the "Act").

C. Declarant desires to establish certain rights and easements in, over and upon the Property for its benefit and the benefit of all future owners or occupants of all or any part of the Property, including owners and occupants of the Units, as defined below, and to provide for the harmonious, beneficial and proper use and enjoyment of the Property and the Units, together with mutually beneficial restrictions and obligations with respect to the use and maintenance of the Property and the Units.

D. Declarant desires and intends that the Unit Owners (as defined below), mortgagees, occupants and other persons acquiring any interest in the Property shall at all times enjoy the benefits of, and shall hold their interest subject to, the rights, easements, privileges and restrictions set forth in this Declaration, all of which are declared to promote, enhance and protect the common amenities and the cooperative aspect of ownership of the Property, to facilitate the proper administration of the Property, and to enhance and protect the value, desirability, appearance and aesthetics of the Property.

NOW, THEREFORE, Declarant, as the holder of title to the Property and for the purposes set forth above, DECLARES:

ARTICLE I.

SUBMISSION TO CONDOMINIUM FORM OF OWNERSHIP

1.01 Property: Description. Declarant submits the Property, together with all Improvements, to the provisions of the Act. From and after the date on which this Declaration, together with the Plat, as defined below, as required by Section 703.11 of the Wisconsin Statutes are recorded in the office of the Register of Deeds of Milwaukee County, Wisconsin, the Property and all of the Improvements shall be owned, held, transferred, sold, conveyed, used, occupied, mortgaged or otherwise encumbered, subject to the terms provisions and restrictions of this Declaration, the Act and the By-Laws of the Association, as defined below. This Condominium is a residential condominium consisting of 32 residential units consisting of 32 Units in 2 separate buildings together with the Common Elements, as defined below, and amenities described in this Declaration and exhibits to this Declaration. This Condominium is expandable as described in Article V. Declarant reserves the right at Declarant's option to construct as part of the Common Elements a storage building or buildings for use by the Association for the storage of equipment and supplies used in the maintenance of the Condominium properties.

1.02 Name. The name of the condominium shall be "Rainbow Lake Condominiums."

The Property and the Units shall be used for residential purposes only.

The acceptance of a conveyance of a Unit in this condominium shall be deemed to grant to and vest in Declarant the power of attorney on the part of the Unit Owner to amend this Declaration and the Association's By-Laws to correct errors or omissions and/or to comply with any Applicable Laws, as defined below.

ARTICLE II.

DEFINITIONS

As used in this Declaration, the following terms and phrases have the following meanings:

2.01 "Allocated Interest" means a Unit's undivided interest in the Common Elements, liability for Common Expenses and voting rights.

2.02 "Applicable Laws" means all applicable federal, state, county and local laws, ordinances and regulations.

2.03 "Arbitrator" has the meaning given to in Section 15.09.

2.04 "Association" means the association of Unit Owners required to be established by Section 703.15 of the Wisconsin Statutes to govern the condominium, which may be a nonprofit corporation or an unincorporated association, and which shall have the powers provided by Chapter 703 of the Wisconsin Statutes and any additional powers granted pursuant to this Declaration.

2.05 "Assessments" means regular and special assessments for Common Expenses, charges, fines and assessments for damages and penalties for violations of this Declaration and the Association's By-Laws and rules.

2.06 "Board" means the governing body of the Association.

2.07 "Building" means the structure or structures constructed on the property containing the Units which are situated on the Property.

2.08 "Common Elements" means all of the Condominium except the Units and including but not limited to:

- (a) The land on which the Building is located;
- (b) The foundations, columns, girders, beams, supports, main walls, roofs, and entrances and exits of the Building;
- (c) The grounds, basements, yards, gardens, Parking Area, storage spaces, play areas, parks and recreational facilities;
- (d) Those areas for the storage of property utilized in the maintenance of the Property and for the storage of personal property owned by the Unit Owners;
- (e) Central services such as elevators, power, light, gas, hot and cold water, heating, refrigeration, air conditioning and incinerating, as applicable;
- (f) The tanks, pumps, motors, fans, compressors, ducts and in general all apparatus and installations existing for common use;
- (g) All community and commercial facilities provided for in this Declaration;
- (h) All private roadways, water utilities, sanitary sewer, storm sewer and detention facilities will be considered common areas and the maintenance of the same will be the responsibility of the Association. The City will be responsible for any roadways, water utilities, sanitary sewer, storm sewer and detention facilities located within all City Right of Ways. The Association shall further be responsible for the force main and sanitary sewer east of skyline Drive to City sewer manhole #56. This will be owned and operated by the Declarant/Association; and
- (i) All other parts of the Property necessary or convenient to its existence, maintenance and safety, or normally in common use.

2.09 "Common Expenses" means:

- (a) All sums lawfully assessed against the Unit Owners by the Association; and
- (b) Expenses declared common expenses by the Act or by this Declaration or By-Laws.

2.10 "Common Surpluses" means the balance of all income, rents, profits and revenues from the Common Elements and facilities remaining after the deduction of the Common Expenses.

2.11 "Declaration" means this instrument, by which the Property is submitted to the provisions of the Act, and shall include such amendments, if any, to this instrument that are adopted from time to time pursuant to the terms of this Declaration.

2.12 "Drives" means the surfaced portion of the Property set aside for use by travel by foot or vehicle to and from the Building to the public streets or highways.

2.13 "Improvements" means all buildings, structures, improvements and other permanent fixtures of whatever kind on the Property at any time.

2.14 "Limited Common Elements" means those Common Elements designated in this Declaration as reserved for exclusive use of one or more but less than all Unit Owners. The Limited Common Elements are designated and set forth on the Plat, and are identified on the Plat as to type, extent and Unit or Units to which the Limited Common Element are assigned. However, any fixture designed to serve a single Unit and located contiguous to the boundary of the Unit shall be deemed a Limited Common Element exclusively for that Unit and need not be shown on Exhibit B.

2.15 "Majority or Majority of Unit Owners" means the Unit Owners with more than 50% of the votes in accordance with the votes assigned in this Declaration to the Units for voting purposes.

2.16 "Occupant" means the person or persons, other than a Unit Owner in possession.

2.17 "Parking Area" means exterior areas (parking spaces) provided for parking automobiles as shown on the Plat. The Parking Area is a Common Element and not Limited Common Elements.

2.18 "Person" means an individual, corporation, partnership, limited liability company, association, trustee or other legal entity.

2.19 "Plat" means the Plat of Survey attached to this Declaration as Exhibit B.

2.20 "Property" means the land legally described on Exhibit A, together with all air space, all Improvements, and all easements, rights and appurtenances to the land.

2.21 "Unit" means a part of the Property subject to the Act intended for the private and independent use as a single family residence. See Section 3.02 for a specification of Unit boundaries.

2.22 "Unit Number" means the unique building number and unit number combination designating each Unit as set forth in this Declaration. For example, "Unit 111" is Unit 101 in Building 1. See page 1 of Exhibit B and the Plat for reference.

2.23 "Unit Owner" means the Person, or combination of Persons, who owns a Unit and an undivided interest in the Common Elements and facilities appurtenant to such Unit in the percentage specified and established in this Declaration.

ARTICLE III.

PROPERTY AND UNITS: SUBMISSION TO ACT

3.01 Description of Buildings. The approximate location and dimensions of the Buildings in which the Units are located is shown on the Plat.

3.02 Units: Description and Ownership. The Condominium shall initially consist of 2 residential Buildings, containing 16 Units each, for a total of 32 Units. The legal description of each Unit shall consist of the Unit Number of such Unit as shown on the Plat. Every deed, lease, mortgage or other instrument may legally describe a Unit by its Unit Number as shown on the Plat, and every such description shall be deemed good and sufficient for all purposes, as provided in the Act. Each Unit shall consist of the space enclosed and bounded by the horizontal and vertical planes as follows:

(a) The upper horizontal boundary of each Unit shall be the lower surface of the unfinished ceiling extended to an intersection with the vertical boundaries;

(b) The Lower horizontal boundary shall be the plan of the upper surface of the unfinished floor extended to an intersection with the vertical boundaries; and

(c) The vertical boundaries of each Unit shall be the plane of the drywall exposed to the interior of the Unit;

together with the garage area connected and providing direct access to such Unit enclosed and bounded by the horizontal and vertical planes as follows:

(d) The upper horizontal boundary of each garage shall be the lower surface of the unfinished ceiling extended to an intersection with the vertical boundaries;

(e) The lower horizontal boundary shall be the plane of the upper surface of the unfinished floor extended to an intersection with the vertical boundaries; and

(f) The vertical boundaries of each garage shall be the plane of the drywall exposed to the interior of the garage.

Notwithstanding the foregoing, all glass and other transparent and/or translucent material or screens covering windows and doors and the material covering other openings in the exterior walls of the Units shall be construed to be within the boundaries or limits and part of the Unit provided it is exclusively served by such windows, doors, and other openings.

Except as otherwise provided by the Act, no Unit Owner shall, by deed, plat or otherwise, subdivide or in any other manner cause the Unit to be separated into any tracts or parcels different from the whole Unit as shown on the Plat.

Each Unit in the Condominium shall be located as substantially shown on the plans that show the location of each Building as shown on the Plat, together with the perimeters, approximate dimensions, approximate square footage and location of each Unit, and subject to Section 3.06, shall be constructed as provided on the plans and specifications as approved by Declarant in substantial conformity with the Plat.

3.03 Certain Structures Not Constituting Part of a Unit. No Unit Owner shall own any pipes, wires, conduits, public utility lines or other structural components running through the Unit and serving more than his or her Unit, whether or not such items are located in the floors, ceilings, or perimeter or interior walls of the Unit, except as a tenant-in-common with all other Unit Owners.

3.04 Dimensions. It is expressly stipulated, and each and every purchaser of a Unit, Unit Owner, and their respective heirs, executors, administrators, assigns, successors and grantees acknowledge, that the square footage, size and dimensions of each Building and each Unit as described, set out and shown in the Condominium Documents, are approximate and are shown for descriptive purposes only, and that Declarant does not warrant, represent or guarantee that any Unit actually contains the area, square footage or dimensions shown in the Condominium Documents. Each purchaser of a Unit expressly waives any claim or demand which he may have against Declarant on account of any difference, shortage or discrepancy between the Unit as actually and physically existing and as it is shown on the Condominium Documents.

3.05 Declarant's Right to Change Plans. Pursuant to applicable provisions of the Act, including Section 703.11 of the Wisconsin Statutes, Declarant reserves the right to change the layout, location, dimensions and construction details of the Building, Parking Area, Units, Common Elements and Limited Common Elements shown on the Plat which are not yet constructed, and any landscaping that has not yet been installed or planted, provided that such changes shall not substantially alter the nature, value and quality of the Building, Parking Area, Units, Common Elements or Limited Common Elements.

ARTICLE IV.

COMMON ELEMENTS: LIMITED COMMON ELEMENTS

4.01 Ownership of Common Elements. Each Unit Owner shall own an undivided interest in the Common Elements as a Tenant-in-common with all other Unit Owners of the Property and, except as otherwise limited in this Declaration, shall have the right to use the Common Elements as permitted in this Declaration. This interest and right shall belong to and run with the Unit. The extent of the ownership by each Unit Owner of the Common Elements shall be expressed as a percentage. The percentage ownership may be changed only upon unanimous written approval of all Unit Owners in the form of a duly recorded amendment to this Declaration. In the event of condemnation by public authority as provided in Article X of this Declaration or of loss as provided in Article XI, the percentage ownership may be changed to conform to the provisions set forth in such Articles. Each Unit's corresponding percentage ownership in the Common Elements shall be a fraction, the numerator of which is one and the denominator of which is 32. The undivided interest in the Common Elements shall not be separated from the Unit to which it belongs and shall be deemed to be leased, conveyed or encumbered with the Unit even though such interest is not expressly mentioned or described in the conveyance or other instrument.

4.02 Partition of Common Elements. There shall be no partition of the Common Elements through judicial proceedings or otherwise unless and until this Declaration is terminated and the Property is no longer held in the condominium form of ownership.

ARTICLE V. EXPANSION

Declarant reserves the right to expand the Condominium by subjecting additional property to this Declaration on the following terms and conditions:

5.01 Expansion Property. The Plat shows each parcel of property that may be added to the Condominium ("Expansion Property"). Expansion Property may be added to this Declaration in phases or all at one time. Any expansion shall be in the sole discretion of Declarant, and no Unit Owner or other person shall have a right to require or prohibit the expansion. Each Unit Owner, by accepting a deed to a Unit, acknowledges that all or any part of the Expansion Property may be developed for uses other than as part of the Condominium.

5.02 Number, Location and Style of Additional Units. Up to 216 Units may be added. Declarant anticipates that the Expansion Property shall contain a mix of Buildings containing a combination of 4, 16 and 32 Units each but reserves the right to change the mix or size of Buildings if required to achieve the best development in the opinion of Declarant. Additional Buildings shall be located on the Expansion Property in locations determined by Declarant and approved by the municipality. Declarant anticipates that the Units shall be approximately the size of the original Units, but Declarant reserves the right to change the size of the Units in order to meet market requirements. The Unit Owner of each Unit added shall have one vote at meetings of the Association.

5.03 Use. All Units constructed on the Expansion Property shall be for residential use.

5.04 Improvements. Before a phase of the Expansion Property may be added, all improvements to such phase will be substantially completed prior to expansion and will be consistent with the initial improvements in structure type and quality of construction.

5.05 Effect on Allocated Interest. Upon any expansion as described in this Article, each Unit Owner's Allocated Interest shall change to the percentage equivalent to a fraction, the numerator of which is one and the denominator of which is the total number of Units in the Condominium after the expansion. Unit Owners in the Expansion Property will share an undivided interest in all Common Elements. Following any expansion, the interest of any mortgagee of any Unit shall attach, by operation of law, to the new Percentage Interests appurtenant to the Unit on which it has a lien.

5.06 Expiration. This right to expand the Condominium shall expire seven years from the date this Declaration is recorded.

5.07 Amendments to Condominium Instruments. To add Expansion Property to the Condominium, Declarant shall (a) record an amendment to this Declaration showing the new Allocated Interests of the Unit Owners and the votes which each Unit Owner may cast in the Condominium as expanded; and (b) record an amendment to the Plat that includes the detail and information concerning the Expansion Property as required in the original Plat.

5.08 Effective Date. Upon recording of the amendment to the Declaration and the Plat, each Unit Owner shall have the Allocated Interests set forth in the amendment to the Declaration, provided that unsold Units owned by Declarant shall be exempt from assessments to the extent provided in this Declaration.

ARTICLE VI.
GENERAL PROVISIONS AS TO UNITS AND COMMON ELEMENTS

6.01 Use of Property. The Units and the Common Elements shall be used for residential purposes only, subject to further limitations imposed by applicable law.

6.02 No Severance of Ownership. In order to prevent severance of combined ownership, no Unit Owner shall execute any deed, mortgage, lease or other instrument affecting title to the Unit or its Interest without including in such instrument both his or her interest in the Unit and corresponding percentage of ownership in the Common Elements. Whenever a Unit is conveyed, the corresponding percentage of ownership in the Common Elements shall be automatically included in the conveyance regardless of whether that interest is specifically set forth in the documents of conveyance.

6.03 Use of the Common Elements. Subject to the provisions of Sections 6.05 and 6.06, each Unit Owner shall have the right to use the Common Elements in common with all other Unit Owners as may be required for ingress and egress to, and use, occupancy and enjoyment of, the respective Unit owned by each Unit Owner, and to the use and enjoyment of Common Elements. Such rights shall extend to the Unit Owner and the members of the immediate family and guests and other authorized occupants and visitors of the Unit Owner. The use of the Common Elements and the rights of the Unit Owners with respect to the Common Elements shall be subject to and governed by the provisions of the Act, this Declaration and the By-Laws and rules and regulations of the Board. The Board shall have the authority to lease or rent or grant licenses to concessions with respect to the storage areas, laundry or other parts of the Common Elements, subject to the provisions of this Declaration and the By-Laws and rules and regulations of the Association.

6.04 Maintenance of Common Elements; Common Expenses. Except as otherwise provided in this Declaration, the Association shall be responsible for the management, repair, alteration and improvement of the Common Elements. Each Unit Owner shall pay his or her proportionate share of the expenses of maintenance, repair, replacement, administration and operation of the Common Elements ("Common Expenses"). Common Expenses shall be allocated and divided equally among all Units regardless of size. Notwithstanding the foregoing, expenses associated with Limited Common Elements shall be levied against the Units to which such Limited Common Element expenses appertain in proportion to each Unit's proportional interest in the Limited Common Elements. If a Unit Owner fails to pay such proportionate share when due, the amount of such share shall constitute a lien on the interest of such Unit Owner, as provided by the Act.

6.05 Easements.

(a) Encroachments. If by reason of the construction, settlement or shifting of any Building, or the design or construction of any Unit, any part of the Common Elements encroaches at any time upon any part of any Unit, or any part of the Unit encroaches at any time upon any part of the Common Elements or any other Unit, or if by reason of the design or construction of utility systems, any main pipes, ducts or conduits serving more than one Unit encroach at any time upon any part of any Unit, valid easements for the maintenance of such encroachment are established and shall exist for the benefit of such Unit 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 any Person if the encroachment occurs due to the willful conduct of such Person.

(b) Easements for Utilities. All public, semi-public or private utilities serving the Property are granted the right to install, lay, construct, operate, maintain, renew,

repair or replace, conduits, cables, pipes and wires and other equipment into, over, under, along and on any portion of the common Elements for the purpose of providing the Property with utility services, together with the reasonable right of ingress to and egress from the Property for such purpose. Prior to creation of the Board, Declarant may, and thereafter the Board thereafter may, grant other or additional temporary or permanent easements for utility or other purposes over, under, along and on any portion of the Common Elements, and each Unit Owner grants Declarant prior to the creation of the Board and the Board thereafter an irrevocable power of attorney to execute, acknowledge and record or register for and in the name of such Unit Owner, such instruments as Declarant or the Board deems necessary or appropriate to effectuate the foregoing. Easements are also declared and granted to install, lay, operate, maintain, repair and replace any pipes, wires, ducts, conduits, utility lines or structural components running through the walls of a Unit whether or not such walls lie in whole or in part within the Unit boundaries.

(c) Easements to Run with the Land. All easements and rights described in this Declaration are easements appurtenant, running with the land, perpetually in full force and effect, and at all times shall inure to the benefit of and bind Declarant, Declarant's successors and assigns, and any Unit Owner, purchaser, mortgagee and other person having any interest in all or any part or portion of the Property. Reference in any deed of conveyance or in any mortgage or trust deed or other evidence of obligation, to the easements and rights described in this Article, or described in any other part of this Declaration, shall be sufficient to create and reserve such easements and rights to the respective grantees, mortgagees and trustees of such parcels as fully and completely as though such easements and rights were recited fully and set forth in their entirety in such documents.

(d) Easements for Police and Fire Protection. A perpetual easement is granted for the free and uninterrupted access to the Property for any and all legally designated law enforcement agencies and fire departments for the performance of their duties.

(e) Easements for Post Office. A perpetual easement is granted for the free and uninterrupted access to the Property for any and all legally designated representatives of the United States Postal Service for the performance of their duties.

(f) Utility Easements. Easements will be granted, as required, to municipal agencies or private parties for the installation and maintenance of the water supply, sewer and sanitation services and other utilities.

6.06 Limited Common Elements. A balcony or patio located outside of and adjoining a Unit shall be a Limited Common Element for the exclusive use and possession of the Unit Owner who owns that Unit. Unless and until the Board determines to the contrary, each Unit Owner shall be responsible for the repair, maintenance and appearance of any balcony or patio (or both) which is a Limited Common Element attached to his or her Unit, and shall, without limiting the foregoing, be responsible for any breakage, damage, malfunction or ordinary wear and tear of such balcony or patio. A Unit Owner shall not paint or otherwise decorate or adorn or change the appearance of any such balcony and patio, in any manner contrary to any rules and regulations that the Board establishes. If more than one Unit has direct access to a balcony or patio, then all rights and obligations of each of the Unit Owners of such Units for the use, maintenance and repair of such patio or balcony shall be joint, common and indivisible, and shall not be subject to partition through judicial proceedings or otherwise.

6.07 Separate Mortgages of Units. Each Unit Owner shall have the right to mortgage or encumber his or her own respective Unit, together with his or her respective ownership interest in the Common Elements. No Unit Owner shall have the right or authority to mortgage or otherwise encumber in any manner whatsoever all or any part or portion of the Property, except his or her own Unit and his or her own respective ownership interest in the Common Elements.

6.08 Separate Real Estate Taxes. As provided in the Act, real estate taxes are to be separately taxed to each Unit Owner for his or her Unit and his or her corresponding percentage of ownership in the Common Elements. However, if for any year, such taxes are not separately taxed to each Unit Owner, but are taxed on the Property as a whole, then each Unit Owner shall pay his or her proportionate share of the taxes in accordance with his or her respective percentage of ownership interest in the Common Elements.

6.09 Utilities. Each Unit Owner shall pay for his or her own natural gas, cable TV, telephone, electricity and other utilities which are separately metered or billed to each user by the respective utility company. Charges for utilities which are not separately metered or billed shall be treated as Common Expenses.

6.10 Insurance; Unit Owners. Each Unit Owner shall be responsible for his or her own insurance on the contents of his or her own Unit, his or her additions and improvements to such Unit, wall and floor treatments and finishes in such Unit, all window treatments and other items considered interior decorating, furnishings and personal property in such Unit, and his or her personal property stored elsewhere on the Property, all to the extent not covered by the fire and liability insurance for all of the Unit Owners obtained as part of the Common Expenses as provided below in Section 7.08.

6.11 Maintenance, Repairs and Replacements of Units.

(a) By the Board. The Board, at its expense, shall maintain, repair and replace, as necessary, the Common Elements, the Limited Common Elements and any structural elements of any Building which is located within a Unit. In addition, the Board shall, as necessary, maintain, repair and replace all conduits, ducts, plumbing, wiring and other facilities that furnish utility services if and to the extent any of such facilities are located within the Unit boundaries as specified in Sections 3.02 and 3.03. The Board shall have no obligation to maintain, repair or replace any portion of any of such facilities which serves only one Unit or for which any individual Unit Owner is responsible under any other provision of this Declaration.

(b) By the Unit Owner. Each Unit Owner shall maintain, repair and replace the following at his or her expense:

(1) His or her Unit, and the fixtures, equipment and appliances comprising a part of such Unit, located in such Unit or exclusively serving such Unit even if located outside the Unit, and including, without limitation, all doors within the Unit and those which open to the Unit from the outside, interior walls and partitions, windows, and window apparatus and glass, sliding glass and screen doors, heating, and air conditioning equipment within the Unit, the air conditioning compressor located outside of the Unit, and the ducts, pipes, wiring, controls, fixtures and other apparatus serving only that Unit, even if located outside the Unit. Each Unit Owner shall, at his or her own cost, keep his or her Limited Common Elements in a clean and orderly condition and shall repair and maintain such Limited

Common Elements as provided in Section 6.06. However, the Board may, by its rules and regulations, perform ordinary maintenance and make minor repairs and replacements to Units as a Common Expense. If the Board or its agents damage any Unit's existing decorating in the process of maintaining, repairing or replacing Common Elements, the Board shall either, at its option, replace or provide an allowance for such damaged decorating, in either instance as part of the Common Expenses. Except as provided in the preceding sentence, nothing in this Declaration shall contractually obligate the Board to maintain, repair or replace all or any part of any Unit; rather, the Board's liability shall be limited to damages resulting from negligence.

(2) All decorating within his or her own Unit from time to time, including painting, wall papering, washing, cleaning, paneling, floor covering, lamps and other furnishings and interior decorating. Except as otherwise specified in this Declaration, each Unit Owner shall have the exclusive use of such portions of the perimeter walls, floors and ceilings that lie within the boundaries of his or her Unit as shown on the Plat, and such Unit Owner shall, subject to the rules and regulations of the Board, maintain such portions in good condition at his or her sole expense. The interior surfaces of all windows forming part of a perimeter wall of a Unit shall, subject to the rules and regulations of the Board, be cleaned or washed at the expense of the Unit Owner.

(c) Continuing Requirement. The respective obligations of the Board and Unit Owners set forth in this Declaration shall not be limited, discharged or postponed by reason of the existence of any maintenance, repair or replacement required to cure a latent or patent defect in material or workmanship in the construction or location of a structure on the Property, or because they may be entitled to the benefit of any construction guarantee or proceeds under policies of insurance.

6.12 Negligence of Unit Owner. If, due to the negligent act or omission of a Unit Owner or his or her family, pet, guest or other authorized occupant or visitor, the Common Elements or a Unit or Units owned by others is damaged, or maintenance, repairs or replacements are required which would otherwise be paid for as a Common Expense, such Unit Owner shall, subject to the rules, regulations and By-Laws of the Board, pay to repair the damage and pay for such maintenance, repairs and replacements as determined by the Board.

6.13 Joint Facilities. To the extent that equipment, facilities and fixtures within any Unit or Units shall be connected to similar equipment, facilities or fixtures affecting or serving other Units or the Common Elements, the use of such property by the individual Unit Owners shall be subject to the rules and regulations of the Board. The authorized representatives of the Board, or of the manager or managing agent for the Building, shall be entitled to reasonable access to the individual Units as the Board requires to maintain, repair or replace the equipment, facilities and fixtures affecting or serving other Units or the Common Elements.

ARTICLE VII. ADMINISTRATION

7.01 Association of Unit Owners. Each Unit Owner shall be a member of the Association automatically upon and simultaneously with the delivery of a deed of conveyance of fee title to the Unit from Declarant or any successor in interest. Subject to the rights of Unit Owners as set forth in this Declaration, the Association shall have exclusive responsibility to manage and control of the Common Elements and Improvements (including all equipment constituting a part of the Common Elements or Improvements). The Association shall act through the Board. The Board shall initially consist of three persons designated by Declarant

until such time as the Unit Owners are entitled to elect directors as provided in Sections 7.03 through 7.05. Provided that at all times the Association maintains at least three directors, the Association may increase or decrease the number of directors by affirmative vote of 66-2/3% of the Voting Members (as defined below).

7.02 Voting Rights. Only one person with respect to each Unit and its Allocated Interest shall be entitled to vote at any meeting of the Unit Owners. Such person shall be known as a "Voting Member." A Voting Member may be the Unit Owner or one member of the group owning a Unit and its Allocated Interest, or may be some person designated by such Unit Owner to act as proxy on his, her or their behalf. The Voting Member need not be a Unit Owner. The Unit Owner shall make such designation in writing to the Board. The designation shall be revocable at any time by actual notice to the Board of the death or judicially declared incompetence of the Unit Owner, or by written notice to the Board by the Unit Owner. A proxy shall be valid only for the particular meeting designated on the proxy and must be filed with the Association before the scheduled time of the meeting. Any Unit Owner may be present at any meeting of the Voting Members. There shall be one vote per Unit with the total vote available being equal to the total number of Units in the Condominium. Declarant or his or her nominee may exercise voting rights with respect to any Unit that Declarant owns.

7.03 Meetings.

(a) Quorum: Procedure. The presence in person or by proxy of Voting Members having a majority of the total votes shall constitute a quorum. Unless otherwise expressly provided in this Declaration, any action may be taken at any meeting of the Voting Members at which a quorum is present upon the affirmative vote of the Voting Members having a majority of the total votes present at such meeting. Any Voting Member may waive in writing notice of a meeting, or consent to the holding of a meeting without notice, or consent to any action of the Association without a meeting.

(b) Annual Meeting. The first meeting of the Unit Owners shall be held upon 15 days' prior written notice given by Declarant. The first meeting shall occur prior to the conveyance to Unit Owners other than Declarant of 25% of the interests in the Common Elements. At the first meeting, the Unit Owners other than Declarant shall elect at least one-fourth (but not less than one) of the members of the Board. Prior to conveyance to Unit Owners other than Declarant of 50% of the interests in Common Element, the Association shall hold a meeting at which the Unit Owners other than Declarant shall elect at least one-third of the members of the Board. Not later than 30 days after the expiration of Declarant control (as described below), the Association shall hold a meeting at which the Unit Owners shall elect directors and officers. The directors and officers shall take office after the election. Thereafter, the Association shall hold, on the Property, an Annual Meeting of the Voting Members at 2:00 p.m. on the third Saturday in May of each year, or at such other reasonable place or time (not more than 30 days before or after such date), as the Board may designate by written notice delivered to the Voting Members not less than 15 days prior to the date fixed for the meeting. Declarant control shall cease on the earlier of the twentieth anniversary of the recording of this Declaration or the date 30 days after the conveyance of 75% of the Common Elements to Unit Owners other than Declarant. For purposes of this Section, the interests in Common Elements shall be calculated as if the Condominium has been fully expanded under Article V.

(c) Special Meetings. A majority of the Board or Voting members having one-third of the total votes may call a special meeting of the Voting Members at any time to consider matters which, by the terms of this Declaration, require the approval of all or some

of the Voting Members, or for any other reasonable purpose. The parties calling the meeting shall provide written notice to the Voting Members not less than 15 days prior to the date fixed for the meeting. The notice shall specify the date, time, and place of the meeting and the matters to be considered.

7.04 Notices of Meetings. Notices of meetings required to be given in this Declaration may be delivered either personally or by mail to the persons entitled to vote, addressed to each such person at the address given by him/her to the Board for the purpose of service of such notice, or to the Unit of the Unit Owner with respect to which such voting right pertains if no address has been given to the Board.

7.05 Board; Election; Meetings.

(a) At each Annual Meeting of Unit Owners, the Voting Members shall, by a majority of the total votes present at such meeting, elect sufficient Board members ("directors") for the forthcoming year to provide for a Board consisting of three directors, all of whom must own a Unit, except for directors nominated or designated by Declarant. Two directors shall constitute a quorum. Directors shall serve, without compensation, for a term of three years or until their successors are elected and qualify; provided, however, that the terms of at least one-third of the directors shall expire annually. If a director ceases to qualify to serve as a director, as set forth in this Declaration, such director shall immediately cease to be a director and his or her place on the Board shall be deemed vacant. Vacancies in the Board may be filled by unanimous vote of the remaining directors. Except as otherwise provided in this Declaration, the Property shall be managed by the Board, and the Board shall act by majority vote of those present at its meetings when a quorum exists. Meetings of the Board may be called, held and conducted in accordance with such regulations as the Board may adopt.

(b) The Board shall elect, from among the directors, a President who shall preside over its meetings and those of the Association, a Secretary who shall keep the minutes of all meetings of the Board and of the Voting Members and who shall, in general, perform all the duties incident to the office of secretary, including counting votes at any meeting, and a Treasurer to keep the financial records and books of account.

(c) Voting Members having at least two-thirds of the total votes may remove any director from office at any Special Meeting called for that purpose. The Voting Members may by majority vote elect a successor to fill the unexpired term of a Board member removed at the same meeting or any subsequent meeting called for that purpose.

(d) The Board shall hold an Annual Meeting immediately following the Annual Meeting of the Unit Owners at the same place as the Annual Meeting of the Unit Owners. Special meetings of the Board shall be held upon call by the President or by a majority of the Board on not less than forty-eight hours' written notice to each director, delivered personally or by mail or telegram. Any director may in writing waive notice of consent to any action of the Board without a meeting.

(e) Directors shall receive no compensation for their services unless expressly provided for in resolutions duly adopted by the Unit Owners.

7.06 General Powers of the Board. Without limiting other general powers which Applicable Laws and this Declaration provide, the Board shall have the following general powers and duties:

- (a) To elect the officers of the Association as provided by this Declaration;
- (b) To administer the affairs of the Association and the Property;
- (c) To engage the services of a manager or managing agent who shall manage and operate the Property and the Common Elements for all of the Unit Owners, upon such terms and for such compensation and with such authority as the Board may approve (subject to Section 6.10(b));
- (d) To formulate policies for the administration, management and operation of the Property and the Common Elements;
- (e) To adopt administrative rules and regulations governing the administration, management, operation and use of the Property and the Common Elements, and to amend such rules and regulations from time to time;
- (f) To provide for the maintenance, repair and replacement of the Common Elements and payments therefore, and to approve payment vouchers or to delegate such approval to the officers or the manager or managing agent;
- (g) To provide for the designation, hiring and removal of employees, and other personnel, including accountants and other independent contractors, and to engage or contract for the services of others, and to make purchases for the maintenance, repair, replacement, administration, management and operation of the Property and the Common Elements, and to delegate any such powers to the manager, the managing agent and any employees or agents of the managing agent;
- (h) To estimate the amount of the annual budget, and to provide the manner of assessing and collecting from the Unit Owners their respective shares of such estimated expenses, as provided below;
- (i) To comply with the instructions of a majority of the Unit Owners, as expressed in a resolution duly adopted at any Annual or Special Meeting of the Unit Owners; and
- (j) To exercise all other powers and duties of the Board or Unit Owners as a group referred to in the Act and all powers and duties of a Board referred to in this Declaration or these By-Laws.

7.07 Specified Powers of the Board. The Board, for the benefit of the Board, the Association and all Unit Owners, shall provide and pay for out of the maintenance fund described below, the following:

(a) Utility Service for Common Elements. Water, sewer, waste removal, electricity, gas and telephone, heat, power and other necessary utility service for the Common Elements (and, if not separately metered or charged, for the Units).

(b) Insurance. Casualty, liability, workmen's compensation and other insurance as described in Article XI.

(c) Wages and Fees for Services. The services of any person or firm employed by the Board, including, without limitation, the services of a person or firm to act as

manager or as managing agent for the Property, the services or any person or persons required for maintenance or operation of the Property, and legal and/or accounting services necessary or proper in the operation of the Property or the enforcement of this Declaration and for the organization, operation and enforcement of the rights of the Association.

(d) Care of Common Elements. Landscaping, gardening, snow removal, painting, cleaning, tuck pointing, maintenance, decorating, repair and replacement of the Common Elements (but not including the interior surfaces of the Units, which the Unit Owner shall paint, clean, decorate, maintain and repair, not including any portion of the Common Elements which are the responsibility of any Unit Owner) and such furnishings and equipment for the Common Elements as the Board determines are necessary and proper, and the Board shall have the exclusive right and duty to acquire or provide such services for the Common Elements.

(e) Additional Expenses. Any other materials, supplies furniture, labor, services, maintenance, repairs, structural alterations, insurance or assessments which the Board is required to secure or pay for pursuant to the terms of this Declaration or by Applicable Law or which in the Board's opinion is necessary or proper for the maintenance and operation of the Property as a first class development or for the enforcement of this Declaration.

(f) Discharge of Mechanic's Liens. Any amount necessary to discharge any mechanic's lien or other encumbrance levied against all or any part of the Property which may, in the opinion of the Board, constitute a lien against the Property or the Common Elements, rather than merely against the interest of a particular Unit Owner; however, the foregoing authority shall not limit any applicable statutory provisions. Where one or more Unit Owners are responsible for the existence of such a lien, they shall be jointly and severally liable for the cost of discharging it, and the Board shall specially assess any costs incurred by the Board by reason of the lien to those Unit Owners.

(g) Certain Maintenance of Units. Maintenance and repair of any Unit as provided in this Declaration, and maintenance and repair of any Unit if such maintenance or repair is necessary in the discretion of the Board to protect the Common Elements, or any portion of the Building, provided the Unit Owner has failed or refused to perform the maintenance or repair within a reasonable time after the Board delivers written to the Unit Owner requiring the Unit Owner to perform the maintenance or repair. The Board shall levy a special Assessment against the Unit Owner for the cost of the maintenance or repair. The Board or its agents may enter any Unit when necessary in connection with any maintenance or construction for which the Board or Association is responsible. They may likewise enter any balcony or patio for maintenance, repairs, construction or painting, if not performed by the Unit Owner pursuant to Section 6.06. They shall enter with as little inconvenience to the Unit Owners as practicable in their reasonable determination. If the Board or its agent causes any damage by such entry, the Board shall, at its option, either have such damaged repaired or reimburse the Unit Owner for such repair, in either instance at the expense of the maintenance fund unless the damage occurs as a result of the Unit Owner's violation of the provisions of this Declaration related to keys. If any emergency originates in, or threatens, any Unit, or if the Unit Owner's absence from the Unit at a time when required alterations or repairs are scheduled, the management agent or his or her representative or any other person designated by the Board may enter the Unit immediately, whether the Unit Owner is present or not. The Board reserves the right to retain a pass key to each Unit, and no Unit Owner or anyone acting under authority of a Unit Owner shall place any locks or other devices on the doors to the Units to obstruct entry through the use of such pass key.

7.08 Capital Additions and Improvements. Notwithstanding any contrary provision of this Declaration, the Board shall have no authority to acquire or provide or pay for out of the maintenance fund any capital additions and improvements (other than for purposes of replacing or restoring portions of the Common Elements subject to all the provisions of this Declaration) having a total cost in excess of \$5,000 in the aggregate, nor shall the Board authorize any structural alterations, capital additions to, or capital improvements of the Common Elements requiring an expenditure in excess of \$5,000 in the aggregate, without in each case the prior approval of the Voting Members holding two-thirds of the total votes.

7.09 Certain Utility Services to Units. The Board may pay from the maintenance fund for water and sewer taxes, waste removal and/or any utilities which are not separately metered or otherwise directly charged to individual Unit Owners. However, the Board may discontinue such payments at any time, in which case each Unit Owner shall be responsible for direct payment of his or her share of such expenses as determined by the Board. The Board reserves the right to levy additional Assessments against any Unit Owner to reimburse it for excessive use by such Unit Owner of any utility service, the expense of which is charged to the maintenance fund.

7.10 Vouchers. The Board shall cause vouchers for payment of expenditures to be signed by one or more officers or agents of the Board and in such manner as from time to time shall be determined by written resolution of the Board. If no such resolution exists, the Treasurer shall sign and the President shall countersign such vouchers.

7.11 Rules and Regulations.

(a) The Board may adopt such reasonable rules and regulations as it deems advisable from time to time for the maintenance, conservation and beautification of the Property, and for the health, comfort, safety and general welfare of the Unit Owners and occupants of the Property. Written notice of such rules and regulations shall be given to all Unit Owners and occupants, and the Property shall at all times be maintained subject to such rules and regulations. The rules and regulations shall apply equally to all Unit Owners and their tenants and guests. The rules and regulations shall be consistent with this Declaration and the By-Laws of the Association. As provided in the Act, rules and regulations may provide for charges, fines and Assessments for violation of this Declaration, the Association's By-Laws, the rules and regulations or the Act. The Association shall provide notice in the manner described in the Act at the time it assesses any such charge, fine or Assessment.

(b) Management. Notwithstanding any contrary provision of this Declaration, the Board may engage the services of an agent to manage the Property to the extent deemed advisable by the Board.

(c) Not for Profit. Notwithstanding any contrary provision of this Declaration, the Board shall have no authority to conduct an active business for profit on behalf of all or any of the Unit Owners.

7.12 Provisions to be Included in By-Laws. The provisions of this Article VII and Articles VII and VIII below shall be included in the initial By-Laws of the Association.

ARTICLE VIII.
BUDGET ASSESSMENTS-MAINTENANCE FUND

8.01 Preparation of Estimated Budget. Each year on or about December 1, or as soon after such date as reasonably practical, the Board shall estimate the total amount necessary to pay for the following calendar year all costs of wages, payroll taxes, materials, insurance, services, management fees, supplies, maintenance, repair, landscaping, fuel, power and other common utilities and Common Expenses, together with a reasonable amount considered by the Board to be necessary for a reserve for contingencies and replacements. As used in this Declaration, the estimate is known as the "Annual Budget." The Board shall, on or about December 15, or as soon thereafter as reasonably practical, notify each Unit Owner of constructed Units in writing of the Annual Budget. The notice shall contain a reasonable itemization including those items required by Wisconsin Statutes Section 703.161(2). The estimate set forth in the Annual Budget shall be assessed pro rata to the Unit Owners owning constructed and completed Units. On or before the date of the Annual Meeting of each calendar year, the Board shall supply to all the Unit Owners an itemized accounting of the Common Expenses for the preceding calendar year actually incurred and paid, together with a tabulation of the amounts collected pursuant to the estimates provided, and showing the net amount over or short of the actual expenditures, plus reserves. Any amount accumulated in excess of the amount required for actual expenses and reserves shall be credited according to each Unit Owner's payment obligations to the next monthly installments due from Unit Owners under the current year's estimate, until exhausted, and any net shortage shall be added according to each Unit Owner's payment obligations to the installments due in the succeeding months after rendering of the accounting as provided in the By-Laws.

8.02 Reserves for Contingencies and Replacements. The Board shall build up and maintain a reasonable reserve for contingencies and replacements; however, no "Statutory Reserve Account," as defined in Chapter 703 of the Wisconsin Statutes, shall be maintained. The Board shall first charge against such reserve all extraordinary expenditures not originally included in the annual estimate which may become necessary during the year. If the Annual Budget proves inadequate for any reason, including because one or more Unit Owners fail to pay their Assessments, the Board may, at any time, levy a further Assessment, which shall be assessed to the Unit Owners in the same proportion as other general Assessments. The Board shall serve notice of such further Assessment on the Unit Owners as provided in the By-Laws and such further Assessment shall become effective as provided in the By-Laws. All such Unit Owners shall be obligated to pay the adjusted amount. At the time each constructed Unit is first occupied, the Unit Owner, other than Declarant, shall pay (in addition to the first monthly Assessment) to the manager or managing agent or as otherwise directed by the Board, an amount equal to not less than two months' general Assessments (the "Initial Assessment Contribution"). The Initial Assessment Contribution shall be used and applied as an operating reserve for Common Expenses in the manner provided in this Declaration.

8.03 Budget for First Year. When the first Board elected under this Declaration takes office, it shall determine the Annual Budget for the period commencing 30 days after the election and ending on December 31 of the calendar year in which the election occurs. Assessments shall be levied against all Unit Owners other than Declarant except that, as provided in Wisconsin Statutes Section 703.16(2)(b), the total amount assessed against sold Units may not exceed the amount that equals sold Units' budgeted share of Common Expenses as anticipated in the Annual Budget, and Declarant shall be liable for the balance of the actual Common Expenses.

8.04 Failure to Prepare Annual Budget. If the Board fails to prepare or delays preparing or serving the Annual Budget or any adjusted estimate, such delay or failure shall not constitute a waiver or release in any manner of any Unit Owner's obligation to pay the

maintenance costs and necessary reserves, as provided in this Declaration, whenever they are determined. In the absence of the Annual Budget or any adjusted estimate, the Unit Owner shall continue to pay the monthly maintenance charge at the then existing monthly rate established for the previous period until the monthly maintenance payment which is due 10 or more days after the Annual Budget or adjusted estimate is mailed or delivered. The Unit Owner shall pay the monthly maintenance payment as provided in the By-Laws.

8.05 Books and Records. The Board shall keep full and correct books of account in chronological order of the receipts and expenditures affecting the Common Elements, specifying and itemizing the maintenance and repair expenses of the Common Elements and any other expenses incurred. Any Unit Owner or a representative of a Unit Owner duly authorized in writing may inspect such records and the vouchers authorizing the payments at such reasonable time or times during normal business hours of week days as the Unit Owner may request. Upon 10 days' prior notice to the Board and payment of a reasonable fee as fixed by the Board not to exceed \$25, the Board shall furnish a statement to any Unit Owner that sets forth, in detail, the amount of any unpaid Assessments or other charges due and owing from such Unit Owner.

8.06 Status of Collected Funds. The Board shall collect, hold and expend all funds for the purposes designated. Except for such special Assessments as the Board levies against less than all the Unit Owners and for such adjustments as may be required to reflect delinquent or prepaid Assessments, the Board shall hold all funds for the benefit, use and account of all the Unit Owners as provided in the By-Laws.

8.07 Payment of Assessments. The Unit Owners shall pay annual general Assessments in 12 equal monthly installments, in advance, on the first day of each month. Special Assessments for expenses incurred by the Association for any reason stated in this Declaration shall be due on the 15th day after a Unit Owner receives a statement, or at such other time as may be established by the Board, and shall immediately be a personal liability of the Unit Owner and also a lien, until paid, against the Unit to which charged. Except for Declarant with regard to the Initial Assessment Contribution as provided in Section 8.02, no Unit Owner of a constructed Unit may exempt himself or herself from liability for his or her Assessment by waiver of the use of enjoyment of any of the Common Elements and facilities or by abandonment of his or her Unit.

8.08 Remedies for Failure to Pay Assessments. If any Unit Owner defaults in the payment of any charge or Assessment imposed by the Board, the Board shall have the authority for and on behalf of itself and the Association and as the representative of all Unit Owners, to exercise and enforce any and all rights and remedies as may be provided in the Act, the By-Laws, this Declaration or otherwise available at law or in equity, for the collection of all such unpaid charges or Assessments.

8.09 Rental During Foreclosure. In the event of the foreclosure of a lien for unpaid Assessments, the Unit Owner who is the defendant in such proceeding shall be required to pay a reasonable rental for such Unit.

ARTICLE IX. COVENANTS AND RESTRICTIONS AS TO USE AND OCCUPANCY

9.01 Units and Common Elements. The Units and Common Elements shall be occupied and used as follows:

(a) Purpose. No part of the Property shall be used or occupied for any purpose other than as a residential dwelling and related common purposes for which the Property was designed. Each Unit Owner shall use and occupy the Property in compliance with all Applicable Laws. Each Unit or any two or more adjoining Units used together shall be used as a residence for a single family or for such other uses permitted by this Declaration and for no other purpose. That part of the Common Elements separating any two or more adjoining Units used together may be altered to allow ingress and egress to and from the adjoining Units in the manner and upon conditions determined by the Board in writing.

(b) Obstruction of Common Elements. There shall be no obstruction of the Common Elements, and nothing shall be stored in the Common Elements, without the prior written consent of the Board or except as expressly provided below. Each Unit Owner shall be obligated to maintain and keep in good order and repair his or her own Unit.

(c) Hazardous Uses and Waste. Nothing shall be done or kept in any Unit or in the Common Elements which will increase the rate of insurance on the Property, or its contents, without the prior written consent of the Board. No Unit Owner shall permit anything to be done or kept in his or her Unit or in the Common Elements which will result in the cancellation of insurance on the Property, or its contents, or which would violate any law. No waste shall be committed in the Common Elements.

(d) Exterior Exposure of Building. Unit Owners shall neither cause nor permit anything to be hung or displayed on the outside of windows or placed on the outside walls of the Building, and no sign, awning, canopy, shutter, radio or television antenna shall be affixed to or placed upon the exterior walls or roof of any part of the walls or roof, without the prior consent of the Board. Unit Owners shall neither cause nor permit any sign, poster or other display to be located inside of or adjacent to any door or window in such manner or fashion as to be visible to the exterior of the Building, including "For Sale", "For Rent" or any other type of sign.

(e) Impairment or Structural Integrity of Building. Nothing shall be done in any Unit or in, on or to the Common Elements that will impair the structural integrity of any Building (including any structural change to any Building), that would lessen the support of any portion of the Building or that would create a nuisance substantially affecting the use and enjoyment of other Units or the Common Elements except as otherwise provided in this Declaration. No Unit Owner shall overload the electric wiring in the Building, or operate any machines, appliances, accessories or equipment in such manner as to cause, in the judgment of the Board, an unreasonable disturbance to others.

(f) Recreational Area. The Property includes present and possible future recreational areas and facilities. Unit Owners, members of their immediate families, guests and invitees may use these Common Elements designated for recreational areas and facilities for their intended purposes, including as allowed by the Board and under rules established by the Board, for playing, as a location to place benches or chairs, and for other reasonable uses provided these uses do not interfere with the use and enjoyment of the Common Elements by the other Unit Owners.

(g) Signs; Sales. Declarant exclusively reserves the right, for its and its agents, to place "For Sale" or "For Rent" signs on any unsold or unoccupied Units, and to place such other signs on the Property as Declarant requires to facilitate the sale of unsold Units, or the management and/or construction of the condominium. The Association and its agents shall have the right to enter a Unit to remove any signs located in the Unit contrary to the provisions of this Declaration or the By-Laws. Any Unit Owner who violates this provision shall be assessed \$100 per day which shall be due on the 15th day after notice by the Association. Any sum that remains unpaid after the 15th day may be placed of record as a lien against the Unit as provided by law.

(h) Alterations of Common Elements. Nothing shall be altered or constructed in or removed from the Common Elements except upon the written consent of the Board.

(i) Parking. Only Unit Owners and their guests and invitees may park in the Parking Area.

(j) Display of Model Units by Declarant. Declarant reserves the right, at Declarant's option, to occupy or grant permission to any person or entity to occupy, with or without rental, as determined by Declarant, one or more Units for business, construction management, general management or promotional purposes, including clerical activities, sales offices, model Units for display and the like; provided that the activities in the Units so occupied do not materially interfere with the quiet enjoyment of any other Unit Owner or occupant.

(k) Animals. No more than two pets shall be allowed in a Unit, and no such animal shall exceed 60 pounds. The Association shall have the right to adopt such additional restrictions on pets as the Board deems reasonable in its sole discretion. No pets shall be allowed to roam at large within the Common Elements. Pets shall at all times be leashed and within the immediate control of a person when outside of a Unit. The person attending the pet shall pick-up all solid waste from the pet and dispose of such waste in the manner required by the Association.

(l) Nuisances. Without the prior written consent of the Association, no noxious or offensive activity shall be carried on in any Unit or in the Common Elements or Limited Common Elements, and nothing shall be done in any Unit, the Common Elements or the Limited Common Elements which is or may become a nuisance or annoyance to others or which will cause the cancellation of insurance or increase the rate of insurance on any Unit, the Common Elements or the Limited Common Elements. No Unit Owner or a Unit Owner's tenants or guests shall perform or carry on any illegal, annoying or offensive activity. All occupants of Units shall comply with all applicable governmental regulations in their use of their Unit, the Common Elements and the Limited Common Elements.

(m) Exterior Lighting. No exterior lighting may be installed other than as provided by Declarant, without the express written consent of the Board and in compliance with the restrictions of record.

(n) Trees; Shrubs. No trees or shrubs may be planted or removed on the Common Elements without the prior approval of the Board.

9.02 By-Laws. Except as otherwise provided in this Declaration, the By-Laws shall govern the management and operation of the Condominium including any restrictions on or requirement respecting the use and maintenance of the Units and the Common Elements.

ARTICLE X.
CONDEMNATION AND UNPAID ASSESSMENTS

10.01 Condemnation. In the event of condemnation under Applicable Laws of a portion of the Property including the Building, if a comparable building cannot be reasonably constructed on the remaining Property, the proceeds of the condemnation and rights of action arising in connection with the condemnation shall be distributed as follows.

(a) To the Unit Owners of the individual Units condemned, that portion of the condemnation award attributable to each Unit Owner's Unit and the right of action, if any, arising under such condemnation and attributable to such Unit, together with the Unit Owner's interest in the condemnation award for the Common Elements condemned plus a sum equal to the Unit Owner's interest in the remaining Common Elements to be paid by the remaining Unit Owners.

(b) To the Unit Owners of the individual Owners not condemned, as their interests may appear. The Board shall determine whether to bring legal action on any right of action arising under the condemnation. Any award obtained by legal action shall be disbursed to the Unit Owners as their common interests may appear, including the Unit Owners of those Units condemned as though they were Voting Members.

(c) The condemnation of a Unit Owner's Unit without replacement with a similar Unit shall terminate the Unit Owner's membership. The remaining members shall constitute the Unit Owners of all Common Elements, and the Board shall recompute their interests in the Common Elements according to the ratio their Unit bears to the total of the remaining Units.

10.02 Responsibility of Transferees for Unpaid Assessments. In a voluntary transfer of a Unit, the transferee and transferor shall be jointly and severally liable for all unpaid Assessments against the transferor through the time of transfer, without prejudice to the transferee's right to recover from the transferor the amount paid by the transferee. However, a transferee shall be entitled to a statement from the Board, the President or the managing agent of the Association that sets forth the amount of the unpaid Assessments against the transferor that are due to the Association. The transferee shall have no liability for, and no Unit shall be conveyed subject to a lien for, any unpaid Assessments made by the Association against the transferor in excess of the amount set forth in the statement. If the Association or the Board does not provide a statement setting forth any sums due within five business days after a transferee requests the statement, the Association or the Board shall be barred from claiming a lien against the Unit.

ARTICLE XI.
INSURANCE; DAMAGE OR DESTRUCTION AND RESTORATION OF THE BUILDING

11.01 Insurance.

(a) Property Insurance. The Board, or its duly authorized agent, shall have the authority to and shall obtain insurance for the Units and the Common Elements

against loss or damage by fire and other hazards, including extended coverage, vandalism, and malicious mischief, together with an "all risk" endorsement in an amount sufficient to cover the full replacement cost of any repair or reconstruction in the event of damage or destruction. The policy may contain a reasonable deductible as determined by the Board. Premiums for such insurance shall be Common Expenses. Such insurance coverage shall be written in the name of, losses under shall be adjusted by, and the proceeds of such insurance shall be payable to, the Board as Trustee for each of the Unit Owners in their respective percentages of ownership interest in the Common Elements as established in Exhibit C. The Board may engage the services of any bank or trust company authorized to do trust business in the State of Wisconsin to act as trustee, agent or depository on behalf of the Board for the purpose of receiving and disbursing the insurance proceeds resulting from any loss, upon such terms as the Board shall determine consistent with the provisions of the Act and this Declaration. The fees of such corporate trustee shall be Common Expenses. In the event of any loss in excess of \$10,000 in the aggregate, the Board shall engage a corporate trustee, or in the event of any loss resulting in the destruction of the major portion of one or more the Units, the Board shall engage a corporate trustee upon the written demand of the mortgagee or Unit Owner of the Unit so destroyed.

(b) Liability Insurance. Comprehensive public liability insurance, including liability for injuries to and death of persons, and property damage, in such limits as it shall deem desirable, and other liability insurance as it may deem desirable, insuring each Unit Owner, the Association, its officers, directors, Declarant, the manager and managing agent of the Building, if any, and their respective employees and agents, from liability in connection with the Common Elements and the streets, sidewalks and areas adjoining the Property and insuring the officers of the Association and directors from liability for good faith actions beyond the scope of their respective authorities. Such insurance coverage shall include cross liability claims of one or more insured parties against other insured parties. The premiums for such insurance shall be Common Expenses.

(c) Worker's Compensation. Worker's compensation insurance to the extent necessary to comply with any Applicable Laws.

(d) Damage or Destruction. The Board, or the corporate trustee on behalf of the Board, shall apply the proceeds of such insurance to the reconstruction of the Improvements damaged or destroyed or shall otherwise dispose of the proceeds in accordance with the provisions of this Declaration and the Act; and the rights of the mortgagee of any Unit under any standard mortgage clause endorsement to such policies shall be, notwithstanding anything to the contrary contained in such policy or endorsement, subject at all times to the provisions in the Act with respect to the application of insurance proceeds to repair or reconstruction. Payment by an insurance company to the Board or a corporate trustee of the proceeds of any policy, and the receipt of release from the Board of the company's liability under such policy, shall constitute a full discharge of such insurance company, and such company shall have no obligation to inquire into the terms of any trust under which such proceeds are held, or to take notice of any standard mortgage clause endorsement inconsistent with the provisions of this Declaration, or to see to the application of any payments of the proceeds of any policy by the Board or the corporate trustee. The following provisions shall apply to repair or restoration of damaged Improvements:

(i) Units: Reconstruction. If one or more of the Units is destroyed and the Unit may be reconstructed under Applicable Laws, the Unit Owner may request the Board to authorize the reconstruction of the Unit [1] if the cost of reconstruction is equal to or

less than the insurance proceeds applicable to the Unit or [2] if the insurance proceeds are less than the cost of reconstruction, the Unit Owner shall tender to the Board a sum equal to the costs of reconstruction less the sum available from the insurance proceeds. The Board, upon receipt of the sum, may authorize and direct the reconstruction of the Unit. Any Unit reconstructed under this provision or under the provisions of Article X shall be constructed in a manner complying with Applicable Laws and in a manner compatible to the remaining Units.

(ii) Units: No Reconstruction. If one or more of the Units is destroyed and the Board determines that the Units may not be reconstructed under Applicable Laws, or if the Board determines that the cost of reconstruction would exceed the insurance proceeds and the applicable Unit Owner is unable or unwilling to pay the difference between the insurance proceeds and the cost of reconstruction, the Board may direct that the insurance proceeds applicable to each destroyed Unit be paid to the Unit Owner together with a sum equal to the Unit Owner's interest in the Common Elements, exclusive of the individual Units, as determined by three appraisers, one selected by the Board, one selected by the Unit Owner and the third select by the two other appraisers. This added sum shall be a Common Expense of the remaining Units and assessed accordingly. Upon payment of this sum to the Unit Owner of the destroyed Unit, the Unit Owner shall cease to be an owner and the percentage interest of the remaining Unit Owners shall be adjusted pursuant to the formula set forth in this Declaration.

(iii) Common Elements and Other Improvements: Reconstruction. Except as described in the following paragraph, if any Improvements forming a part of the Common Elements are damaged or destroyed from any cause and the proceeds of any policy or policies insuring against such loss or damage, and payable by reason of such loss or damage, shall be sufficient to pay the cost of repair, restoration or reconstruction, and the Board determines that the Improvements may be reconstructed under Applicable Laws, the Association shall undertake such repair, restoration or reconstruction, and the Board or any trustee of the insurance proceeds shall apply the insurance proceeds to such repair, restoration or reconstruction.

(iv) Common Elements and Other Improvements: No Reconstruction. If the Common Elements have been damaged or destroyed to the extent of more than 75% of their value, the Unit Owners may elect not to undertake the repair, restoration or reconstruction and to withdraw the Property from the Act as provided in Article XII provided they make such election on or before the 60th day after the date the damage or destruction occurs. Additionally, if the Improvements so damaged are not insured against the risk causing the loss or damage, or the insurance proceeds are not sufficient to pay the cost of repair, restoration or reconstruction, and the difference between the cost of repair, restoration, or reconstruction, and the Unit Owners and all other parties in interest do not voluntarily make provision for reconstruction of the Improvements on or before the date 90 days after the date the damage or destruction occurs, or if the Improvements may not be reconstructed under Applicable Laws, then the applicable provisions of the Act shall apply.

(e) Unit Owner's Insurance. Each Unit Owner may, at his or her option and personal expense, carry additional insurance on his or her Unit including coverage for any substantial improvements made in or to the Unit. Each Unit Owner shall obtain liability insurance for his or her own Unit and Limited Common Elements and casualty insurance for his or her personal property, including all contents of the Unit and personal property located on any of the Common Elements. The Board shall have no obligation to obtain insurance on any additions, alterations, or improvements made by any Unit Owner to his or her Unit or to apply any insurance proceeds to restore the affected Unit to a condition better than the

condition existing prior to the making of such additions, alterations or improvements. Policies for insurance carried by the Unit Owner may provide that the insurer may pay proceeds related to such insurance directly to the Unit Owner.

11.02 Substantial Restoration. Repair, restoration or reconstruction of the Improvements, as used in this Article, means restoring the Improvements to substantially the same condition in which they existed prior to the fire or other disaster, with each Unit and the Common Elements having the same vertical and horizontal boundaries as before.

ARTICLE XII.

SALE OF THE PROPERTY; REMOVAL FROM CONDOMINIUM OWNERSHIP

12.01 Voluntary Sale of the Property. The Unit Owners by affirmative vote of 75% of the total vote, at a meeting of Unit Owners called for such purpose, may elect to sell the Property as a whole. Such action shall bind all Unit Owners, and every Unit Owner shall, after such action, execute and deliver such instruments, and perform all acts, in the manner and form required to effectuate such sale; provided, however, that any Unit Owner who did not vote in favor of such action and who has filed a written objection to such action with the Board within 20 days after the date of the meeting at which the sale was approved shall be entitled to receive from the proceeds of such sale an amount equal to the value of his or her interest, as determined by a fair appraisal, less the amount of any unpaid Assessments or charges due and owing from such Unit Owner. In the absence of agreement on an appraiser, such Unit Owner and the Board may each select an appraiser, and the two so selected shall select a third, and the fair market value as determined by a majority of the three appraisers so selected shall control. If either party fails to select an appraiser, the appraiser selected by the other party shall determine the appraised value.

12.02 Removal Procedure. All of the Unit Owners may remove the Property from the provisions of this Declaration by executing and recording an instrument to that effect. All holders of liens affecting any of the Units must consent in writing, with their consent being duly recorded, to the transfer of their lien to the percentage of undivided interest of the Unit Owner in the Property.

In the event of the removal of the Property from the provisions of this Declaration, the Unit Owners shall own the property as tenants in common, each holding an undivided interest in the property in the same percentage in which he or she held an ownership interest in the Common Elements.

ARTICLE XIII.

REMEDIES FOR BREACH OF COVENANTS, RESTRICTIONS AND REGULATIONS

13.01 Abatement and Enjoyment. The violation of any rule, restriction, condition or regulation adopted by the Board, or the breach or default of any covenant, By-Law or provision contained of this Declaration or contained in the Act, shall give the Board the right, in addition to the rights set forth in Section 13.02:

(a) To enter upon the Property upon which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition that may exist contrary to the intent and meaning of

the provisions of this Declaration, and Declarant, or his or her successors or assigns, or the Board, or its agents, shall not be deemed guilty in any manner of trespass for such action;

(b) To prohibit the use of all or some of the amenities of the condominium and the Common Elements, except for the right of ingress and egress over the Drives and the use by the defaulting Unit Owner of his or her individual Unit;

(c) To enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any breach; and

(d) To seek damages by appropriate legal proceedings.

In any action or proceeding brought on behalf of the Association with respect to any matters referenced in this Section 13.01 in which the Association is the prevailing party, the Association shall be entitled to recover from the Unit Owner its costs and expenses (including reasonable attorneys' fees) incurred during or in preparation for the action or proceeding.

13.02 Involuntary Sale. If any Unit Owner (either by his or her own conduct or by the conduct of any other occupant of his or her Unit) shall violate or breach any covenants, By-Laws, restrictions or provisions of this Declaration or of the Act, or the regulations adopted by the Board, and such violation continues for 30 days after written notice from the Board, or shall occur or shall reoccur more than once thereafter, then the Board shall have the power to issue the defaulting Unit Owner a thirty day notice in writing to terminate the rights of the defaulting Unit Owner to continue as a Unit Owner and to continue to occupy, use or control his or her Unit. The Board may, after expiration of the notice period, file an action in equity against the defaulting Unit Owner to enjoin the Unit Owner or occupant or to terminate the defaulting Unit Owner's right to occupy, use or control his or her Unit on account of the breach of covenant, and ordering that his or her right, title and interest in the Property be sold at a judicial sale upon such notice and terms as the Court shall establish, in which case the Court shall enjoin and restrain the defaulting Unit Owner from re-acquiring his or her interest at the judicial sale. The proceeds of any judicial sale shall first be paid to discharge the lien of any then existing mortgage, court costs, court reporter charges, reasonably attorneys' fees, and all other expenses of the proceeding and sale, and all such items shall be taxed against the defaulting Unit Owner in said decree. Any balance of proceeds, after satisfaction of such charges and any unpaid Assessments under this Declaration or any liens, shall be paid to the Unit Owner. Upon confirmation of the sale, the purchaser shall be entitled to a deed to the Unit and its Allocated Interest and to immediate possession of the Unit and may apply to the Court for a writ of assistance for the purpose of acquiring possession. The purchaser shall take the interest in the Unit and the Allocated Interest subject to this Declaration, and the purchaser shall become a member of the Association in the place of the defaulting Unit Owner.

ARTICLE XIV. FORMATION OF ASSOCIATION

Declarant, prior to conveyance of the first Unit, shall establish the Association to govern the condominium. Declarant shall organize the Association either as a nonprofit, nonstock corporation or as an unincorporated association. The Association shall be known as Rainbow Lake Condominium Association, Inc. if incorporated or as Rainbow Lake Condominium Association if unincorporated. Upon the formation of the Association, every Unit Owner shall be a member. A Unit Owner's membership shall terminate upon the sale or other disposition by such member of his or her Unit and Allocated Interest, at which time the successor Unit

Owner shall automatically become a member. Each Unit Owner shall be bound by and observe (and shall cause his or her tenants and guests to observe) the terms and provisions of this Declaration, the Association's Articles of Incorporation or Charter and By-Laws, and the rules and regulations promulgated from time to time by the Association and its Board and officers.

ARTICLE XV. GENERAL PROVISIONS

15.01 Notices to Mortgage Lenders. After written request to the Board, the Board shall give to the holder of a duly recorded mortgage or trust deed against any Unit or its Allocated Interest or both a copy of each notice permitted or required by this Declaration to be given to the Unit Owner whose interest is subject to the mortgage or trust deed.

15.02 Service of Notices on Devisees and Personal Representatives. Each notice required or desired to be given to any devisee or personal representative of a deceased Unit Owner may be delivered either personally or by mail to such party at his or her address appearing in the records of the Court in which the estate of such deceased Unit Owner is being administered.

15.03 Covenants to Run With Land. Each person who accepts a deed from Declarant, and each subsequent transferee of any legal or equitable interest in all or any part of the Property, accepts any document of conveyance subject to all terms and conditions of this Declaration and all obligations imposed by this Declaration. All such terms, conditions and obligations shall run with the land, and shall bind any person having at any time an interest or estate in the land, and shall inure to the benefit of each transferee as if the provisions of this Declaration were recited and stipulated in full in each and every document of conveyance.

15.04 Non-Waiver of Covenants. No covenants, restrictions, conditions, obligations or provisions 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.

15.05 Waiver of Damages. Declarant and Declarant's representatives and designees shall have no liability for any claim arising out of or by reason of any action performed under authority of this Declaration, or in Declarant's capacity as developer, contractor, Unit Owner, manager or seller of the Property, whether or not such claim (a) is asserted by a Unit Owner, an occupant, the Board or the Association, or by any person or entity claiming through any of them; (b) is a personal injury or property claim, regardless of where the injury or property is located or how it is caused; or (c) except for intentionally wrongful acts, has its basis in a breach of any provision of this Declaration or any duty allegedly arising under this Declaration. Without limiting the generality of the foregoing, Declarant and Declarant's representatives and designees shall have no liability for any claim that all or any part of the Property is at any time out of repair or contains any patent or latent defects; for any act or omission by any Unit Owner, occupant, the Board, the Association or their respective agents, employees, guests and invitees; if any neighboring property or personal property located on or about the Property; or if any utility service (heat, air conditioning, electricity, gas, water, sewerage, etc.) fails to function properly. In the event of any dispute, Declarant, or Declarant's successors or assigns, shall have the option to settle same in full by repurchasing the Unit from Unit Owner for a sum equal to Unit Owner's original purchase price.

15.06 Amendments to Declaration.

(a) Amendment. Except as otherwise required by the Act or as provided for in this Declaration, and except as allowed by this Declaration for the Expansion Property, the Association may amend this Declaration with the approval of Unit Owners having at least 66-2/3% of the Voting Members in the manner provided by Section 703.09(2) or Section 703.093 of the Wisconsin Statutes. Any Unit Owner whose Unit is subject to a mortgage shall first obtain his or her mortgagee's written consent to the Unit Owner's vote in favor of or against any amendment on a form satisfactory to the Board. A Unit Owner or mortgagee who fails to respond to any notice of a proposed amendment on or before the date 30 days after the notice is delivered to such Unit Owner or mortgagee shall be deemed to have consented to the amendment, provided the notice was delivered by certified or registered mail with return receipt requested. The President and the Secretary shall certify copies of amendments in a form suitable for recording. The Association shall record each amendment in the Office of the Register of Deeds of Washington County. An amendment shall be effective at the time it is recorded. A copy of the amendment shall be mailed or personally delivered to each Unit Owner at his or her address as stated on the membership roster. So long as Declarant owns one or more Units, the Association shall not amend this Declaration without Declarant's consent in any manner which would change the rights of Declarant described in this Declaration or which would prevent or unreasonably interfere with the sale, lease or other disposition of Units by Declarant.

(b) Special Amendments. Declarant, for as long as Declarant shall have ownership in the Property or Condominium, and when Declarant no longer has an interest in the Property or Condominium then the Board, shall have the right and power to record special amendments to this Declaration at any time and from time to time which amend this Declaration (i) to comply with requirements of the FNMA, the Government National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Department of Housing and Urban Development, the Federal Housing Association, the Veteran's Administration, or any other governmental agency or any other public, quasi-public or private entity which performs (or may in the future perform) functions similar to those currently performed by such entities or any institutional lender issuing a commitment to make mortgage loans covering 20% or more of the Units, (ii) to induce any of such agencies or entities to make, purchase, sell, insure or guarantee mortgages secured by any Unit, (iii) to conform this Declaration with the requirements of the Act, or (iv) to correct clerical or typographical errors in this Declaration or in any Exhibit, supplement or amendment to this Declaration. In furtherance of the foregoing, Declarant reserves a power coupled with an interest to make or consent to a Special Amendment on behalf of each Unit Owner. Each deed, mortgage or other evidence of obligation, or other instrument affecting a Unit or the acceptance of a Unit shall be deemed to be a grant and acknowledgment of, and consent to the reservation of, the power reserved to Declarant to make, execute and record special amendments. The rights reserved to Declarant under this Section shall terminate when Declarant no longer holds or controls title to any part of the Property or 10 years from the date this Declaration is recorded, whichever occurs first.

15.07 Severability; Interpretation. The provisions of this Declaration shall be construed as independent and severable. The invalidity or unenforceability of all or any part of a provision shall not be deemed to impair or affect the validity or enforceability of the remainder of this Declaration, and in such event, all of the other provisions of this Declaration shall continue in full force and effect. The Act shall govern any conflict between any provision of any Condominium Document and the Act, or any questions regarding the interpretation of any Condominium Documents. If a conflict exists among any provisions of this Declaration, the Articles of Incorporation, the By-Laws or any rules and regulations of the Association, or

between or among any of them, this Declaration shall be considered the controlling document, followed in order by the Articles, the By-Laws and any rules and regulations of the Association. The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the development and operation of a first class condominium residential development.

15.08 Indemnification of Directors. The directors and officers of the Board or of the Association shall not be liable to the Unit Owners for any mistake or judgment or any acts or omissions made in good faith as directors or officers. The Unit Owners shall indemnify and hold harmless each director and officer against all contractual liability to others arising out of contracts made by them on behalf of the Unit Owners of the Association, unless any such contract shall have been made in bad faith or contrary to the provisions of this Declaration. The directors and officers shall have no personal liability for any contract made by them on behalf of the Unit Owners. A Unit Owner's liability for any contract made by the directors or officers or under the foregoing indemnity shall not exceed the amount equal to the total liability multiplied by the fraction equal to the Unit Owner's interest in the Common Elements. Each agreement made by the directors or officers or by the managing agent on behalf of the Unit Owners or the Association shall be executed by the directors or officers or the managing agent, as the case may be, as agents for the Unit Owners, the Board or the Association.

15.09 Disputes; Construction Defects; Arbitration.

(a) Binding Effect of Dispute Resolution Provisions on Unit Owners. To the extent allowed by law, each person who accepts a deed from Declarant, and each subsequent transferee of any legal or equitable interest in all or any part of the Property, by accepting such deed or transfer, shall be bound by the following construction defects and dispute resolution provisions.

(b) Binding Effect of Dispute Resolution Provisions on Association. To the extent allowed by law, the Association shall be bound by the following construction defects and dispute resolution provisions. No amendment subsequent to the expiration of Declarant control may modify the following construction defects or dispute resolution provisions without Declarant's consent except to the extent that such modification alters only rights between parties other than Declarant or its successors and assigns.

(c) Construction Defects and Warranty Claims.

(i) Except as specifically allowed by law, the Association shall not bring an action or claim on behalf of one or more Unit Owners against Declarant or its contractors, agents, successors, assigns or any combination of them for construction defects or warranty claims related to the Units. Unit Owners are authorized to bring all such claims on their own behalf pursuant to the terms of the offer to purchase executed by Declarant and a Unit Owner.

(ii) Except as specifically allowed by law, no Unit Owner shall bring an action or claim against Declarant or its contractors, agents, successors, assigns or any combination of them for construction defects or warranty claims related to the Common Areas and related improvements. The Association is authorized to bring all such claims as described below.

(iii) For a period of three months following termination of Declarant control, Declarant warrants to the Association that [1] all materials and equipment furnished by Declarant and its contractors and agents for construction of the Common Elements and related improvements shall be of good quality; [2] all of the construction by Declarant and its contractors shall be of good quality, free from material faults and material defects and consistent with the standards in the industry; and [3] the Common Elements shall substantially conform to the plans and specifications. This warranty does not extend to damages or defects caused by abuse, modifications not executed by Declarant or contractors under direction of Declarant, improper or insufficient maintenance, improper operation or normal wear and tear and normal usage. THE ASSOCIATION WAIVES ALL OTHER EXPRESS OR IMPLIED WARRANTIES.

(iv) On or before the first day of the fourth month after the month in which Declarant's control is terminated, the Association may make a claim under the foregoing warranty by providing to Declarant a Final Punch List Agreement in the form attached to this declaration as Exhibit D. The terms of the Final Punch List Agreement are incorporated in this Declaration by reference. The Association may provide punch lists of defects to Declarant from time to time prior to execution and delivery of the Final Punch List Agreement; however, CLAIMS UNDER THE FOREGOING WARRANTY SHALL ONLY BE MADE BY AND THROUGH THE TIMELY COMPLETION, EXECUTION AND DELIVERY OF THE FINAL PUNCH LIST AGREEMENT.

(d) Arbitration.

(i) Any controversy or claim arising out of or relating to this Declaration, including without limitation all controversies and claims related to construction defects and warranty claims, shall be settled by arbitration.

(ii) The arbitrator or arbitrators (in either instance, the Arbitrator) shall be chosen by agreement of the parties to the claim or controversy if such agreement can be reached within 10 business days of the date demand is made for arbitration. If the parties cannot so agree, the Arbitrator shall be chosen as provided in Wisconsin Statutes Section 788.04(1).

(iii) The arbitration shall be conducted pursuant to rules established by either the Arbitrator. The Arbitrator shall determine the meaning of all terms and phrases in this Agreement which relate to the controversy, and no party shall look to a court to make such a determination. The Arbitrator shall issue his or her decision in writing. This Agreement to arbitrate shall be specifically enforceable. If any party refuses, upon five business days prior written notice, to participate in the arbitration process, the arbitration shall proceed without such party and the Arbitrator shall make his or her rulings without the input of such party. The decision of the Arbitrator shall be binding pursuant to applicable law, and judgment upon the award ordered by the Arbitrator may be entered in any court having jurisdiction over the controversy. The Arbitrator shall award costs, including reasonable attorneys' fees, to the party or parties whose position the Arbitrator finds to be most correct.

15.10 Captions. The captions and headings of various paragraphs of this Declaration are for convenience only and are not to be construed as defining or limiting the scope or intent of the provisions of any paragraph.

15.11 Registered Agent. The initial registered agent for service of process shall be Robert A. Patch whose address is Heartland Development Group, Ltd., 309 N. Water Street,

Suite 315, Milwaukee, Wisconsin 53202. The Board may designate another person or entity as registered agent upon proper filing of the name with the Register of Deeds for Milwaukee County, Wisconsin, and in the appropriate filing office for the State of Wisconsin.

[The remainder of this page is blank. Signature page follows.]

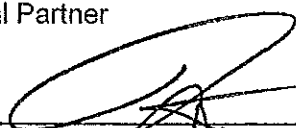
Dated as of the date first set forth above.

DECLARANT:

RAINBOW LAKE ASSOCIATES
LIMITED PARTNERSHIP, a
Wisconsin limited partnership

By: RAINBOW LAKE (GP), INC.,
General Partner

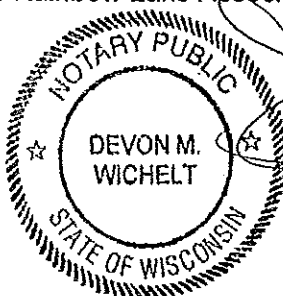
By:


Robert A. Patch, President

STATE OF WISCONSIN)
COUNTY OF MILWAUKEE)

ss

The foregoing instrument was acknowledged before me on December 15, 2006
by Robert A. Patch, President of Rainbow Lake (GP), Inc., a Wisconsin corporation, the
general partner of Rainbow Lake Associates Limited Partnership, a Wisconsin limited
partnership.




Name: Devon M. Wichelt

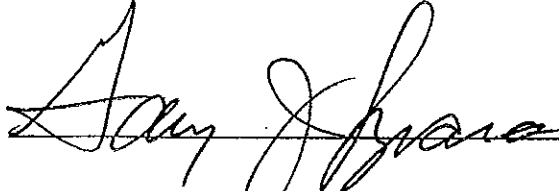
Notary Public, State of Wisconsin

My commission expires: 2.14.2010

MORTGAGEE'S CONSENT

Pursuant to Wisconsin Statutes Section 703.09, North Shore Bank FSB mortgagee of the Property described in the foregoing Declaration, consents to the execution and recording of this Declaration.

Dated Dec. 14th, 2006.



By: Gary J. Szpara
Name: _____
Title: Vice President

ACKNOWLEDGMENT

STATE OF WISCONSIN)
COUNTY OF Waukesha) ss

This instrument was acknowledged before me Jennifer Kenyon,
2006 by Gary J. Szpara, Vice President of
North Shore Bank FSB.

Name: Jennifer Kenyon
Notary Public, State of Wisconsin
My commission 10/25/09

THIS INSTRUMENT WAS
DRAFTED BY AND AFTER
RECORDING SHOULD BE
RETURNED TO:

Peter W. McCombs, Esq.
MURN & MARTIN, S.C.
W229 N1792 Amber Lane
Waukesha, WI 53186-1184

EXHIBIT A
LEGAL DESCRIPTION

INSERT CHART

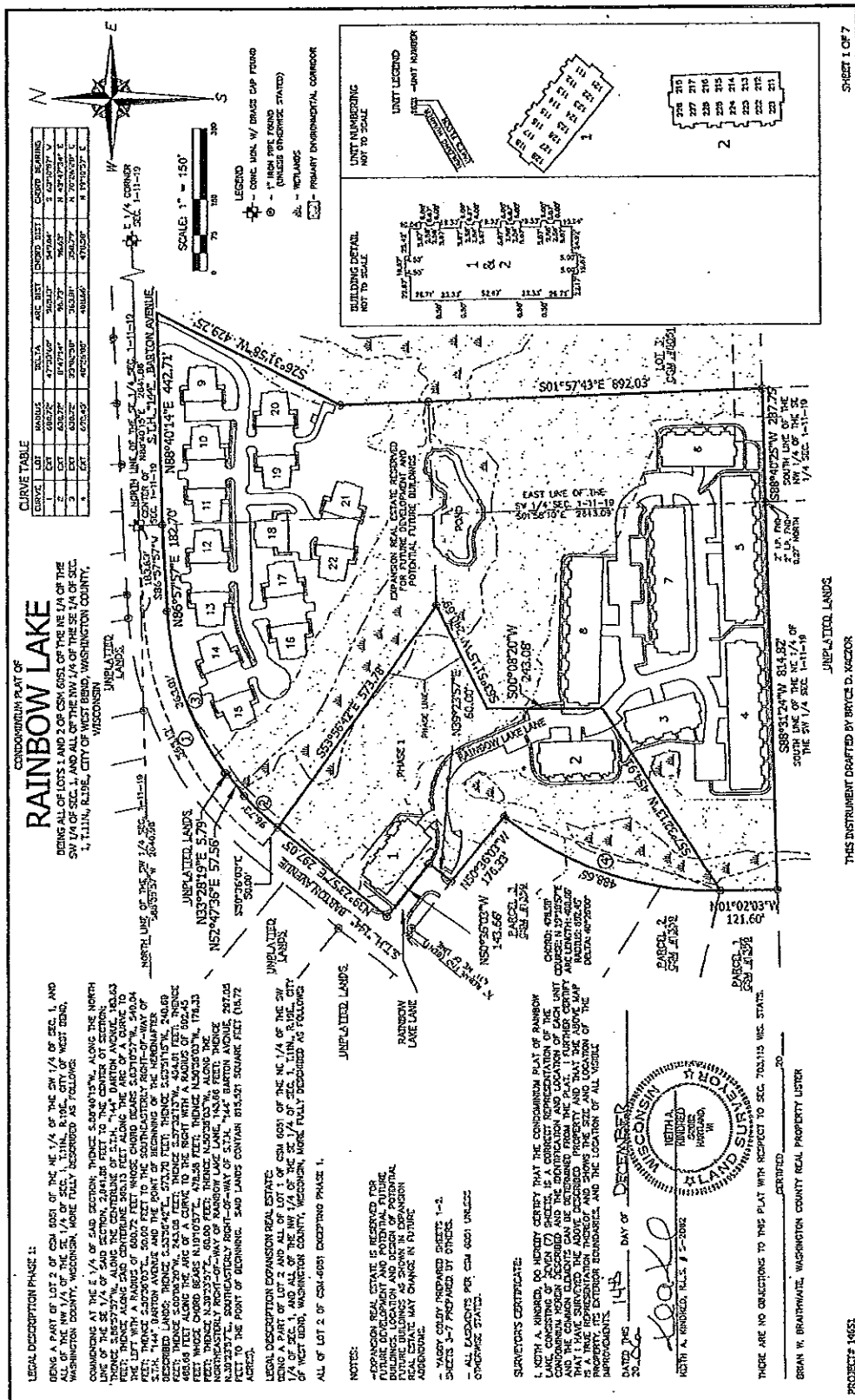
Legal Description:

Lot 1 and Lot 2 of Certified Survey Map No. 6051 recorded on June 30, 2006, in Volume 45, Pages 37 to 50 as Document No. 1131571, being a part of the Northeast $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ of Section 1, and all of the Northwest $\frac{1}{4}$ of the Southeast $\frac{1}{4}$ of Section 1, Town 11 North, Range 19 East, in the City of West Bend, County of Washington, State of Wisconsin.

Exhibit B
Plat of Condominium
Chart of Unit Identification

Unit

1 111
2 112
3 113
4 114
5 115
6 116
7 117
8 118
9 121
10 122
11 123
12 124
13 125
14 126
15 127
16 128
17 211
18 212
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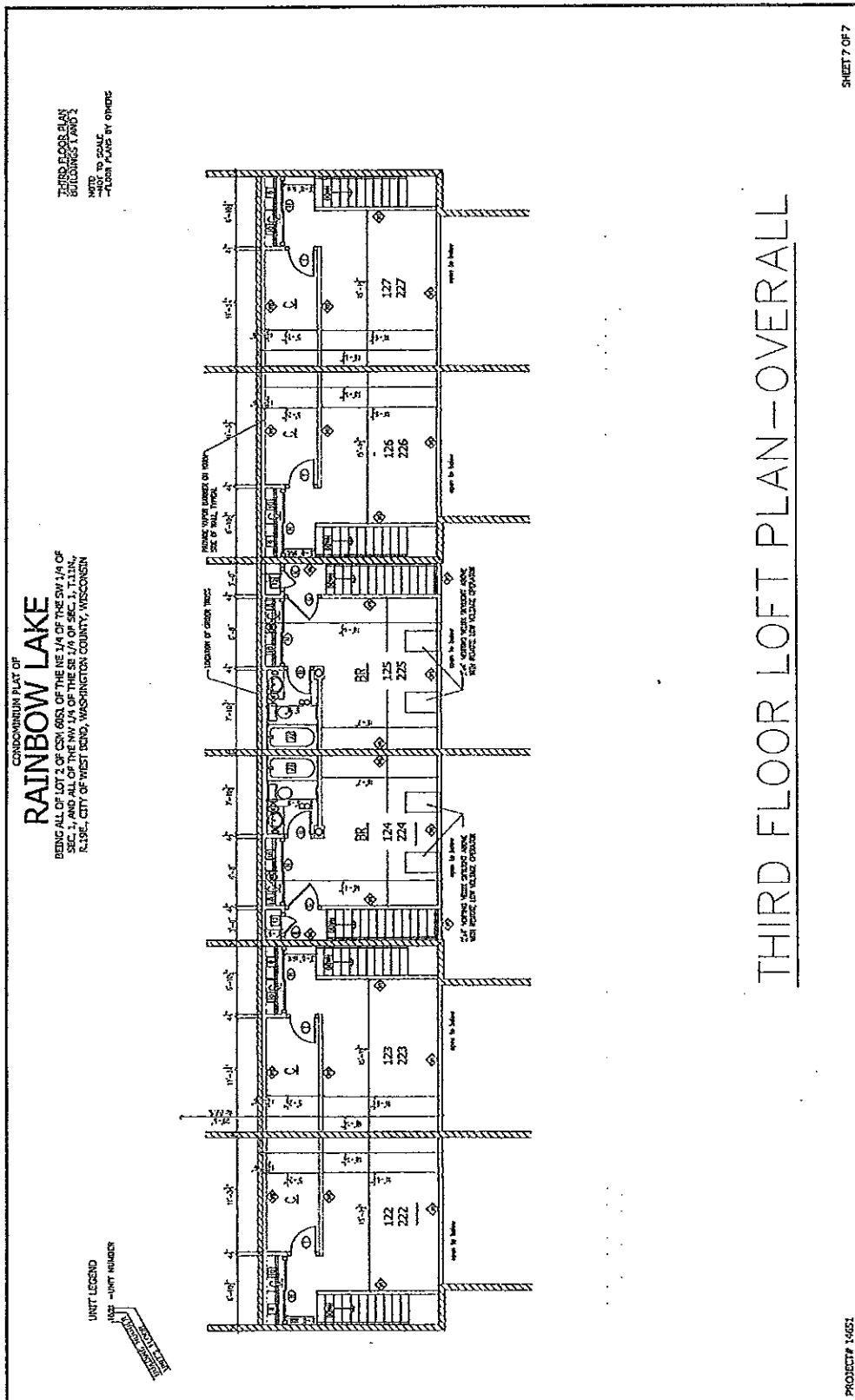


EXHIBIT C
INTERESTS

<u>Unit</u>	<u>Percentage Interest</u>
111	.03125
2112	.03125
3113	.03125
4114	.03125
5115	.03125
6116	.03125
7117	.03125
8118	.03125
9121	.03125
40122	.03125
44123	.03125
42124	.03125
43125	.03125
44126	.03125
45127	.03125
46128	.03125
47211	.03125
48212	.03125
49213	.03125
20214	.03125
24215	.03125
22216	.03125
23217	.03125
24218	.03125
25221	.03125
26222	.03125
27223	.03125
28224	.03125
29225	.03125
30226	.03125
31227	.03125
32228	.03125

EXHIBIT D
FINAL PUNCH LIST AGREEMENT

Exhibit D

FINAL PUNCH LIST AGREEMENT

This Agreement, dated as of November 7, 2006, is made between RAINBOW LAKE ASSOCIATES LP, a Wisconsin limited partnership ("Developer"), and RAINBOW LAKE HOMEOWNERS ASSOCIATION, INC. a Wisconsin non-stock, non-profit corporation ("Association").

RECITALS

A. Association is an association of the owners of the units in Rainbow Lake Condominiums (the "Condominium") in Washington County, Wisconsin.

B. Developer developed the Property and constructed the improvements to the Property. Developer has corrected numerous construction defects and warranty items described on numerous lists delivered by Association and its members to Developer.

C. Association desires to have Developer perform additional work at the Property. Developer desires to correct the attached defects and other construction work; however, as a condition of performance, Developer requires Association to agree that the work to be done is the final work the Association will request from Developer.

AGREEMENTS

In consideration of the foregoing recitals, the mutual agreements that follow and other consideration, the receipt and sufficiency of which the parties acknowledge, THE PARTIES AGREE:

1. Punch List. The Final Punch List attached to this Agreement as Exhibit A describes all construction defects and other work (collectively, the "Final Punch List Work") that Association desires to have Developer complete.

2. Completion of Final Punch List Work. Developer shall complete the Final Punch List Work in a good and workmanlike manner within ninety (90) days of execution of this document; provided, however, if the Final Punch List Work is delayed due to conditions outside the Developer's reasonable control, the deadline shall be extended for the reasonable period that is necessary for Developer to complete the Final Punch List Work.

3. Release. Except for the Final Punch List Work, Association, for itself and its members, releases Developer from all past, present, and future claims, damages, expenses and other liabilities and obligations in connection with the development of the property and construction of improvements of the Property. Association shall indemnify Developer from all damages, including costs of defense, if Association or any of its members make a

claim against Developer based on anything other than the Final Punch list Work.

4. Completion of Final Punch List Work.

(a.) Developer shall provide written notice to Association when Developer maintains the Final Punch List Work is completed. Such written notice shall either be hand delivered or sent by certified mail, return receipt requested.

(b.) On or before the tenth business day after Association receives Developer's notice, TIME BEING OF THE ESSENCE, Association shall provide to Developer written notice specifying in detail any item or items of the Final Punch List Work that Association disputes is completed in a good and workmanlike manner. If Developer does not receive such written notice on or before such tenth business day, Association shall be deemed to have accepted the Final Punch List Work and Developer shall have no further obligations to Association.

(c.) If Association properly and timely disputed any of the Final Punch List Work, Developer shall have thirty (30) business days to correct such disputed work. At the end of such period, Association may commence an action pursuant to the following Section for the disputed Final Punch List Work.

5. Disputes; Arbitration. Any controversy or claim arising out of or relating to this Agreement shall be settled by arbitration. Association may only bring an action for arbitration of any disputed Final Punch List Work. The arbitration shall be chosen by agreement of the parties if they are able to do so. Any party may, no sooner than ten business days after the date of demand for arbitration, petition the Milwaukee County Circuit Court for the appointment of an arbitrator pursuant to Wisconsin Statutes Section 788.04(1). The arbitration shall be conducted pursuant to rules established by the arbitrator. The arbitrator shall determine the meaning of all terms and phrases in this Agreement which relate to the controversy, and no party shall look to a court to make such a determination. The arbitrator shall issue his or her decision in writing. This Agreement to arbitrate shall be specifically enforceable. If any party refuses, upon five business days' prior written notice, to participate in the arbitration process, the arbitration shall proceed without such party and the arbitrator shall make his or her rulings without the input of such party. The decision of the arbitrator shall be binding pursuant to applicable law, and judgment upon the award ordered by the arbitrator may be entered in any court having jurisdiction over the controversy. The arbitrator shall award costs, including reasonable attorneys' fees, to the party or parties whose position the arbitrator finds to be most correct.

6. Governing Law. This Agreement shall be governed by the internal laws of the State of Wisconsin.

7. Authority. Each party to this Agreement represents and warrants that this Agreement shall bind and inure to the benefit of each of the parties and its equity owners. Each person executing this Agreement on behalf of Association personally represents that

he or she has the authority to enter into this Agreement on behalf of Association and its members and that this Agreement is authorized by all necessary corporate approvals of Association. The person executing this Agreement on behalf of Developer personally represents that he or she has the authority to enter into this agreement on behalf of Developer and that this Agreement is authorized by all necessary approvals of the partners of Developer.

Dated as of the date first set forth above.

RAINBOW LAKE ASSOCIATES, LP

Must be signed by two officers

RAINBOW LAKE HOMEOWNERS
ASSOCIATION, INC.

By: _____

Michael J. Petersen
Member

By: _____

Name: _____
Title: _____

By: _____

Name: _____
Title: _____

By: _____

Name: _____
Title: _____

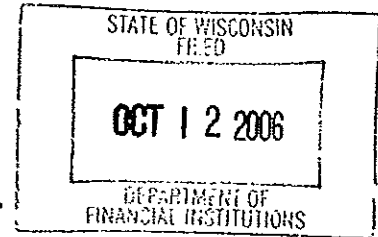
TAB 2

ARTICLES OF INCORPORATION

RECEIVED - SEPT OF
FINANCIAL INSTITUTIONS
STATE OF WISCONSIN

ARTICLES OF INCORPORATION
OF

2006 OCT -5 AM 9:23 RAINBOW LAKE HOMEOWNERS ASSOCIATION, INC.
(a non-stock corporation)



ARTICLE 1.
Name

The name of the corporation shall be Rainbow Lake Homeowners Association, Inc.

ARTICLE 2.
Organization

This corporation is organized under the Wisconsin Corporation Law, Chapter 181 of the Wisconsin Statutes.

ARTICLE 3.
Registered Agent

The registered agent of the corporation is Robert A. Patch.

ARTICLE 4.
Registered Office

The registered office of the corporation is 309 North Water Street, Suite 160, Milwaukee, Wisconsin 53202.

ARTICLE 5.
Initial Principal Office

The mailing address of the initial principal office is 309 North Water Street, Suite 160, Milwaukee, Wisconsin 53202.

ARTICLE 6.
Members

The corporation will have members.

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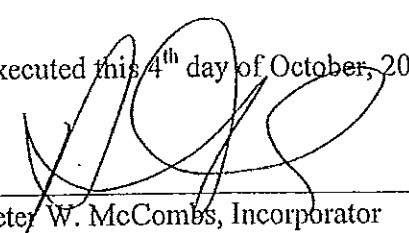
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ARTICLE 7.
Incorporator

The name and address of the Incorporator is:

Peter W. McCombs, Esq.
MURN & MARTIN, S.C.
W229 N1792 Amber Lane
Waukesha, WI 53186-1184

Executed this 4th day of October, 2005.



Peter W. McCombs, Incorporator

This instrument was drafted by Peter W. McCombs, Esq., MURN & MARTIN, S.C., W229-N1792 Amber Lane, Waukesha, Wisconsin, 53186-1184; Telephone: (262) 524-8500; Facsimile: (262) 524-9200.

TAB 3

By-Laws

BYLAWS
of
RAINBOW LAKE CONDOMINIUM ASSOCIATION, INC.

ARTICLE I
Name and Address

1.01 Name; Purpose. The name of the corporation shall be Cobble Court Homeowners Association, Inc. (the "Association"). The Association is incorporated as a nonstock, nonprofit corporation under the provisions of the Wisconsin Nonstock Corporation Law, Chapter 181 of the Wisconsin Statutes. The Association is formed to govern the administration of RAINBOW LAKE CONDOMINIUM, which is located in the City of West Bend, Washington County, Wisconsin, as required by Section 703.10 of the Wisconsin Statutes, a provision of the Wisconsin Condominium Ownership Act (the "Act").

1.02 Office. The initial principal office of the Association shall be located at 309 North Water Street, Suite 315, Milwaukee, Wisconsin 53202. This office shall also be the mailing address of the Association. The office and mailing address may be changed by written notice from the Board to the members.

1.03 Capitalized Terms. Capitalized terms not defined in these Bylaws shall have the meanings given to them in the Declaration of Condominium for Rainbow Lake Condominium executed by RAINBOW LAKE ASSOCIATES LIMITED PARTNERSHIP, a Wisconsin limited partnership ("Declarant") and recorded in the office of the Washington County Register of Deeds (the "Declaration").

ARTICLE II
Membership and Board of Directors Generally

*The Provisions in This Article II Are Copied From the Declaration
And May Not Be Amended Without Simultaneous Amendment of the Declaration*

Each Unit Owner shall be a member of the Association automatically upon and simultaneously with the delivery of a deed of conveyance of fee title to the Unit from Declarant or any successor in interest. Subject to the rights of Unit Owners as set forth in the Declaration, the Association shall have exclusive responsibility to manage and control of the Common Elements and Improvements (including all equipment constituting a part of the Common Elements or Improvements). The Association shall act through the Board. The Board shall initially consist of three persons designated by Declarant until such time as the Unit Owners are entitled to elect directors as provided in Section 3.02. Provided that at all times the Association maintains at least three directors, the Association may increase or decrease the number of directors by affirmative vote of 66-2/3% of the Voting Members (as defined below).

ARTICLE III
Unit Owners' Voting Rights and Meetings

*The Provisions in This Article III Are Copied From the Declaration
And May Not Be Amended Without Simultaneous Amendment of the Declaration*

3.01 Voting Rights. Only one person with respect to each Unit and its Allocated Interest shall be entitled to vote at any meeting of the Unit Owners. Such person shall be known as a "Voting Member." A Voting Member may be the Unit Owner or one member of the group owning a Unit and its Allocated Interest, or may be some person designated by such Unit Owner to act as proxy on his, her or their behalf. The Voting Member need not be a Unit Owner. The Unit Owner shall make such designation in writing to the Board. The designation shall be revocable at any time by actual notice to the Board of the death or judicially declared incompetence of the Unit Owner, or by written notice to the Board by the Unit Owner. A proxy shall be valid only for the particular meeting designated on the proxy and must be filed with the Association before the scheduled time of the meeting. Any Unit Owner may be present at any meeting of the Voting Members. There shall be one vote per Unit with the total vote available being equal to the total number of Units in the Condominium. Declarant or his or her nominee may exercise voting rights with respect to any Unit that Declarant owns.

3.02 Meetings.

(a) Quorum: Procedure. The presence in person or by proxy of Voting Members having a majority of the total votes shall constitute a quorum. Unless otherwise expressly provided in the Declaration, any action may be taken at any meeting of the Voting Members at which a quorum is present upon the affirmative vote of the Voting Members having a majority of the total votes present at such meeting. Any Voting Member may waive in writing notice of a meeting, or consent to the holding of a meeting without notice, or consent to any action of the Association without a meeting.

(b) Annual Meeting. The first meeting of the Unit Owners shall be held upon 15 days' prior written notice given by Declarant. The first meeting shall occur prior to the conveyance to Unit Owners other than Declarant of 25% of the interests in the Common Elements. At the first meeting, the Unit Owners other than Declarant shall elect at least one-fourth (but not less than one) of the members of the Board. Prior to conveyance to Unit Owners other than Declarant of 50% of the interests in Common Element, the Association shall hold a meeting at which the Unit Owners other than Declarant shall elect at least one-third of the members of the Board. Not later than 30 days after the expiration of Declarant control (as described below), the Association shall hold a meeting at which the Unit Owners shall elect directors and officers. The directors and officers shall take office after the election. Thereafter, the Association shall hold, on the Property, an Annual Meeting of the Voting Members at 2:00 p.m. on the third Saturday in May of each year, or at such other reasonable place or time (not

more than 30 days before or after such date), as the Board may designate by written notice delivered to the Voting Members not less than 15 days prior to the date fixed for the meeting. Declarant control shall cease on the earlier of the seventh anniversary of the recording of the Declaration or the date 30 days after the conveyance of 75% of the Common Elements to Unit Owners other than Declarant. For purposes of this Section, the interests in Common Elements shall be calculated as if the Condominium has been fully expanded under Article V of the Declaration.

(c) Special Meetings. A majority of the Board or Voting members having one-third of the total votes may call a special meeting of the Voting Members at any time to consider matters which, by the terms of the Declaration, require the approval of all or some of the Voting Members, or for any other reasonable purpose. The parties calling the meeting shall provide written notice to the Voting Members not less than 15 days prior to the date fixed for the meeting. The notice shall specify the date, time, and place of the meeting and the matters to be considered.

3.03 Notices of Meetings. Notices of meetings required to be given in these Bylaws may be delivered either personally or by mail to the persons entitled to vote, addressed to each such person at the address given by him/her to the Board for the purpose of service of such notice, or to the Unit of the Unit Owner with respect to which such voting right pertains if no address has been given to the Board.

ARTICLE IV Additional Voting Rights

4.01 Prohibiting Voting by Certain Unit Owners. If the Association has recorded a statement of condominium lien on a Unit and the amount necessary to release the lien has not been paid at the time of a meeting of the Association, the Unit Owner may not vote at the meeting.

4.02 Action by Written Consent. Action required or permitted to be taken or approved by the Unit Owners may be approved without a meeting of Unit Owners if the action is approved by Unit Owners holding at least 50% of the votes in the Association entitled to vote to take or approve the action. Action required or permitted to be taken or approved by Declarant may be approved without a meeting of Unit Owners. In either such case, the action must be evidenced by one or more written consents describing the action taken, signed by the required number of Unit Owners or Declarant, as the case may be, and delivered to the Association for inclusion in the minutes or filing with the Association records. All signatures on the written consent shall be dated and, in determining whether the required number of Unit Owners have signed the consent, only those signatures dated after the date of the most recent meeting of the Association may be counted.

4.03 Action by Written Ballot. Any action that may be taken at an annual or special meeting of the Association may be taken without a meeting if the Association delivers a written ballot to every Unit Owner entitled to vote on the matter. A written

ballot shall set forth each proposed action and provide an opportunity to vote for or against each proposed action. Approval by written ballot under this Section shall be valid only when the number of votes cast by ballot equals or exceeds the quorum required to be present at a meeting authorizing the action, and the number of approvals equals or exceeds the number of votes that would be required to approve the matter at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot. A solicitation for votes by written ballot shall include all of the following information: (a) the number of responses needed to meet the quorum requirements; (b) the percentage of approvals necessary to approve each matter other than election of Directors; and (c) the time by which a ballot must be received by the Association in order to be counted. A written ballot may not be revoked.

ARTICLE V

Board Election, Meetings and Powers

*The Provisions in This Article V Are Copied From the Declaration
And May Not Be Amended Without Simultaneous Amendment of the Declaration*

5.01 Board; Election; Meetings.

(a) At each Annual Meeting of Unit Owners, the Voting Members shall, by a majority of the total votes present at such meeting, elect sufficient Board members ("directors") for the forthcoming year to provide for a Board consisting of three directors, all of whom must own a Unit, except for directors nominated or designated by Declarant. Two directors shall constitute a quorum. Directors shall serve, without compensation, for a term of three years or until their successors are elected and qualify; provided, however, that the terms of at least one-third of the directors shall expire annually. If a director ceases to qualify to serve as a director, as set forth in these Bylaws, such director shall immediately cease to be a director and his or her place on the Board shall be deemed vacant. Vacancies in the Board may be filled by unanimous vote of the remaining directors. Except as otherwise provided in the Declaration, the Property shall be managed by the Board, and the Board shall act by majority vote of those present at its meetings when a quorum exists. Meetings of the Board may be called, held and conducted in accordance with such regulations as the Board may adopt.

(b) The Board shall elect, from among the directors, a President who shall preside over its meetings and those of the Association, a Secretary who shall keep the minutes of all meetings of the Board and of the Voting Members and who shall, in general, perform all the duties incident to the office of secretary, including counting votes at any meeting, and a Treasurer to keep the financial records and books of account.

(c) Voting Members having at least two-thirds of the total votes may remove any director from office at any Special Meeting called for that purpose. The Voting Members may by majority vote elect a successor to fill the unexpired term of a

Board member removed at the same meeting or any subsequent meeting called for that purpose.

(d) The Board shall hold an Annual Meeting immediately following the Annual Meeting of the Unit Owners at the same place as the Annual Meeting of the Unit Owners. Special meetings of the Board shall be held upon call by the President or by a majority of the Board on not less than forty-eight hours' written notice to each director, delivered personally or by mail or telegram. Any director may in writing waive notice of consent to any action of the Board without a meeting.

(e) Directors shall receive no compensation for their services unless expressly provided for in resolutions duly adopted by the Unit Owners.

5.02 General Powers of the Board. Without limiting other general powers which Applicable Laws, these Bylaws and the Declaration provide, the Board shall have the following general powers and duties:

(a) To elect the officers of the Association as provided by these Bylaws;

(b) To administer the affairs of the Association and the Property;

(c) To engage the services of a manager or managing agent who shall manage and operate the Property and the Common Elements for all of the Unit Owners, upon such terms and for such compensation and with such authority as the Board may approve (subject to the provisions of the Declaration and these Bylaws;

(d) To formulate policies for the administration, management and operation of the Property and the Common Elements;

(e) To adopt administrative rules and regulations governing the administration, management, operation and use of the Property and the Common Elements, and to amend such rules and regulations from time to time;

(f) To provide for the maintenance, repair and replacement of the Common Elements and payments therefore, and to approve payment vouchers or to delegate such approval to the officers or the manager or managing agent;

(g) To provide for the designation, hiring and removal of employees, and other personnel, including accountants and other independent contractors, and to engage or contract for the services of others, and to make purchases for the maintenance, repair, replacement, administration, management and operation of the Property and the Common Elements, and to delegate any such powers to the manager, the managing agent and any employees or agents of the managing agent;

(h) To estimate the amount of the annual budget, and to provide the manner of assessing and collecting from the Unit Owners their respective shares of such estimated expenses, as provided below;

(i) To comply with the instructions of a majority of the Unit Owners, as expressed in a resolution duly adopted at any Annual or Special Meeting of the Unit Owners; and

(j) To exercise all other powers and duties of the Board or Unit Owners as a group referred to in the Act and all powers and duties of a Board referred to in the Declaration or these Bylaws.

5.03 Specified Powers of the Board. The Board, for the benefit of the Board, the Association and all Unit Owners, shall provide and pay for out of the maintenance fund described below, the following:

(a) Utility Service for Common Elements. Water, sewer, waste removal, electricity, gas and telephone, heat, power and other necessary utility service for the Common Elements (and, if not separately metered or charged, for the Units).

(b) Insurance. Casualty, liability, workmen's compensation and other insurance as described in Article XI of the Declaration.

(c) Wages and Fees for Services. The services of any person or firm employed by the Board, including, without limitation, the services of a person or firm to act as manager or as managing agent for the Property, the services of any person or persons required for maintenance or operation of the Property, and legal and/or accounting services necessary or proper in the operation of the Property or the enforcement of the Declaration and for the organization, operation and enforcement of the rights of the Association.

(d) Care of Common Elements. Landscaping, gardening, snow removal, painting, cleaning, tuck pointing, maintenance, decorating, repair and replacement of the Common Elements (but not including the interior surfaces of the Units, which the Unit Owner shall paint, clean, decorate, maintain and repair, not including any portion of the Common Elements which are the responsibility of any Unit Owner) and such furnishings and equipment for the Common Elements as the Board determines are necessary and proper, and the Board shall have the exclusive right and duty to acquire or provide such services for the Common Elements.

(e) Additional Expenses. Any other materials, supplies furniture, labor, services, maintenance, repairs, structural alterations, insurance or assessments which the Board is required to secure or pay for pursuant to the terms of the Declaration or by Applicable Law or which in the Board's opinion is necessary or proper for the maintenance and operation of the Property as a first class development or for the enforcement of the Declaration.

(f) Discharge of Mechanic's Liens. Any amount necessary to discharge any mechanic's lien or other encumbrance levied against all or any part of the Property which may, in the opinion of the Board, constitute a lien against the Property or the Common Elements, rather than merely against the interest of a particular Unit Owner; however, the foregoing authority shall not limit any applicable statutory provisions. Where one or more Unit Owners are responsible for the existence of such a lien, they shall be jointly and severally liable for the cost of discharging it, and the Board shall specially assess any costs incurred by the Board by reason of the lien to those Unit Owners.

(g) Certain Maintenance of Units. Maintenance and repair of any Unit as provided in the Declaration, and maintenance and repair of any Unit if such maintenance or repair is necessary in the discretion of the Board to protect the Common Elements, or any portion of the Building, provided the Unit Owner has failed or refused to perform the maintenance or repair within a reasonable time after the Board delivers written to the Unit Owner requiring the Unit Owner to perform the maintenance or repair. The Board shall levy a special Assessment against the Unit Owner for the cost of the maintenance or repair. The Board or its agents may enter any Unit when necessary in connection with any maintenance or construction for which the Board or Association is responsible. They may likewise enter any balcony or patio for maintenance, repairs, construction or painting, if not performed by the Unit Owner pursuant to Section 6.06 of the Declaration. They shall enter with as little inconvenience to the Unit Owners as practicable in their reasonable determination. If the Board or its agent causes any damage by such entry, the Board shall, at its option, either have such damaged repaired or reimburse the Unit Owner for such repair, in either instance at the expense of the maintenance fund unless the damage occurs as a result of the Unit Owner's violation of the provisions of the Declaration related to keys. If any emergency originates in, or threatens, any Unit, or if the Unit Owner's absence from the Unit at a time when required alterations or repairs are scheduled, the management agent or his or her representative or any other person designated by the Board may enter the Unit immediately, whether the Unit Owner is present or not. The Board reserves the right to retain a pass key to each Unit, and no Unit Owner or anyone acting under authority of a Unit Owner shall place any locks or other devices on the doors to the Units to obstruct entry through the use of such pass key.

5.04 Capital Additions and Improvements. Notwithstanding any contrary provision of the Declaration, the Board shall have no authority to acquire or provide or pay for out of the maintenance fund any capital additions and improvements (other than for purposes of replacing or restoring portions of the Common Elements subject to all the provisions of the Declaration) having a total cost in excess of \$5,000 in the aggregate, nor shall the Board authorize any structural alterations, capital additions to, or capital improvements of the Common Elements requiring an expenditure in excess of \$5,000 in the aggregate, without in each case the prior approval of the Voting Members holding two-thirds of the total votes.

5.05 Certain Utility Services to Units. The Board may pay from the maintenance fund for water and sewer taxes, waste removal and/or any utilities which are not separately metered or otherwise directly charged to individual Unit Owners. However, the Board may discontinue such payments at any time, in which case each Unit Owner shall be responsible for direct payment of his or her share of such expenses as determined by the Board. The Board reserves the right to levy additional Assessments against any Unit Owner to reimburse it for excessive use by such Unit Owner of any utility service, the expense of which is charged to the maintenance fund.

5.06 Vouchers. The Board shall cause vouchers for payment of expenditures to be signed by one or more officers or agents of the Board and in such manner as from time to time shall be determined by written resolution of the Board. If no such resolution exists, the Treasurer shall sign and the President shall countersign such vouchers.

5.07 Rules and Regulations.

(a) The Board. The Board may adopt such reasonable rules and regulations as it deems advisable from time to time for the maintenance, conservation and beautification of the Property, and for the health, comfort, safety and general welfare of the Unit Owners and occupants of the Property. Written notice of such rules and regulations shall be given to all Unit Owners and occupants, and the Property shall at all times be maintained subject to such rules and regulations. The rules and regulations shall apply equally to all Unit Owners and their tenants and guests. The rules and regulations shall be consistent with the Declaration and these Bylaws. As provided in the Act, rules and regulations may provide for charges, fines and Assessments for violation of the Declaration, these Bylaws, the rules and regulations or the Act. The Association shall provide notice in the manner described in the Act at the time it assesses any such charge, fine or Assessment.

(b) Management. Notwithstanding any contrary provision of the Declaration, the Board may engage the services of an agent to manage the Property to the extent deemed advisable by the Board.

5.08 Not for Profit. Notwithstanding any contrary provision of these Bylaws, the Board shall have no authority to conduct an active business for profit on behalf of all or any of the Unit Owners.

ARTICLE VI

Participation of Directors by Means Other than in Person

The Board may permit any or all Directors to participate in a regular or special meeting or in a committee meeting of the Board by, or to conduct the meeting through the use of, any means of communication that satisfies the requirements of Section 181.0820(3) of Chapter 181.

ARTICLE VII
Budget Assessments-Maintenance Fund

*The provisions in this Article are copied from the Declaration
and may not be amended without simultaneous amendment of the Declaration*

7.01 Preparation of Estimated Budget. Each year on or about December 1, or as soon after such date as reasonably practical, the Board shall estimate the total amount necessary to pay for the following calendar year all costs of wages, payroll taxes, materials, insurance, services, management fees, supplies, maintenance, repair, landscaping, fuel, power and other common utilities and Common Expenses, together with a reasonable amount considered by the Board to be necessary for a reserve for contingencies and replacements. As used in these Bylaws, the estimate is known as the "Annual Budget." The Board shall, on or about December 15, or as soon thereafter as reasonably practical, notify each Unit Owner of constructed Units in writing of the Annual Budget. The notice shall contain a reasonable itemization including those items required by Wisconsin Statutes Section 703.161(2). The estimate set forth in the Annual Budget shall be assessed pro rata to the Unit Owners owning constructed and completed Units. On or before the date of the Annual Meeting of each calendar year, the Board shall supply to all the Unit Owners an itemized accounting of the Common Expenses for the preceding calendar year actually incurred and paid, together with a tabulation of the amounts collected pursuant to the estimates provided, and showing the net amount over or short of the actual expenditures, plus reserves. Any amount accumulated in excess of the amount required for actual expenses and reserves shall be credited according to each Unit Owner's payment obligations to the next monthly installments due from Unit Owners under the current year's estimate, until exhausted, and any net shortage shall be added according to each Unit Owner's payment obligations to the installments due in the succeeding months after rendering of the accounting as provided in these Bylaws.

7.02 Reserves for Contingencies and Replacements. The Board shall build up and maintain a reasonable reserve for contingencies and replacements; however, no "Statutory Reserve Account," as defined in Chapter 703 of the Wisconsin Statutes, shall be maintained. The Board shall first charge against such reserve all extraordinary expenditures not originally included in the annual estimate which may become necessary during the year. If the Annual Budget proves inadequate for any reason, including because one or more Unit Owners fail to pay their Assessments, the Board may, at any time, levy a further Assessment, which shall be assessed to the Unit Owners in the same proportion as other general Assessments. The Board shall serve notice of such further Assessment on the Unit Owners as provided in these Bylaws and such further Assessment shall become effective as provided in these Bylaws. All such Unit Owners shall be obligated to pay the adjusted amount. At the time each constructed Unit is first occupied, the Unit Owner, other than Declarant, shall pay (in addition to the first monthly Assessment) to the manager or managing agent or as otherwise directed by the Board, an amount equal to not less than two months' general Assessments (the "Initial Assessment Contribution"). The Initial Assessment

Contribution shall be used and applied as an operating reserve for Common Expenses in the manner provided in the Declaration.

7.03 Budget for First Year. When the first Board elected under these Bylaws takes office, it shall determine the Annual Budget for the period commencing 30 days after the election and ending on December 31 of the calendar year in which the election occurs. Assessments shall be levied against all Unit Owners other than Declarant except that, as provided in Wisconsin Statutes Section 703.16(2)(b), the total amount assessed against sold Units may not exceed the amount that equals sold Units' budgeted share of Common Expenses as anticipated in the Annual Budget, and Declarant shall be liable for the balance of the actual Common Expenses.

7.04 Failure to Prepare Annual Budget. If the Board fails to prepare or delays preparing or serving the Annual Budget or any adjusted estimate, such delay or failure shall not constitute a waiver of, or release in any manner, any Unit Owner's obligation to pay the maintenance costs and necessary reserves, as provided in the Declaration, whenever they are determined. In the absence of the Annual Budget or any adjusted estimate, the Unit Owner shall continue to pay the monthly maintenance charge at the then existing monthly rate established for the previous period until the monthly maintenance payment which is due 10 or more days after the Annual Budget or adjusted estimate is mailed or delivered. The Unit Owner shall pay the monthly maintenance payment as provided in these Bylaws.

7.05 Books and Records. The Board shall keep full and correct books of account in chronological order of the receipts and expenditures affecting the Common Elements, specifying and itemizing the maintenance and repair expenses of the Common Elements and any other expenses incurred. Any Unit Owner or a representative of a Unit Owner duly authorized in writing may inspect such records and the vouchers authorizing the payments at such reasonable time or times during normal business hours of week days as the Unit Owner may request. Upon 10 days' prior notice to the Board and payment of a reasonable fee as fixed by the Board not to exceed \$25, the Board shall furnish a statement to any Unit Owner that sets forth, in detail, the amount of any unpaid Assessments or other charges due and owing from such Unit Owner.

7.06 Status of Collected Funds. The Board shall collect, hold and expend all funds for the purposes designated. Except for such special Assessments as the Board levies against less than all the Unit Owners and for such adjustments as may be required to reflect delinquent or prepaid Assessments, the Board shall hold all funds for the benefit, use and account of all the Unit Owners as provided in these Bylaws.

7.07 Payment of Assessments. The Unit Owners shall pay annual general Assessments in 12 equal monthly installments, in advance, on the first day of each month. Special Assessments for expenses incurred by the Association for any reason stated in the Declaration shall be due on the 15th day after a Unit Owner receives a statement, or at such other time as may be established by the Board, and shall

immediately be a personal liability of the Unit Owner and also a lien, until paid, against the Unit to which charged. Except for Declarant with regard to the Initial Assessment Contribution as provided in Section 7.02, no Unit Owner of a constructed Unit may exempt himself or herself from liability for his or her Assessment by waiver of the use or enjoyment of any of the Common Elements and facilities or by abandonment of his or her Unit.

7.08 Remedies for Failure to Pay Assessments. If any Unit Owner defaults in the payment of any charge or Assessment imposed by the Board, the Board shall have the authority for and on behalf of itself and the Association and as the representative of all Unit Owners, to exercise and enforce any and all rights and remedies as may be provided in the Act, these Bylaws, the Declaration or otherwise available at law or in equity, for the collection of all such unpaid charges or Assessments.

7.09 Rent During Foreclosure. In the event of the foreclosure of a lien for unpaid Assessments, the Unit Owner who is the defendant in such proceeding shall be required to pay reasonable rent for such Unit.

ARTICLE VIII Officers

8.01 Appointment and Terms. As described in Section 5.01(b), the Board shall appoint a President, a Secretary and a Treasurer, each of whom shall be members of the Board. In addition, the Board may appoint such other officers, assistants to officers, acting officers, and agents as the Board may deem necessary. The same person may simultaneously hold more than one office. Each officer shall hold office until his or her successor shall have been duly appointed or until the officer's prior death, resignation, or removal, at which time the Board shall appoint a successor.

8.02 Duties and Authority. Each officer has the authority and shall perform the duties set forth in these Bylaws or, to the extent consistent with these Bylaws, the duties and authority prescribed in a resolution of the Board or by direction of an officer authorized by the Board to prescribe the duties and authority of other officers.

(a) The President shall be the Association's chief executive officer and shall preside at all meetings of the Association and the Board at which he or she is present. The President shall have and exercise general supervision over the conduct of the Association's affairs and over its other officers, employees, agents, and consultants subject, however, to the Board's control. The President shall have authority to sign, execute, and deliver in the Association's name all instruments either when specifically authorized by the Board or when required or deemed necessary or advisable by the President in the ordinary conduct of the Association's normal business, except in cases where the signing and execution of the instruments shall be expressly delegated by the Board to some other officer(s) or agent(s) of the Association or shall be required by law or otherwise to be signed or executed by some other officer or agent.

(b) The Secretary shall keep minutes of and count votes at all meetings of the Association and the Board and its committees; see that all notices are duly given in accordance with the Declaration, these Bylaws or as required by law; be custodian of the Association's corporate records and see that the books, reports, statements, and all other documents and records required by law are properly kept and filed; and have charge of the records of the membership in the Association and keep such records in such manner as to show at any time, the names and addresses of the Unit Owners, the Units owned by each, and the time when each became a Unit Owner.

(c) The Treasurer shall be responsible for all of the Association's funds and securities; receive and deposit all monies of the Association in depositories selected by the Board; disburse such funds as directed by the Board; and keep or cause to be kept, at the Association's principal office or such other office or offices as the Board shall from time to time designate, correct records of the Association's funds, business, and transactions. If required by the Board, the Treasurer shall furnish a bond for the faithful discharge of his or her duties in such sum and with such surety or sureties as the Board shall determine.

8.03 Compensation. The Board shall fix the compensation of each officer, if any.

8.04 Removal. The Board may remove any officer, but the removal shall be without prejudice to the contract rights, if any, of the person so removed. Appointment shall not of itself create contract rights.

ARTICLE IX

Indemnification of Directors and Officers

Except to the extent limited by the Articles of Incorporation, the Association shall indemnify Directors and officers as required under Section 181.0872 of Chapter 181. Unless otherwise provided by the Articles of Incorporation or by written agreement between the Director or officer and the Association, the Director or officer seeking indemnification under Subsection 181.0872(2) of the Wisconsin Statutes shall select one of the means described in Section 181.0873 of the Wisconsin Statutes for determining his or her right to indemnification.

ARTICLE X

Amendments

These Bylaws may be amended by the affirmative vote of 66-2/3% of the Unit Owners. Any amendment made while Declarant owns any Unit shall require Declarant's consent. To the extent any amendment of these Bylaws would result in a conflict with any provision of the Declaration, such provision must be also amended pursuant to the amendment provisions of the Declaration. Any mortgage holder with a first priority mortgage encumbering any Unit or its insurer or guarantor shall, upon

DOC# 1147120

written request to the Association, be entitled to advance written notice of any proposed amendment to these Bylaws.

ARTICLE XI
Rules of Construction

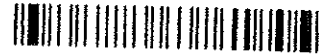
11.1 Liberal Construction. The provisions of these Bylaws shall be liberally construed to facilitate the operation of the Condominium.

11.2 Severability. All provisions of these Bylaws are severable and the invalidity of one provision does not affect the validity of any other provision.

11.3 Conflicts. If there is any conflict between any provisions of these Bylaws and any provisions of the Rules, the provisions of these Bylaws shall control. If there is any conflict between any provisions of any of the Declaration and any provisions of these Bylaws, the provisions of the Declaration control. If there is any conflict between any provisions of any of these Bylaws or the Rules and any provisions of the Act, the provisions of the Act shall control.

RECEIVED APR 06 2007

DOC# 1156404



AFFIDAVIT OF CORRECTION

Document Number

(TYPE OR PRINT CLEARLY IN BLACK OR RED INK)

AFFIANT, Rainbow Lake Associates Limited Partnership, a Wisconsin Limited Partnership, hereby swears or affirms that a certain document recorded on the 18th day of December, 2006 (year) as document number 1147120 which was recorded in Washington County, State of Wisconsin, contained the following error (if more space is needed, please attach addendum):

Exhibit A- Legal Description is incorrect.

AFFIANT makes this Affidavit for the purpose of correcting the above document as follows (if more space is needed, please attach addendum):

See revised Exhibit A-Legal Description attached hereto.

Recorded
APR. 02, 2007 AT 01:20PM
SHARON A MARTIN, REGISTER OF DEEDS
WASHINGTON COUNTY, WISCONSIN

Fee Amount: \$13.00

Recording Area

Name and Return Address
Devon M. Wichelt
Heartland Development Group, LTD
309 N. Water Street, Suite 315
Milwaukee, WI 53202-5718

Part of Tax Key Nos. 2191190140001 and
2911190120048

AFFIANT is the (check one):

- " Drafter of the document being corrected.
- " ☒ Owner of the property described in the document being corrected.
- " Other (explain: _____).

The original document is not attached to this Affidavit (if original document is not attached, please attach legal description).

Signed:

*

[Signature] Rainbow Lake Associates, LP
Robert A. Patch, Member

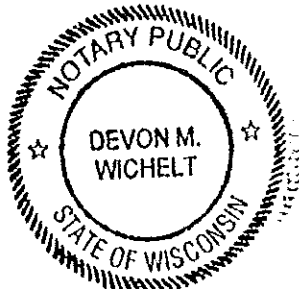
State of Wisconsin)
) ss.
County of Milwaukee)

Subscribed and sworn to (or affirmed) before me this
20th day of March, 2007.

*Devon M. Wichelt
Notary Public, State of Wisconsin
My Commission expires: 02.14.2010.

THIS INSTRUMENT WAS DRAFTED BY:

Devon M. Wichelt



No return is required with respect to an affidavit of correction described under s. 59.43(1)(w), Wis. Stats.

*Names of persons signing in any capacity must be typed or printed below their signature.
F:\COMMON\Agency\FORMS\Word 97\Correction Affidavit ROD Fromat.doc

DO#156404
Mar. 26, 2007

Legal Description: Phase 1 of Rainbow Lake Condominium Plat:

Being a part of Lot 2 of CSM 6051 of the NE 1/4 of the SW 1/4 of Sec. 1, and all of the NW 1/4 of the SE 1/4 of Sec. 1, T.11N., R.19E., City of West Bend, Washington County, Wisconsin, more fully described as follows:

Commencing at the E 1/4 of said Section; thence S.88°40'15"W., along the North line of the SE 1/4 of said Section, 2,641.86 feet to the center of Section; thence S.86°57'57"W., along the centerline of S.T.H. "144" Barton Avenue, 183.63 feet; thence along said centerline 565.13 feet along the arc of a curve to the left with a radius of 680.72 feet whose chord bears S.63°10'57"W., 549.04 feet; thence S.50°36'03"E., 50.00 feet to the Southeasterly right-of-way of S.T.H. "144" Barton Avenue and the point of beginning of the hereinafter described lands; thence S.53°56'42"E., 573.78 feet; thence S.63°51'15"W., 240.69 feet; thence S.00°08'20"W., 243.08 feet; thence S.57°32'13"W., 454.91 feet; thence 488.66 feet along the arc of a curve to the right with a radius of 692.45 feet whose chord bears N.19°10'57"E., 478.58 feet; thence N.50°36'03"W., 176.33 feet; thence N.39°23'57"E., 60.00 feet; thence N.50°36'03"W., along the Northeasterly right-of-way of Rainbow Lake Lane, 143.66 feet; thence N.39°23'57"E., Southeasterly right-of-way of S.T.H. "144" Barton Avenue, 297.05 feet to the point of beginning. Said lands contain 815,521 square feet (18.72 acres).

DOC# 1161796



Document Number	FIRST AMENDMENT TO DECLARATION OF CONDOMINIUM FOR RAINBOW LAKE CONDOMINIUM	Recorded
Name and Return Address		MAY 25, 2007 AT 02:40PM SHARON A MARTIN, REGISTER OF DEEDS WASHINGTON COUNTY, WISCONSIN
Devon M. Wichelt Heartland Development Group LTD 309 N Water St, Suite 315 Milwaukee, WI 53202		Fee Amount: \$31.00
Tax Key No. 291 11190140001 Tax Key No. 291 11190130048 Parcel Identification Number (PIN)		Recording Area

THIS FIRST AMENDMENT ("Amendment") is executed as of this 18th day of May, 2007 by RAINBOW LAKE ASSOCIATES LIMITED PARTNERSHIP Wisconsin limited partnership (the "Declarant").

RECITALS

A. Declarant, Rainbow Lake Associates Limited Partnership, has executed a Declaration of Condominium for Rainbow Lake Condominium recorded on December 18, 2006 with the Washington County Register of Deeds as Document No. 1147120 (the "Declaration"). Said Declaration, is referred to herein as the "Declaration." Rainbow Lake Condominium is referred to herein as the "Condominium."

B. The Declaration created 32 initial units within the Condominium, as indicated at Exhibit C to the Declaration.

C. Declarant desires to expand the Condominium pursuant to the terms of Article V of the Declaration and this Amendment.

NOW, THEREFORE, Declarant does hereby declare as follows:

1. **Expansion.** The Condominium is hereby expanded by adding thereto all of that certain real property located in the City of West Bend, Washington County, State of Wisconsin, and more particularly described on Exhibit A attached hereto and made a part hereof.

2. **32 New Units are Created.** Thirty-two (32) new units of the Condominium are hereby created. Such units are identified, including the square footage of each, and are positioned as shown on Exhibit A attached hereto and made a part hereof. The new units, from and after the date of recording of this Amendment, shall be considered "Units" for all purposes set forth in the Declaration. Furthermore, the buildings housing such units and shown on Exhibit

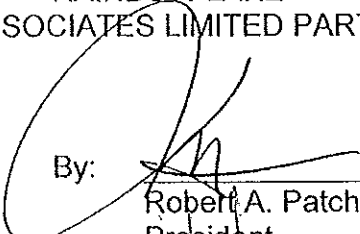
A shall be, from and after the date of recording of this Amendment, "Buildings" for all purposes under the Declaration.

3. **Amendment No. 2 to Condominium Plat.** Contemporaneously herewith, Declarant is recording an amended condominium plat entitled First Addendum to the Condominium Plat of Rainbow Lake. A copy of the First Addendum to the Condominium Plat of Rainbow Lake plat is attached hereto as Exhibit A.

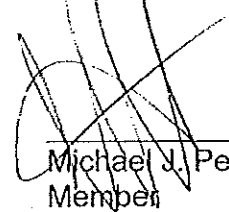
4. **Listing of All Units.** Exhibit C to the Declaration is hereby replaced in its entirety with Exhibit B attached hereto and made a part hereof. Exhibit B contains a listing of all Units, including original Units as well as the Units added by this Amendment, together with the percentage interests appurtenant to each.

IN WITNESS WHEREOF, the undersigned has executed this Amendment as of the date first above written.

RAINBOW LAKE
ASSOCIATES LIMITED PARTNERSHIP

By: 

Robert A. Patch
President

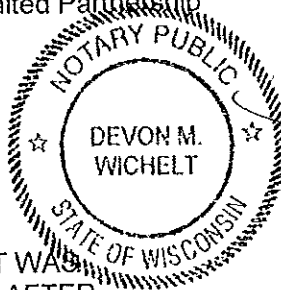
By: 

Michael J. Petersen
Member

ACKNOWLEDGMENT

STATE OF WISCONSIN)
) ss
COUNTY OF MILWAUKEE)

This instrument was acknowledged before me on May 18
2007, by Robert A. Patch, President, and Michael J. Petersen, Member, of Rainbow
Lake Associates Limited Partnership




Name: Devon M. Wichelt
Notary Public, State of Wisconsin
My commission expires 2.14.2010

THIS INSTRUMENT WAS
DRAFTED BY AND AFTER
RECORDING SHOULD BE
RETURNED TO:

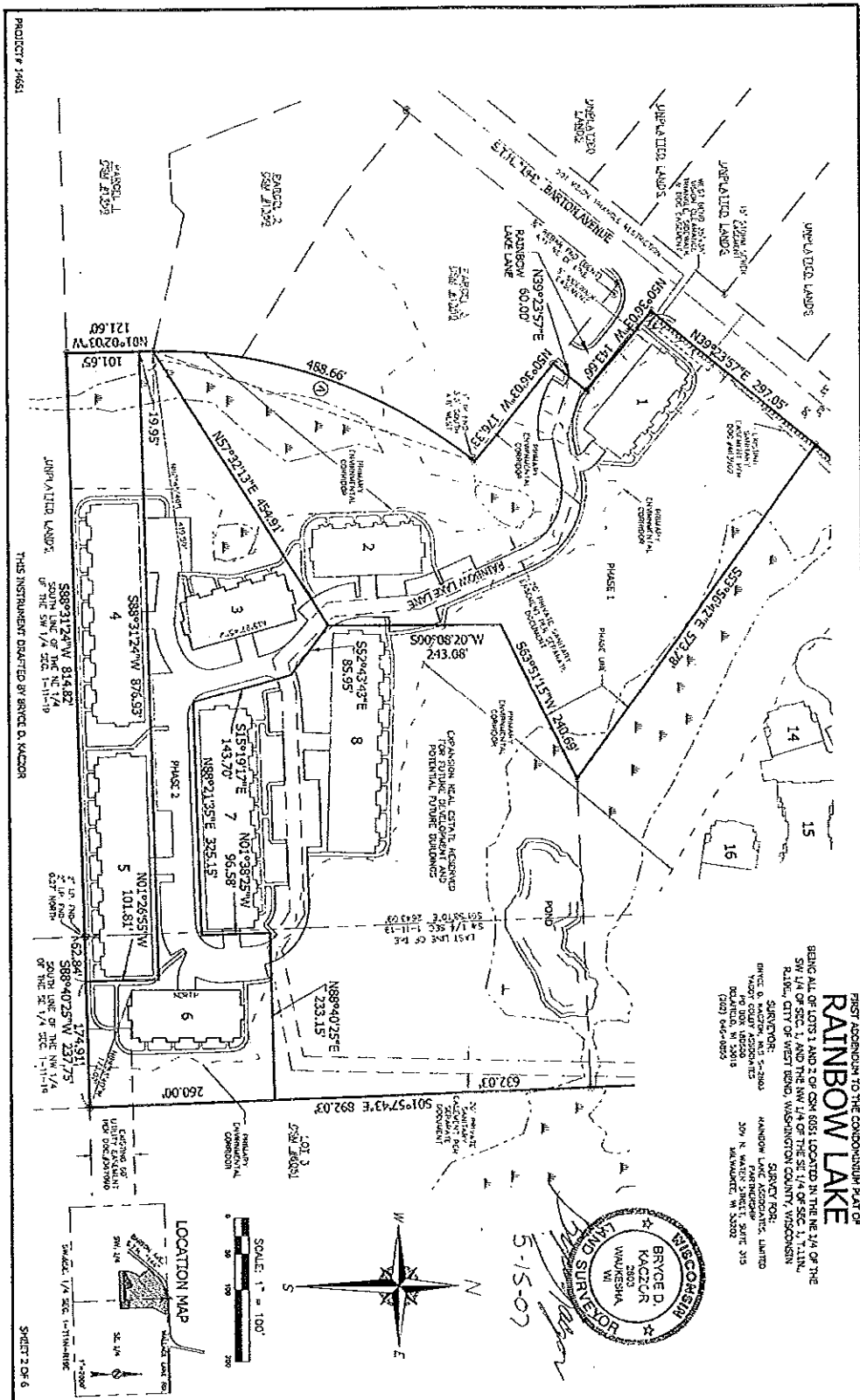
Devon M. Wichelt
Heartland Development Group, LTD
309 N. Water Street
Suite 315
Milwaukee, WI 53202

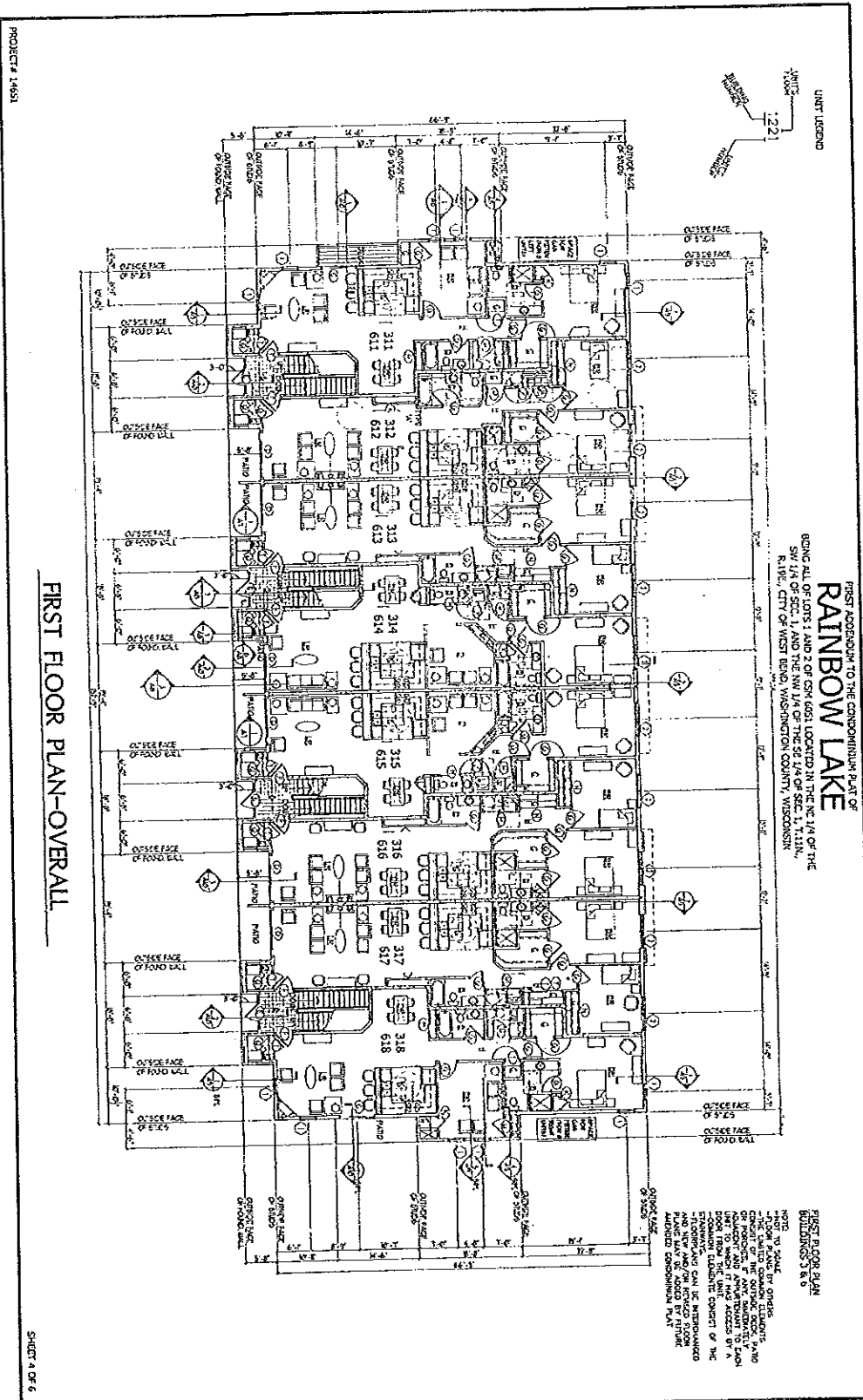
EXHIBIT B
INTERESTS

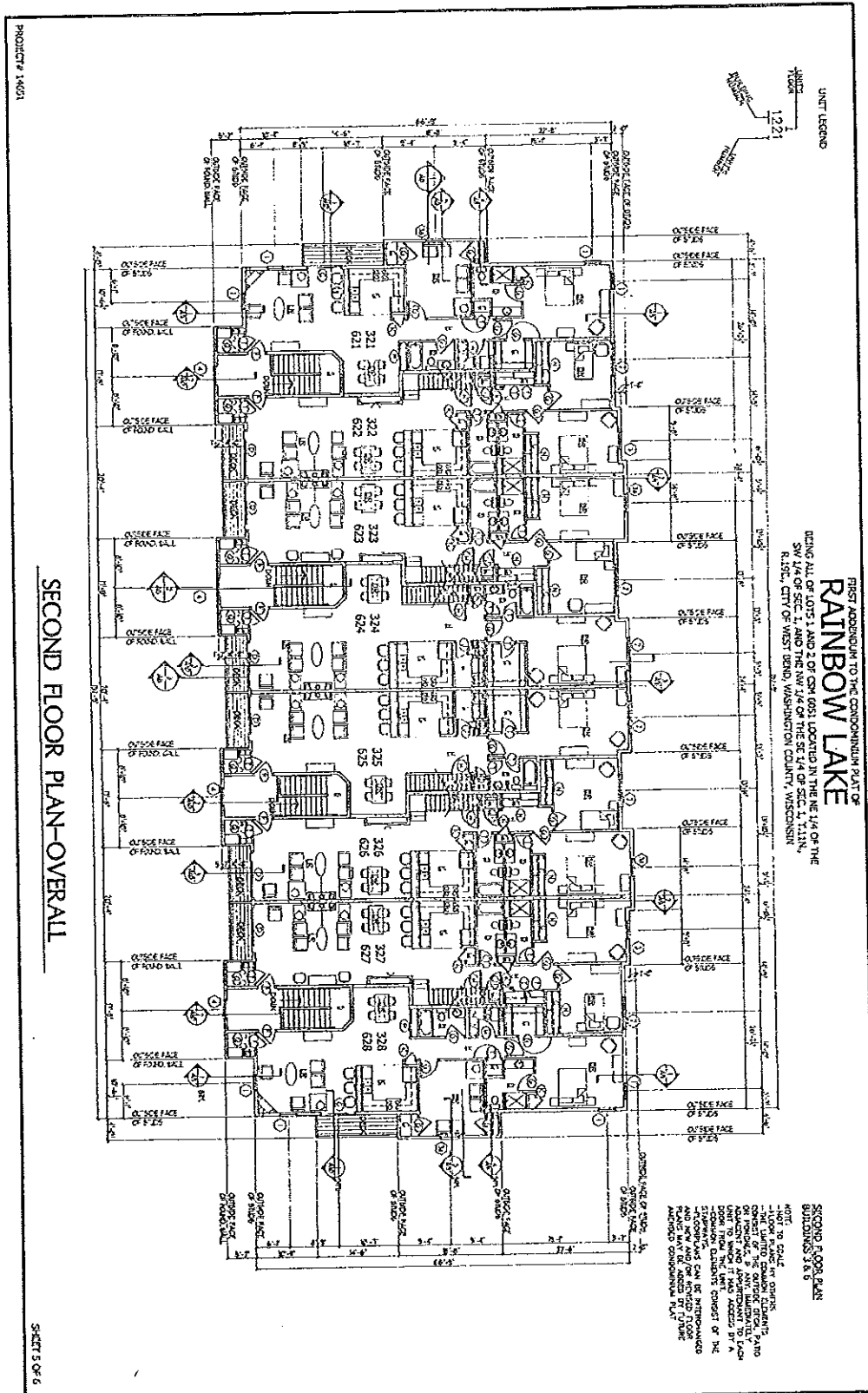
<u>Unit</u>	<u>Percentage Interest</u>
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[illegible]







RECEIVED JUL 24 2007

DOC# 1166693

AFFIDAVIT OF
CORRECTION

Document Number

Recorded
JULY 19, 2007 AT 08:10AM
SHARON A MARTIN, REGISTER OF DEEDS
WASHINGTON COUNTY, WISCONSIN

Fee Amount: \$41.00

(TYPE OR PRINT CLEARLY IN BLACK OR RED INK)

AFFIANT, Rainbow Lake Associates Limited Partnership, a Wisconsin Limited Partnership, hereby swears or affirms that a certain document recorded on the 29th day of June, 2007 (year) as document number 1165182 which was recorded in Washington County, State of Wisconsin, contained the following error (if more space is needed, please attach addendum):

Exhibit A- Condo Plat is not attached.

AFFIANT makes this Affidavit for the purpose of correcting the above document as follows (if more space is needed, please attach addendum):

See attached Exhibit A -- Condo Plat.

Recording Area

Name and Return Address
Devon M. Wichelt
Heartland Development Group, LTD
309 N. Water Street, Suite 315
Milwaukee, WI 53202

Part of Tax Key Nos. 29111190140001 and
29111190120048

AFFIANT is the (check one):

- ☐ Drafter of the document being corrected.
☒ Owner of the property described in the document being corrected.
☐ Other (explain: _____).

The original document is ~~not~~ attached to this Affidavit (if original document is not attached, please attach legal description).

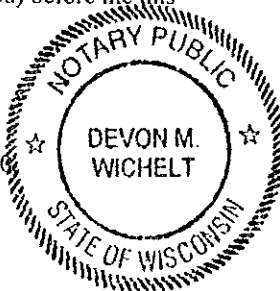
Signed:

* Rainbow Lake Associates, Limited Partnership
ROBERT PATCH, PRESIDENT
OF RAINBOW LAKE INC. (GP)
GENERAL PARTNER

State of Wisconsin)
County of Milwaukee) ss.

Subscribed and sworn to (or affirmed) before me this
01st day of July, 2007.

*Devon M. Wichelt
Notary Public, State of Wisconsin
My Commission expires: 02.14.2010



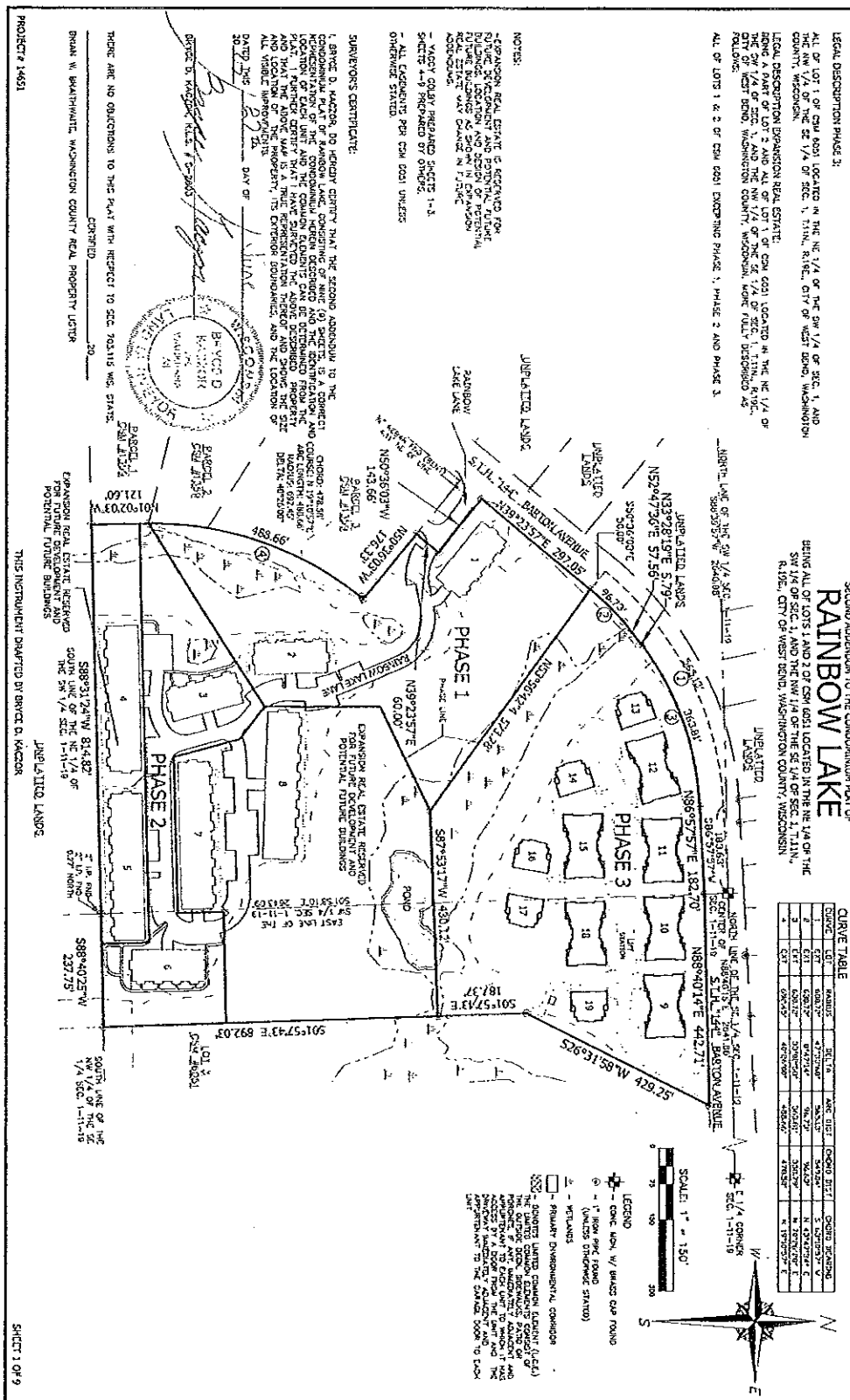
THIS INSTRUMENT WAS DRAFTED BY:

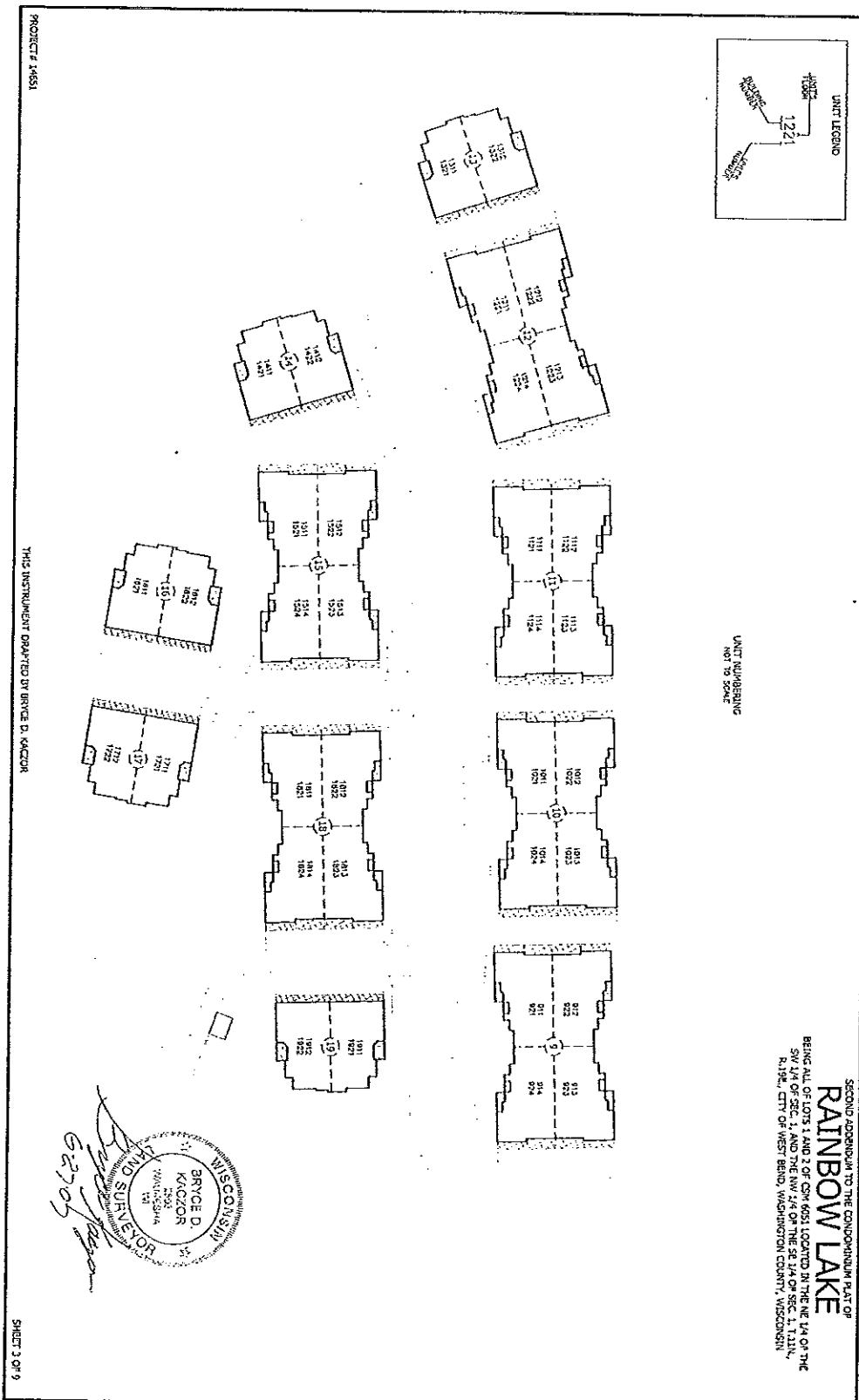
Devon M. Wichelt

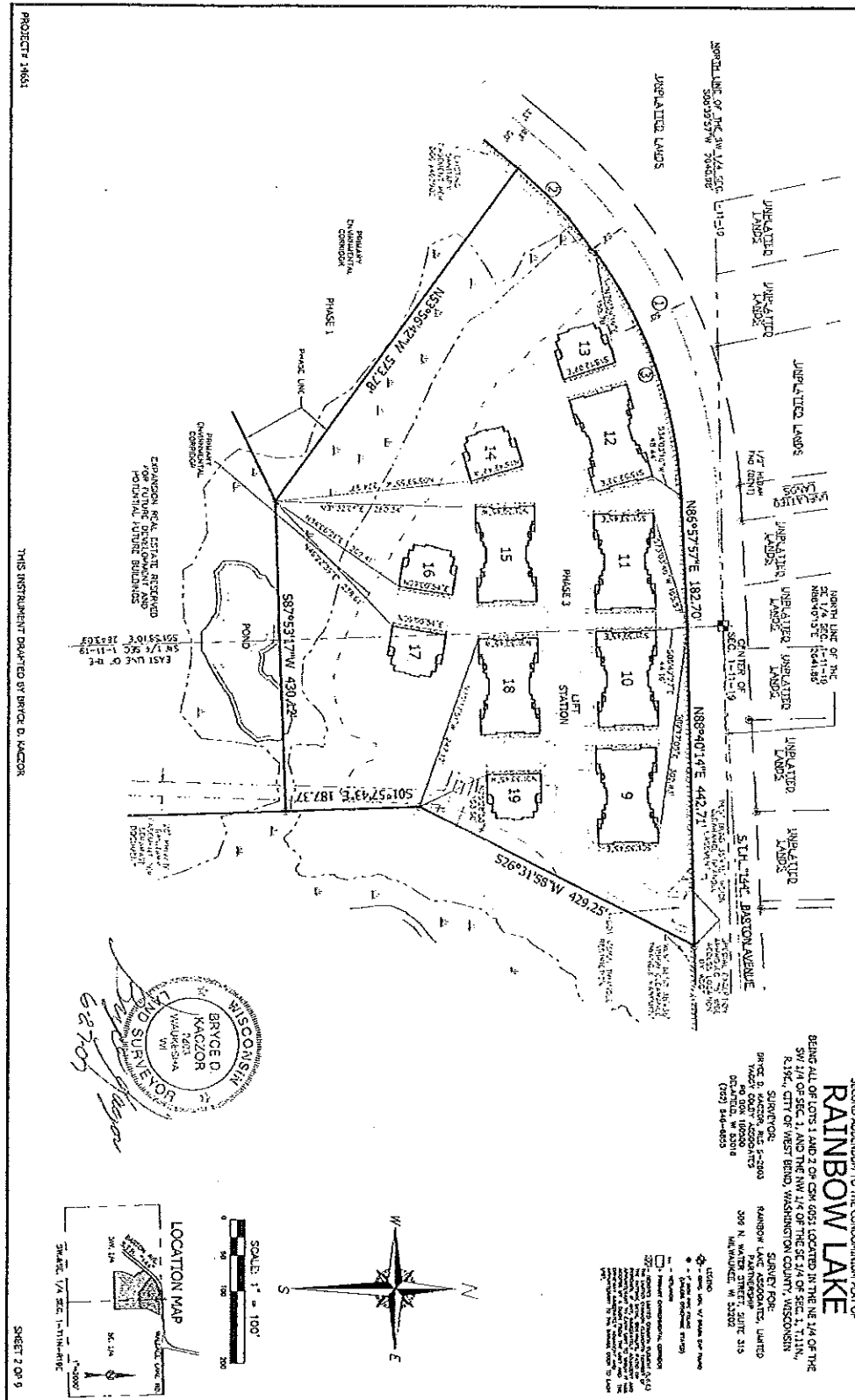
No return is required with respect to an affidavit of correction described under s. 59.43(1)(w), Wis. Stats.

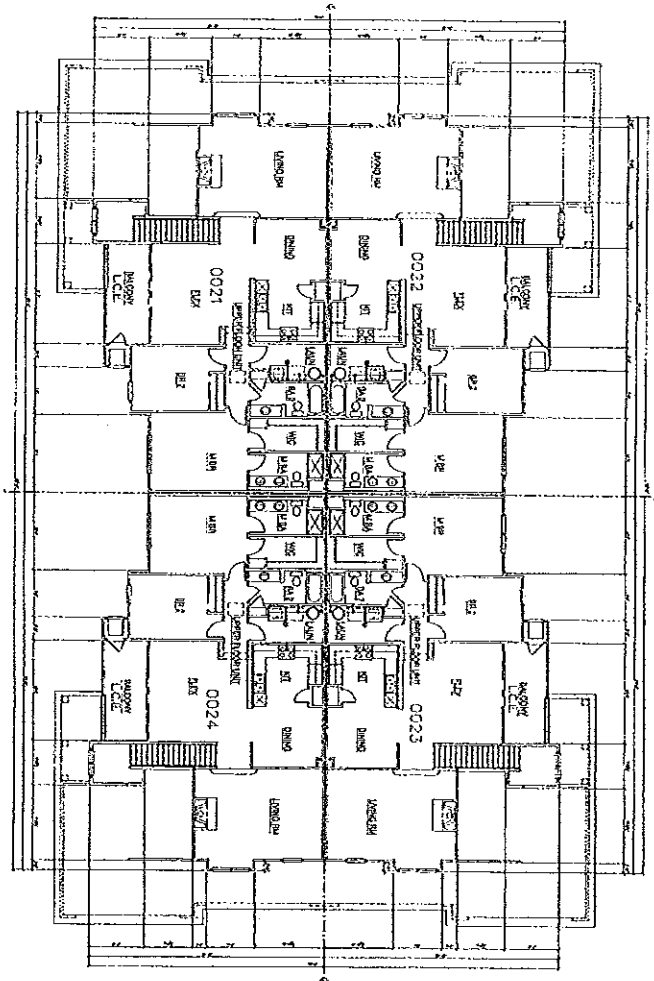
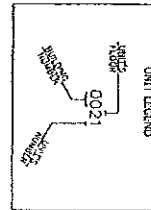
*Names of persons signing in any capacity must be typed or printed below their signature.
F:\COMMON\Agency\FORMS\Word 97\Correction Affidavit ROD Fromat.doc

Exhibit A

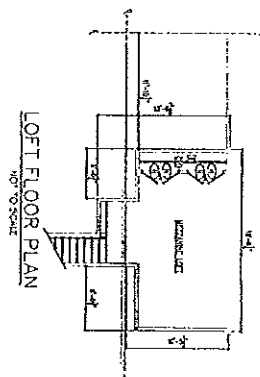








SECOND ADDENDUM TO THE CONDOMINIUM PLAN OF
RAINBOW LAKE
BEING ALL OF LOTS 1 AND 2 OF CSM 6031 LOCATED IN THE S/4 OF THE
SW 1/4 OF SEC. 1, AND THE NW 1/4 OF THE SE 1/4 OF SEC. 1, T.11N,
R.15E., CITY OF WEST BEND, WASHINGTON COUNTY, WISCONSIN

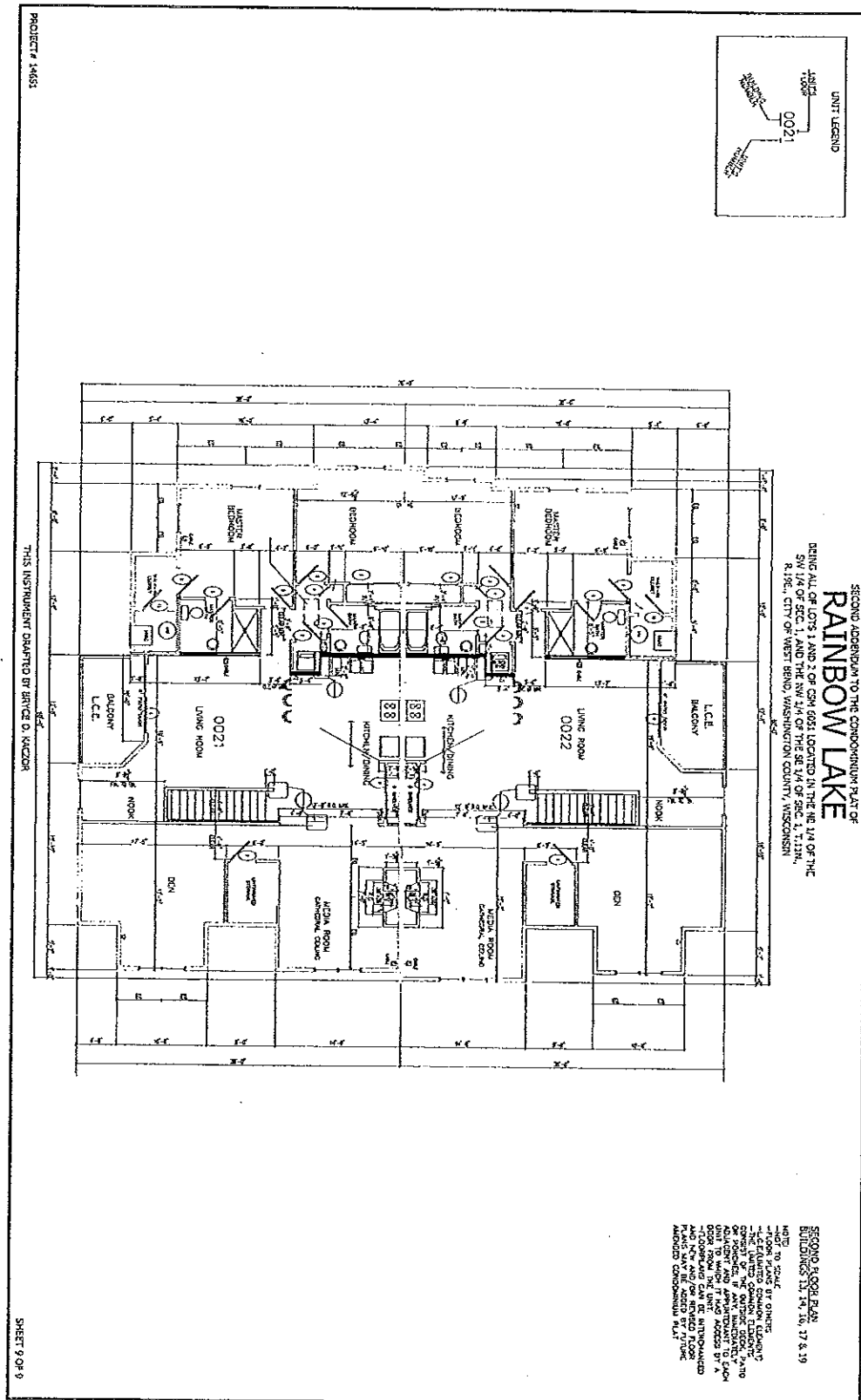


UPPER FLOOR ASSEMBLY PLAN
1. 1ST FLOOR PLAN
BUILDINGS 9, 10, 11, 12, 15 & 18

PROJECT # 14651

THIS INSTRUMENT DRAFTED BY BRUCE D. KACZOR

SHEET 5 OF 9



RECEIVED JUL 05 2007

DOC# 1165182

Document Number	SECOND AMENDMENT TO DECLARATION OF CONDOMINIUM FOR RAINBOW LAKE CONDOMINIUM	Recorded JUNE 29, 2007 AT 01:30PM SHARON A MARTIN, REGISTER OF DEEDS WASHINGTON COUNTY, WISCONSIN Fee Amount: \$21.00
Name and Return Address		
Devon M. Wichelt The Heartland Development GroupLTD 309 N Water St, Suite 430 Milwaukee, WI 53202		
Tax Key No. 291 11190140001		
Tax Key No. 291 11190130048		
Parcel Identification Number (PIN)	Recording Area	21-6

THIS SECOND AMENDMENT ("Amendment") is executed as of this 29th day of June, 2007 by RAINBOW LAKE ASSOCIATES LIMITED PARTNERSHIP, a Wisconsin limited partnership ("Declarant").

RECITALS

A. Declarant has executed a Declaration of Condominium for Rainbow Lake Condominium recorded on December 18, 2006 with the Washington County Register of Deeds as Document No. 1147120. The Declaration has been amended by a First Amendment to the Declaration recorded as Document No. 1161796 (the "First Amendment"). The original Declaration, as modified by the First Amendment, is referred to in this Amendment as the "Declaration." Except as otherwise defined in this Amendment, capitalized terms and phrases have the meanings given to them in the original Declaration.

B. The Declaration created 32 initial Units within the Condominium, as indicated on Exhibit C to the Declaration. The First Amendment expanded the Condominium by an additional 32 Units.

C. Declarant desires to exercise its right to expand the Condominium in phases pursuant to the terms of Article V of the Declaration, and pursuant to such Article and this Amendment, desires to make the second of such expansions.

NOW, THEREFORE, Declarant declares as follows:

1. Expansion. The Condominium is expanded by adding to the Condominium all of the real property described on Exhibit A.

2. Creation of 68 New Units. Sixty-eight (68) new Units of the Condominium are created by this Amendment. The new Units are identified, including the square footage of each, and are positioned as shown on the attached Exhibit A. The new Units, from and after the date of recording of this Amendment, shall be considered "Units" for all purposes set forth in the

Declaration. Furthermore, the buildings housing such units and shown on Exhibit A shall be, from and after the date of recording of this Amendment, "Buildings" for all purposes under the Declaration.

3. Voting Rights. Each Owner of a new Unit shall have one vote at any meeting of the Association. There shall be one vote per Unit with the total votes available being 132 (the total number of Units in the Condominium, as expanded). All provisions related to voting in the Declaration shall continue in full force and effect, and each Owner of a new Unit shall have the same rights and obligations with respect to voting as Owners of Units created prior to this date.

4. Amendment No. 3 to Condominium Plat. Contemporaneously with the recording of this Amendment, Declarant is recording an amended condominium plat entitled Second Addendum to the Condominium Plat of Rainbow Lake. A copy of the Second Addendum to the Condominium Plat of Rainbow Lake plat is attached hereto as Exhibit A.

5. Listing of All Units. Exhibit C to the Declaration is replaced in its entirety with Exhibit B attached to this Amendment. Exhibit B contains a listing of all Units, including original Units as well as the Units added by this Amendment, together with the percentage interests appurtenant to each.

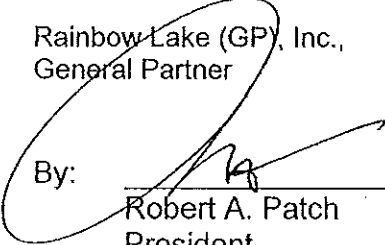
6. Revised Definition of Expansion Area. The "Expansion Area," as such term is used in the Declaration shall, upon recording of this Amendment, mean the Expansion Area described in the Declaration excluding the area added to the Condominium pursuant to the First Amendment to Declaration of Condominium recorded prior to this date and the area added to the Condominium by this Amendment.

7. Construction Warranties Related to Buildings Not Constructed by Declarant. If and to the extent Declarant sells all of the Units related to any Building prior to any material construction of that Building with the intent that the purchaser will construct the Building, (a) Declarant shall not be deemed to have made any warranty to the Association in connection with that Building or the Limited Common Elements appurtenant to the Units in that Building, (b) the Association shall have no claim whatsoever against Declarant in connection with the condition or construction of that Building and such Limited Common Elements (but does not waive any claim it might have against the actual party or parties who actually construct that Building and those Limited Common Elements), and (c) subparts (ii), (iii) and (iv) of Section 15.09(c) of the Declaration shall not apply to that Building or such Limited Common Elements.

IN WITNESS WHEREOF, the undersigned has executed this Amendment
as of the date first above written.

RAINBOW LAKE ASSOCIATES
LIMITED PARTNERSHIP

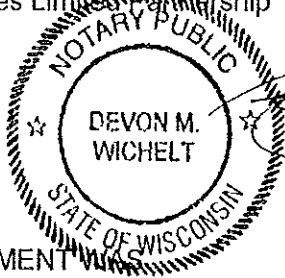
By: Rainbow Lake (GP), Inc.,
General Partner

By: 
Robert A. Patch
President

ACKNOWLEDGMENT

STATE OF WISCONSIN)
) ss
COUNTY OF MILWAUKEE)

This instrument was acknowledged before me on June 29, 2007, by
Robert A. Patch, President, of Rainbow Lake (GP), Inc., the general partner of Rainbow
Lake Associates Limited Partnership




Devon M. Wichelt
Notary Public, State of Wisconsin
My commission expires 2.14.2010

THIS INSTRUMENT WAS
DRAFTED BY:

John M. Wirth
Mallery & Zimmerman, S.C.
Suite 900
731 North Jackson Street
Milwaukee, Wisconsin 53202

EXHIBIT B

<u>Unit</u>	<u>Percentage Interest</u>
111	0.0075757
112	0.0075757
113	0.0075757
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DOC# 1166693

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RECEIVED JUL 05 2007

DOC# 1165182

Document Number	SECOND AMENDMENT TO DECLARATION OF CONDOMINIUM FOR RAINBOW LAKE CONDOMINIUM	Recorded
Name and Return Address		JUNE 29, 2007 AT 01:30PM
Devon M. Wichell The Heartland Development GroupLTD 309 N Water St, Suite 430 Milwaukee, WI 53202		SHARON A MARTIN, REGISTER OF DEEDS WASHINGTON COUNTY, WISCONSIN
Tax Key No. 291 11190140001 Tax Key No. 291 11190130048 Parcel Identification Number (PIN)		Fee Amount: \$21.00
		Recording Area

THIS SECOND AMENDMENT ("Amendment") is executed as of this 29th day of June, 2007 by RAINBOW LAKE ASSOCIATES LIMITED PARTNERSHIP, a Wisconsin limited partnership ("Declarant").

RECITALS

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B. The Declaration created 32 initial Units within the Condominium, as indicated on Exhibit C to the Declaration. The First Amendment expanded the Condominium by an additional 32 Units.

C. Declarant desires to exercise its right to expand the Condominium in phases pursuant to the terms of Article V of the Declaration, and pursuant to such Article and this Amendment, desires to make the second of such expansions.

NOW, THEREFORE, Declarant declares as follows:

1. Expansion. The Condominium is expanded by adding to the Condominium all of the real property described on Exhibit A.

2. Creation of 68 New Units. Sixty-eight (68) new Units of the Condominium are created by this Amendment. The new Units are identified, including the square footage of each, and are positioned as shown on the attached Exhibit A. The new Units, from and after the date of recording of this Amendment, shall be considered "Units" for all purposes set forth in the

Declaration. Furthermore, the buildings housing such units and shown on Exhibit A shall be, from and after the date of recording of this Amendment, "Buildings" for all purposes under the Declaration.

3. Voting Rights. Each Owner of a new Unit shall have one vote at any meeting of the Association. There shall be one vote per Unit with the total votes available being 132 (the total number of Units in the Condominium, as expanded). All provisions related to voting in the Declaration shall continue in full force and effect, and each Owner of a new Unit shall have the same rights and obligations with respect to voting as Owners of Units created prior to this date.

4. Amendment No. 3 to Condominium Plat. Contemporaneously with the recording of this Amendment, Declarant is recording an amended condominium plat entitled Second Addendum to the Condominium Plat of Rainbow Lake. A copy of the Second Addendum to the Condominium Plat of Rainbow Lake plat is attached hereto as Exhibit A.

5. Listing of All Units. Exhibit C to the Declaration is replaced in its entirety with Exhibit B attached to this Amendment. Exhibit B contains a listing of all Units, including original Units as well as the Units added by this Amendment, together with the percentage interests appurtenant to each.

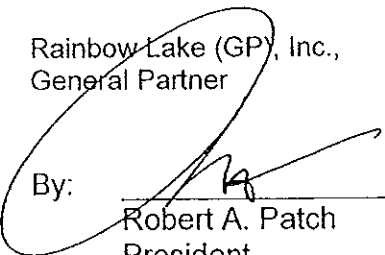
6. Revised Definition of Expansion Area. The "Expansion Area," as such term is used in the Declaration shall, upon recording of this Amendment, mean the Expansion Area described in the Declaration excluding the area added to the Condominium pursuant to the First Amendment to Declaration of Condominium recorded prior to this date and the area added to the Condominium by this Amendment.

7. Construction Warranties Related to Buildings Not Constructed by Declarant. If and to the extent Declarant sells all of the Units related to any Building prior to any material construction of that Building with the intent that the purchaser will construct the Building, (a) Declarant shall not be deemed to have made any warranty to the Association in connection with that Building or the Limited Common Elements appurtenant to the Units in that Building, (b) the Association shall have no claim whatsoever against Declarant in connection with the condition or construction of that Building and such Limited Common Elements (but does not waive any claim it might have against the actual party or parties who actually construct that Building and those Limited Common Elements), and (c) subparts (ii), (iii) and (iv) of Section 15.09(c) of the Declaration shall not apply to that Building or such Limited Common Elements.

IN WITNESS WHEREOF, the undersigned has executed this Amendment
as of the date first above written.

RAINBOW LAKE ASSOCIATES
LIMITED PARTNERSHIP

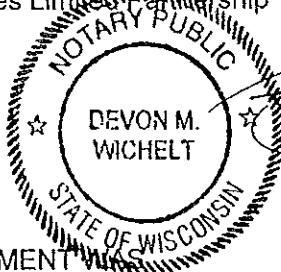
By: Rainbow Lake (GP), Inc.,
General Partner

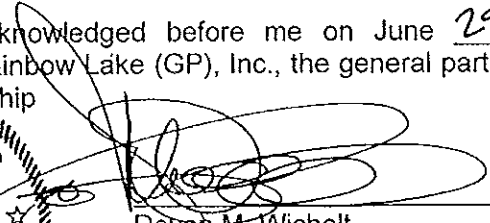
By: 
Robert A. Patch
President

ACKNOWLEDGMENT

STATE OF WISCONSIN)
) ss
COUNTY OF MILWAUKEE)

This instrument was acknowledged before me on June 29, 2007, by
Robert A. Patch, President, of Rainbow Lake (GP), Inc., the general partner of Rainbow
Lake Associates Limited Partnership




Devon M. Wichelt
Notary Public, State of Wisconsin
My commission expires 2.14.2010

THIS INSTRUMENT WAS
DRAFTED BY:

John M. Wirth
Mallery & Zimmerman, S.C.
Suite 900
731 North Jackson Street
Milwaukee, Wisconsin 53202

EXHIBIT B

<u>Unit</u>	<u>Percentage Interest</u>
111	0.0075757
112	0.0075757
113	0.0075757
114	0.0075757
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DOC# 1166693

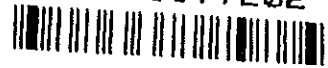
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1922	0.0075757

Third Amendment to
Declaration of Condominium
for Rainbow Lake
Condominium

Document Number

Document Title

DOC# 1177202



Recorded

Nov. 28, 2007 AT 11:45AM
SHARON A MARTIN, REGISTER OF DEEDS
WASHINGTON COUNTY, WISCONSIN

Fee Amount: \$35.00

Recording Area

35-13

Name and Return Address

John M. Wirth
Mollery & Zimmerman SC
Suite 900
731 N. Jackson Street
Milwaukee, WI 53202

Parcel Identification Number (PIN)

This information must be completed by submitter: document title, name & return address, and PIN (if required). Other information such as the granting clause, legal description, etc., may be placed on this first page of the document or may be placed on additional pages of the document. Note: Use of this cover page adds one page to your document and \$2.00 to the recording fee. Wisconsin Statutes, 69.43(2m). WRDA HB Rev. 1/8/2004

Document Number	THIRD AMENDMENT TO DECLARATION OF CONDOMINIUM FOR RAINBOW LAKE CONDOMINIUM	
Name and Return Address		
John M. Wirth Mallery & Zimmerman, S.C. Suite 900 731 North Jackson Street Milwaukee, Wisconsin 53202		
Parcel Identification Number (PIN)		Recording Area

THIS THIRD AMENDMENT ("Amendment") is executed as of ~~October 27~~ ^{November 27}, 2007 by RAINBOW LAKE ASSOCIATES LIMITED PARTNERSHIP, a Wisconsin limited partnership ("Declarant").

RECITALS

A. Declarant has executed a Declaration of Condominium for Rainbow Lake Condominium recorded on December 18, 2006 with the Washington County Register of Deeds as Document No. 1147120. The Declaration has been amended by a First Amendment to the Declaration recorded as Document No. 1161796 (the "First Amendment") and a Second Amendment to the Declaration recorded as Document No. 1166693 (the "Second Amendment"). The original Declaration, as modified by the First Amendment and the Second Amendment, is referred to in this Amendment as the "Declaration." Except as otherwise defined in this Amendment, capitalized terms and phrases have the meanings given to them in the original Declaration.

B. The Declaration created 32 initial Units within the Condominium, as indicated on Exhibit C to the Declaration. The First Amendment expanded the Condominium by an additional 32 Units, and the Second Amendment expanded the Condominium by an additional 64 Units.

C. Declarant desires to exercise its right to expand the Condominium in phases pursuant to the terms of Article V of the Declaration, and pursuant to such Article and this Amendment, desires to make the second of such expansions.

NOW, THEREFORE, Declarant declares as follows:

1. Expansion. The Condominium is expanded by adding to the Condominium the real property described as Phase 4 on Exhibit A.

2. Creation of 64 New Units. Sixty-four (64) new Units of the Condominium are created by this Amendment. The new Units are identified, including the square footage of each, and are positioned as shown on the attached Exhibit A. The new Units, from and after the date of recording of this Amendment, shall be considered "Units" for all purposes set forth in the Declaration. Additionally, the buildings housing such units and shown on Exhibit A shall be, from and after the date of recording of this Amendment, "Buildings" for all purposes under the Declaration.

3. Voting Rights. Each Owner of a new Unit shall have one vote at any meeting of the Association. There shall be one vote per Unit with the total votes available being 200 (the total number of Units in the Condominium, as expanded). All provisions related to voting in the Declaration shall continue in full force and effect, and each Owner of a new Unit shall have the same rights and obligations with respect to voting as Owners of Units created prior to this date.

4. Amendment No. 3 to Condominium Plat. Contemporaneously with the recording of this Amendment, Declarant is recording an amended condominium plat entitled Third Addendum to the Condominium Plat of Rainbow Lake. A copy of the Third Addendum to the Condominium Plat of Rainbow Lake plat is attached hereto as Exhibit A.

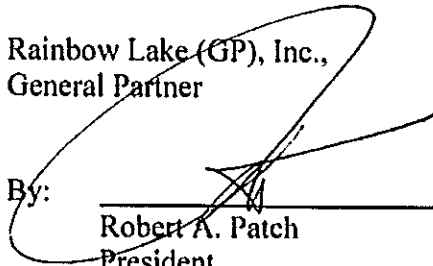
5. Listing of All Units. Exhibit C to the Declaration is replaced in its entirety with Exhibit B attached to this Amendment. Exhibit B contains a listing of all Units, including original Units as well as the Units added by this Amendment, together with the percentage interests appurtenant to each.

6. Revised Definition of Expansion Area. The "Expansion Area," as such term is used in the Declaration shall, upon recording of this Amendment, mean the Expansion Area described in the Declaration excluding the area added to the Condominium pursuant to the First Amendment and the Second Amendment, each as recorded prior to this date, and the area added to the Condominium by this Amendment.

IN WITNESS WHEREOF, the undersigned has executed this Amendment as of the date first above written.

RAINBOW LAKE ASSOCIATES
LIMITED PARTNERSHIP

By: Rainbow Lake (GP), Inc.,
General Partner

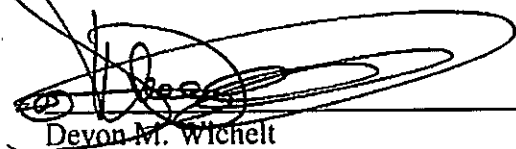
By: 

Robert A. Patch
President

ACKNOWLEDGMENT

STATE OF WISCONSIN)
) ss
COUNTY OF MILWAUKEE)

This instrument was acknowledged before me on ~~October~~ ^{November} 27th, 2007, by Robert A. Patch, President, of Rainbow Lake (GP), Inc., the general partner of Rainbow Lake Associates Limited Partnership



Devon M. Wichelt
Notary Public, State of Wisconsin
My commission exp. 2.14.2010

THIS INSTRUMENT WAS
DRAFTED BY:

John M. Wirth
Mallery & Zimmerman, S.C.
Suite 900
731 North Jackson Street
Milwaukee, Wisconsin 53202

Attachments:
Exhibit A – Legal Description/Third Addendum to the Condominium Plat
Exhibit B – Listing of Units

THIRD ADDITION TO THE CONDOMINIUM PLAT OF RAINBOW LAKE

DATE: 11-15-67

OWNER: BRYCE D. KACZOR

RECORDING: 11-15-67

SECTION 1, T4N, R19E, S1E, CITY OF WEST BEND, WASHINGTON COUNTY, OREGON

PHASE 1

PHASE 2

PHASE 3

PHASE 4

LOT 1

LOT 2

LOT 3

LOT 4

LOT 5

LOT 6

LOT 7

LOT 8

LOT 9

LOT 10

LOT 11

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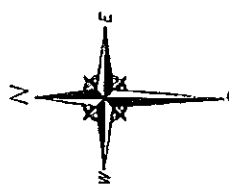
THIRD ADDENDUM TO THE CONVEYANCE DEED OF **RAINBOW LAKE**

BEING ALL OF LOTS 1 AND 2 OF CON 6031 LOCATED IN THE 1/4 OF THE
 SW 1/4 OF SEC. 1, AND THE NW 1/4 OF THE SE 1/4 OF SEC. 1, T11N,
 R12E, CITY OF WEST BEND, WISCONSIN COUNTY, WISCONSIN

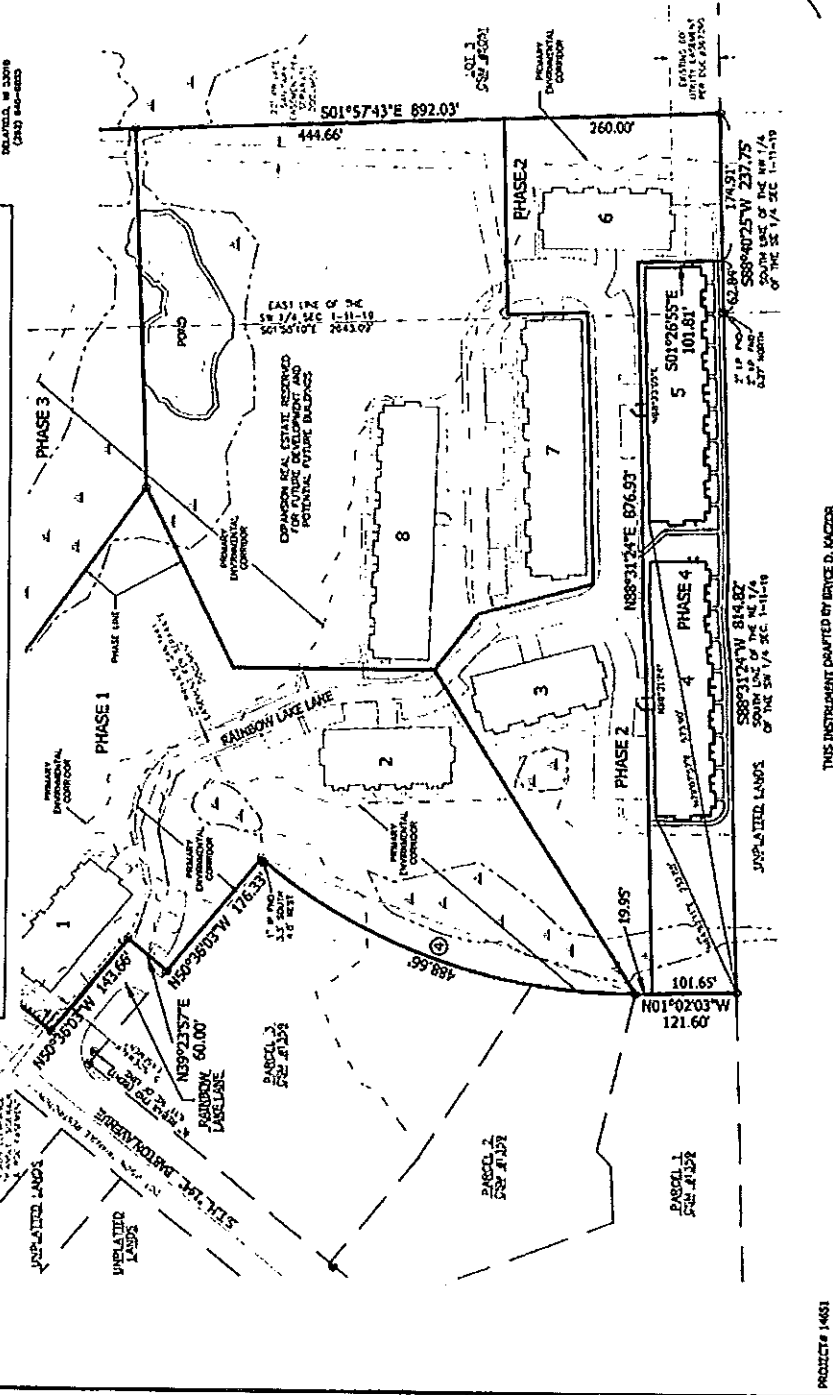
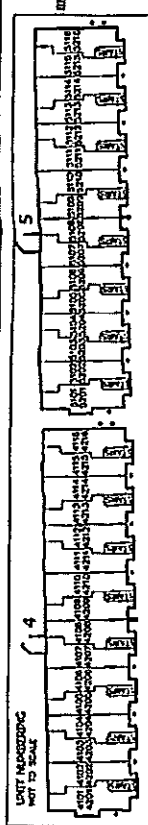
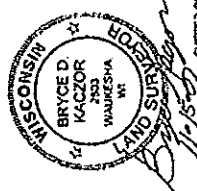
SURVEY FOR:
 RAINBOW LAKE ASSOCIATES, LIMITED
 200 N. WATER STREET, SUITE 315
 WEST BEND, WI 53090

SURVEYOR:
 BRYCE D. KACZOR, PLS. S-2503
 200 N. WATER STREET, SUITE 315
 WEST BEND, WI 53090
 (262) 744-0000

- LEGEND**
- - CONC. MARK w/ BRASS CAP FOUND
 - - 1" ROD W/EE FOUND (MARKS OTHERWISE SET)
 - △ - WETLAND
 - - PRIMARY ENVIRONMENTAL CORRIDOR



SCALE: 1" = 100'



THIS INSTRUMENT DRAFTED BY BRYCE D. KACZOR

PROJECT # 14651

SHEET 2 OF 5

EXHIBIT B

<u>Unit</u>	<u>Percentage Interest</u>
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Doc # 1177202

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Document Number	AMENDMENT TO DECLARATION OF CONDOMINIUM OWNERSHIP AND OF EASEMENTS, RESTRICTIONS AND COVENANTS FOR RAINBOW LAKE CONDOMINIUM	
Name and Return Address		
Adam A. Bardosy Mallery & Zimmerman, S.C. Suite 900 731 North Jackson Street Milwaukee, Wisconsin 53202		
Parcel Identification Number (PIN)		Recording Area

THIS AMENDMENT (this "Amendment") is executed as of February ____, 2008 by RAINBOW LAKE HOMEOWNERS ASSOCIATION, INC., a Wisconsin corporation (the "Association").

RECITALS

A. Rainbow Lake Associates Limited Partnership executed a Declaration of Condominium Ownership and of Easements, Restrictions and Covenants for Rainbow Lake Condominium recorded in the Office of the Register of Deeds of Washington County on December 18, 2006 as Document No. 1147120 (the "Declaration"). The Rainbow Lake Condominium is legally described on the attached Exhibit A. Undefined capitalized terms in this Amendment are defined as provided in the Declaration.

B. Pursuant to Section 15.06 of the Declaration, the Association desires to amend certain provisions of the Declaration pertaining to assessments of Unit Owners as provided below.

AMENDMENTS

NOW, THEREFORE, the Association amends the Declaration as follows:

1. The second sentence of Section 6.04 is amended to read as follows:

Except as provided in Section 8.07, each Unit Owner shall pay his or her proportionate share of the expenses of maintenance, repair, replacement, administration and operation of the Common Elements ("Common Expenses").

2. The second sentence of Section 8.03 is amended to read as follows:

Assessments shall be levied in accordance with Sections 8.01 and 8.07.

3. The last sentence of Section 8.07 is amended to read as follows:

During the period of Declarant control of the Association under Section 703.15(2)(c) of the Wisconsin Statutes, no Assessments shall be assessed against any Units owned by the Declarant; provided, however, during such period of Declarant control, the Assessments payable by any Unit Owner other than Declarant shall not exceed the amount that Unit Owner would be charged if Declarant's Units were subject to full Assessments based on the annual operating budget then in effect. During the period of Declarant control, Declarant shall pay the deficit if the total Assessments payable by Unit Owners other than the Declarant do not cover total Common Expenses. Once the period of Declarant control ends, no Assessments shall be assessed against any Units owned by the Declarant unless such Units are occupied for residential purposes by Declarant or a tenant. Declarant, moreover, shall not be responsible for any deficit if the Assessments do not cover total Common Expenses after the period of its control. In addition, Declarant shall not be responsible for the Initial Assessment Contribution or any special assessment related to reserves or contingencies described in Section 8.02.

All other terms of the Declaration shall remain unchanged and in full force and effect.

Dated as of the date set forth above.

ASSOCIATION:

RAINBOW LAKE
HOMEOWNERS ASSOCIATION, INC.

By: _____
Robert A. Patch, President

By: _____
Jason Fettig, Secretary

ACKNOWLEDGMENTS

STATE OF WISCONSIN)
) ss
COUNTY OF MILWAUKEE)

 This instrument was acknowledged before me on February _____, 2008, by Robert A. Patch, as President of Rainbow Lake Homeowners Association, Inc.

Name: _____
Notary Public, State of Wisconsin
My commission: _____

STATE OF WISCONSIN)
) ss
COUNTY OF MILWAUKEE)

 This instrument was acknowledged before me on February _____, 2008, by Jason Fettig, as Secretary of Rainbow Lake Homeowners Association, Inc.

Name: _____
Notary Public, State of Wisconsin
My commission: _____

THIS INSTRUMENT WAS DRAFTED BY:

Adam A. Bardosy
Mallery & Zimmerman, S.C.
Suite 900
731 North Jackson Street
Milwaukee, Wisconsin 53202-4697

DOC# 1190001



Document Number

Name and Return Address

Adam A. Bardosy
Mallery & Zimmerman, S.C.
Suite 900
731 North Jackson Street
Milwaukee, Wisconsin 53202

**FIFTH AMENDMENT TO
DECLARATION OF
CONDOMINIUM OWNERSHIP
AND OF EASEMENTS,
RESTRICTIONS AND
COVENANTS FOR
RAINBOW LAKE
CONDOMINIUM**

Recorded
Apr. 28, 2008 AT 09:30AM
SHARON A MARTIN, REGISTER OF DEEDS
WASHINGTON COUNTY, WISCONSIN

Fee Amount: \$17.00

Tax Key No.

291 11190140001

291 11190130048

Parcel Identification Number (PIN)

Recording Area

17-4

THIS AMENDMENT (this "Amendment") is executed as of April 23, 2008 by RAINBOW LAKE HOMEOWNERS ASSOCIATION, INC., a Wisconsin corporation (the "Association").

RECITALS

A. Rainbow Lake Associates Limited Partnership executed a Declaration of Condominium Ownership and of Easements, Restrictions and Covenants for Rainbow Lake Condominium recorded in the Office of the Register of Deeds of Washington County on December 18, 2006 as Document No. 1147120 (as amended, the "Declaration"). The Rainbow Lake Condominium is legally described on the attached Exhibit A. Undefined capitalized terms in this Amendment are defined as provided in the Declaration.

B. Pursuant to Section 15.06 of the Declaration, the Association desires to amend certain provisions of the Declaration pertaining to assessments of Unit Owners as provided below.

AMENDMENTS

NOW, THEREFORE, the Association amends the Declaration as follows:

1. The second sentence of Section 6.04 is amended to read as follows:

Except as provided in Section 8.07, each Unit Owner shall pay his or her proportionate share of the expenses of maintenance, repair, replacement, administration and operation of the Common Elements ("Common Expenses").

2. The second sentence of Section 8.03 is amended to read as follows:

Assessments shall be levied in accordance with Sections 8.01 and 8.07.

3. The last sentence of Section 8.07 is amended to read as follows:

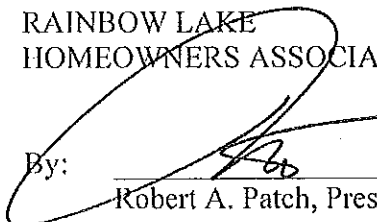
During the period of Declarant control of the Association under Section 703.15(2)(c) of the Wisconsin Statutes, no Assessments shall be assessed against any Units owned by the Declarant; provided, however, during such period of Declarant control, the Assessments payable by any Unit Owner other than Declarant shall not exceed the amount that Unit Owner would be charged if Declarant's Units were subject to full Assessments based on the annual operating budget then in effect. During the period of Declarant control, Declarant shall pay the deficit if the total Assessments payable by Unit Owners other than the Declarant do not cover total Common Expenses. Once the period of Declarant control ends, no Assessments shall be assessed against any Units owned by the Declarant unless such Units are occupied for residential purposes by Declarant or a tenant. Declarant, moreover, shall not be responsible for any deficit if the Assessments do not cover total Common Expenses after the period of its control. In addition, Declarant shall not be responsible for the Initial Assessment Contribution or any special assessment related to reserves or contingencies described in Section 8.02.

All other terms of the Declaration shall remain unchanged and in full force and effect.

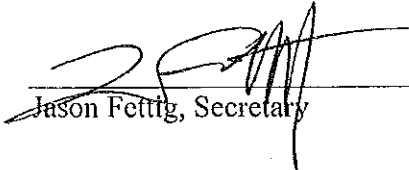
Dated as of the date set forth above.

ASSOCIATION:

RAINBOW LAKE
HOMEOWNERS ASSOCIATION, INC.

By: 

Robert A. Patch, President

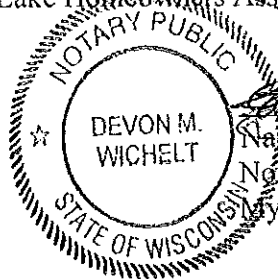
By: 

Jason Fettig, Secretary

ACKNOWLEDGMENTS

STATE OF WISCONSIN)
) ss
COUNTY OF MILWAUKEE)

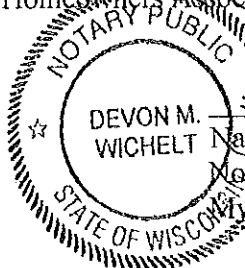
This instrument was acknowledged before me on April 23, 2008, by Robert A. Patch, as President of Rainbow Lake Homeowners Association, Inc.



Name: Devon M. Wichelt
Notary Public, State of Wisconsin
My commission: exp. 2.14.2010

STATE OF WISCONSIN)
) ss
COUNTY OF MILWAUKEE)

This instrument was acknowledged before me on April 23, 2008, by Jason Fettig, as Secretary of Rainbow Lake Homeowners Association, Inc.



Name: Devon M. Wichelt
Notary Public, State of Wisconsin
My commission: exp. 2.14.2010

THIS INSTRUMENT WAS DRAFTED BY:

Adam A. Bardosy
Mallery & Zimmerman, S.C.
Suite 900
731 North Jackson Street
Milwaukee, Wisconsin 53202-4697

AGREEMENT AND RELEASE

Rainbow Lakes Associates, Limited Partnership and Rainbow Lakes Homeowners Association, Inc. hereby enter into this agreement on the 27 day June, 2011.

WHEREAS, Rainbow Lakes Associates, Limited Partnership ("Declarant") is the Declarant of Rainbow Lakes Condominium located in Washington County.

WHEREAS, Rainbow Lakes Homeowners Association, Inc. ("Association") is the condominium association at Rainbow Lakes Condominium.

WHEREAS, the Declarant desires to end declarant control of the Association as it is described in Wisconsin Statute Section 703.15, notwithstanding the provisions of Article 7.03(b) of the Declaration of Condominium Ownership, and Article 3.02(b) of the Bylaws.

WHEREAS, the unit owners at the Association desire to accept control of the Association by election and proper governance procedures.

NOW THEREFORE, the parties agree to Declarant turnover of control of the Association to the unit owners based on the following:

The Association, upon receipt of at least \$150,000 or if the water infiltration and damages are repaired, at no cost to the Association, to the satisfaction of the Building Inspector and in a manner that the municipality will allow occupancy permits and building permits to be issued, hereby unconditionally and forever releases Robert A. Patch, individually, Michael Petersen, individually, Rainbow Lakes Associates, Limited Partnership, Rainbow Lakes G.P., Inc., The Heartland Development Group, Ltd., Cornerstone Development Company of Wisconsin, Inc., and Robert A. Patch and Michael Petersen in their representative capacities for any of the foregoing entities, (collectively referred to as "the released parties") from any and all claims, actions, causes of action, whether at law or in equity, known or unknown, with respect to Rainbow Lakes Homeowner's Association Inc. ("Association"), and the Association will use good faith to implement the terms of this release. The parties recognize that the Association has no authority to bind Association members individually.

Regardless of whether or not the Association ever receives \$150,000, the Association forever releases Robert A. Patch individually from any and all claims, actions, causes of action, whether at law or in equity, known or unknown, with respect to actions or inaction since October 1, 2010 to the date of this agreement.

The parties further agree to release Prospect Management, LLC from any and all claims, actions, causes of action, whether at law or in equity, with respect to known actions

or inaction through the date of this agreement. Prospect Management, LLC is an intended third party beneficiary of this agreement.

In exchange for the release set forth herein, Declarant agrees:

- a. Not to nominate anyone for the Board of the Association for at least three (3) years; and
- b. To assign to the Association any funds specifically allocated to or received by the released parties and intended to repair the water infiltration in buildings 1, 2 & 3 at Rainbow Lake Condominiums, including any money specifically allocated for such repair from Milwaukee County Case No. 2009 CV 0006, provided however that upon such assignment, if any, the Association shall be solely responsible for the completion of the repairs.

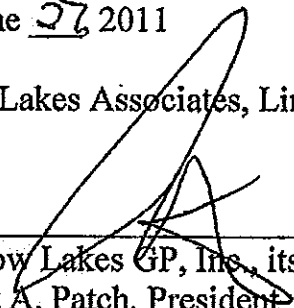
In the event of breach of this agreement, the breaching party shall pay all costs and expenses, including reasonable attorney fees, of enforcement.

This agreement shall become effective only when executed by the parties set for below. By their signature below, the individuals executing this agreement on behalf of the parties warrant that they are authorized to do so by an appropriate Resolution of the respective entity, which is hereby incorporated by reference, and that they have the authority under that resolution to bind the entity.

This Stipulation may be signed in counterparts.

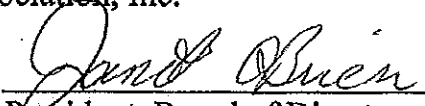
Date: June 27, 2011

Rainbow Lakes Associates, Limited Partnership

By: 
Rainbow Lakes GP, Inc., its General Partner
Robert A. Patch, President

Date: June 27, 2011

Rainbow Lakes Homeowners
Association, Inc.

By: 
President, Board of Directors

*Representing Additional
Board Members
Robert Jacques - Treasurer
Rhonda Windberg - Secretary*

Rainbow Lake Homeowners Association, Inc.

RESOLUTION FOR TRANSFER OF OWNERSHIP FEE

Enacted: 1-13-2012

Effective: 02-01-2012

WHEREAS, the Board of Directors of the Rainbow Lake Homeowners Association has the power under Article 7.11(a): to adopt such reasonable rules and regulations as it deems advisable from time to time for the maintenance, conservation and beautification of the Property, and for the health, comfort, safety and general welfare of the Unit Owners and occupants of the Property. Written notice of such rules and regulations shall be given to all Unit Owners and occupants, and the Property shall at all times be maintained subject to use rules and regulations. The rules and regulations shall apply equally to all Unit Owners and their tenants and guests. The rules and regulations shall be consistent with this Declaration and the By-Laws of the Association. As provided in the Act, rules and regulations may provide for charges, fines and Assessments for violation of this Declaration, the association By-Laws, the rules and regulation of the Act. The Association shall provide notice in the manner described in the Act at the time it assesses any such charge, fine or assessment.

WHEREAS, it is the fiduciary duty of the Board of Directors to Preserve, Protect, and Enhance the common areas of the property.

WHEREAS, it is the intent of the Board of Directors to maintain the long-term health of the Association by adequately funding the Association's reserve funds.

BE IT THEREFORE RESOLVED that "Each time ownership of a Unit is transferred from one party to another (whether by purchase and sale, foreclosure, tax foreclosure, or the taking of a deed in lieu of foreclosure) the transferee of the Unit shall pay a unit transfer fee to the Association in an amount equal to twice the monthly installments for common expenses for such unit under the budget then in effect. Each transfer fee payment shall be deposited by the Association into the reserve fund. Notwithstanding anything to the contrary contained herein, in the event the Association takes title to a Unit, the Association is not responsible for payments under this paragraph."



President Date



Secretary Date

Rainbow Lake Homeowners Association, Inc.
RESOLUTION FOR COLLECTION POLICY AND TRANSFER OF OWNERSHIP FEE

Enacted: 03/13/2013
Effective: 06/01/2013

WHEREAS, the Board of Directors of Rainbow Lake Homeowners Association, Inc. (the "Association") has the power under Section 5.02(e) of the of the Association's By-Laws to: "o adopt administrative rules and regulations governing the administration, management, operation and use of the property and the common elements, and to amend such rules and regulations from time to time."

WHEREAS, it is the fiduciary duty of the Board of Directors to preserve, protect, and enhance the common areas of the condominium.

WHEREAS, it is the intent of the Board of Directors to maintain the long-term health of the Association by adequately funding the Association's reserve funds and by promoting prompt payment of monthly assessments and a fair process by which to settle grievances.

BE IT THEREFORE RESOLVED that the following rules and regulations are hereby adopted:

Fine Schedule

1. The following is a schedule of the fines that will be imposed for non-compliance with the Declaration, By-Laws, rules, regulations, covenants, conditions or restrictions (herein collectively "Condominium Documents"):
 - a. **A WRITTEN WARNING for a Unit Owner or resident's first violation** of the Condominium Documents. In addition, a member of the Board or the property manager may attempt to contact the offending party to explain the violation and the need that all residents and Unit Owners comply with the Condominium Documents.
 - b. **FIFTY DOLLARS (\$50.00)** shall be assessed against a resident or Unit Owner for a second violation of the Condominium Documents. The second violation does not need to be the same violation as the first violation in order for the \$50 fine to be assessed.
 - c. **ONE HUNDRED DOLLARS (\$100.00)** shall be assessed against a resident or Unit Owner for a third violation of the Condominium Documents. The third violation does not need to be the same violation as the second violation in order for the \$100 fine to be assessed.

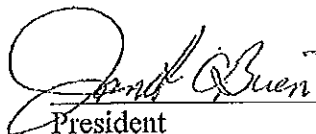
- d. **TWO HUNDRED AND FIFTY DOLLARS (\$250.00)** shall be assessed against a resident or Unit Owner for a forth violation of the Condominium Documents. The 4th violation does not need to be the same violation as the Third violation in order for the \$250 fine to be assessed.
 - e. **TWO HUNDRED AND FIFTY DOLLARS (\$250.00)** shall be assessed against a resident or Unit Owner for each successive violation of the Condominium Documents.
 - f. Notwithstanding paragraphs (a-c) immediately above, **FIVE HUNDRED DOLLARS (\$500.00) for each violation** of the Condominium Documents, when in the sole opinion of the Board of Directors the violation meets one or more of the following criteria:
 - 1. The violation is in direct defiance of a previous mandate from the Board of Directors;
 - 2. The violation was malicious in its intent;
 - 3. The violation is evidence of a pattern of the resident's or Unit Owner's non-compliance with the Condominium Documents; or
 - 4. The violation is of such a nature that the violation can not be corrected and/or that direct monetary restitution can not be determined. *(i.e. if alterations are made that can not be restored to their original state.)*
2. Any Unit Owner or resident who has been accused of violating the Condominium Documents or been fined may demand that the matter be heard by a Grievance Committee. Such demand must be in writing and provided to the Board of Directors within 14 calendar days of the notice of the violation or fine. If no demand is made within 14 calendar days, then the finding of a violation and/or fine shall be final. If a demand is timely made, the matter shall be submitted to the Grievance Committee within seven (7) days.
3. **GRIEVANCE COMMITTEE RULES AND PROCEDURES:**
- a. The Grievance Committee shall consist of four (4) members at large of the Association who are chosen by the Board. The members at large shall not be officers or members of the Board of Directors of the Association.
 - b. Each member at large shall serve for one (1) year.
 - c. For any grievance hearing, three (3) of the four (4) members shall serve. A majority vote of the Committee will determine the action and decisions of the Committee.
 - d. Members serving on any Grievance Committee must not be directly involved in the specific dispute at hand.

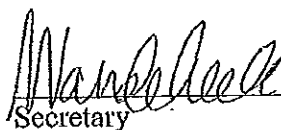
- e. Upon receipt by the Grievance Committee of a grievance, the matter shall proceed as follows:
1. A letter shall be sent by certified mail, return receipt requested, informing all parties:
 - a. Of the time, place and date of a hearing before the Grievance Committee.
 - b. Of the right to counsel.
 - c. That evidence shall be received and a record made whether or not the party complained against attends.
 2. The hearing shall be divided into two (2) sections:
 - a. The hearing.
 - b. The determination and decision.
 3. The Hearing Section shall be open to only the Grievance Committee, the parties involved, their attorneys and witnesses.
 4. The Determination and Decision Section of the meeting shall be open only to the Grievance Committee, and possibly the attorney for the Association if so requested by the Grievance Committee. The decision will be rendered in writing to all concerned parties within five (5) business days of the hearing.
 5. If the complainant, or their representative, fails to appear at the hearing without a valid excuse acceptable by the Grievance Committee, the grievance shall be dismissed without prejudice and reasonable and necessary costs incurred by the responding party assessed against the complaining party.
 6. If the alleged offender fails to appear, the complainant must prove his/her grievance and no presumption shall be made against the alleged offender for non-appearance.
 7. The burden of proof shall be on the complainant to prove the grievance by a preponderance of the evidence.
- f. The decision of the Grievance Committee is final. There shall be no appeal of the decision absent evidence that:
1. The award was procured by corruption, fraud or undue means;
 2. There was evident partiality or corruption on the part of the Grievance Committee, or any of them;

3. A member or members of the Grievance Committee were guilty of misconduct in refusing to postpone the hearing, upon sufficient cause shown, or in refusing to hear evidence pertinent and material to the controversy; or of any other misbehavior by which the rights of any party have been prejudiced; or
 4. The Grievance Committee exceeded its powers, or so imperfectly executed them that a mutual, final and definite award upon the subject matter submitted was not made.
- g. If the Grievance Committee finds that the alleged offender has violated the Condominium Documents, in addition to any charges for such violation previously assessed to the alleged offender the alleged offender will be responsible for paying any attorneys fees incurred by the Association to defend the Association's position before the Grievance Committee.

12. REMEDIES NON-EXCLUSIVE

- a. The provisions of these rules and regulations shall in no way limit or restrict any other remedies or rights as set forth in the Condominium Documents or the Condominium Ownership Act of the laws of the State of Wisconsin (Chapter 703) and shall not be exclusive, but shall be in addition to all other remedies provided by the Condominium Documents and the laws of the State of Wisconsin.
- b. In the event that the Association retains an attorney to collect any funds due, enforce any rule, bring any claim against a unit owner or defend any claim or allegation by a Unit Owner, including any counterclaim, the Association shall, if it is the prevailing party in the claim or defense, be entitled to collect from the Unit Owner all of its costs and expenses, including reasonable attorney fees.

 5-7-13
President Date

 5/7/13
Secretary Date

Rainbow Lake Homeowners Association, Inc.
Board Meeting Minutes
October 14th, 2013

Motion

That the Association revised its Rules and Regulations effective today such that they read as set forth in the attached document to be effective on January 1st, 2014, upon the property manager mailing the new Rules and Regulations to each Unit Owner at least 10 days prior to the effective date.

The Motion was seconded by Janet O'Brien.

After discussion, the Motion passed by a vote of 3 in favor and 0 against.

Rainbow Lake Rules and Regulations

ANIMALS	1
BALCONIES, PATIOS & GARAGES	2
BUILDING EXTERIORS	3
GENERAL	4
GENERAL GROUNDS	6
PARKING AND TRAFFIC	8
LEASE OF CONDOMINIUM UNITS	10
CONSTRUCTION RULE	11
ENFORCEMENT, VIOLATION, PROCEDURE & ATTORNEY FEES	15

Animals

1. Animals shall be properly licensed and tagged as required by the ordinances of the City of West Bend
2. All West Bend ordinances relating to animals are hereby incorporated as part of these Rules.
3. Any resident or Owner in violation of the Rules relative to any particular pet on more than three occasions or any pet creating a nuisance or disturbance shall be removed from the unit and all Association property upon three (3) days written notice from the Association.
4. No pets shall be allowed to roam at large within the developed common areas.
5. Each unit owner or resident shall immediately reimburse the Rainbow Lake Homeowners Association for any expenditures incurred in repairing or replacing any part of the common elements in any manner damaged by the pets.

Approved by the Board of Directors 10/14/2013

Rainbow Lake Rules and Regulations

6. All pet waste must be immediately picked up and properly placed in a trash bag and properly dispose of, in a trash container.
7. No animal shall be left unattended on any balcony, patio or any common element.
8. No animals shall be tied, chained or staked to a building, grounds, plantings or other common element item, placed in a cage upon common elements or left unattended outside a unit at any time.
9. Owners or residents who place feeders are required to keep area around the feeder clean.
10. The Association can require the removal of any bird feeder at any time at the cost of the Owner or resident who placed the bird feeder. Any bird feeder placed, must be removed at the time the resident or Owner vacates the unit.

Balconies, Patios & Garages

1. Hanging and/or mounting objects on any common area of the building is prohibited.
2. Drying of laundry, carpeting, rugs or clothing on balconies and patios or over the balcony railings is prohibited.
3. Owners or residents may put containerized flowers and plants on their balcony or patio so long as such plants do not obstruct the view of any other owner.
4. Balcony or patio pots or planters must sit in a water retention saucer so as to not damage the wood or mar the cement.
5. Planters on any balcony railing must be specifically manufactured for that purpose so as to not create any safety hazard.
6. Natural gas and charcoal grills are prohibited.
7. In accordance with the City of West Bend Fire Department, the National Fire Protection Agency and the International Fire Code the following shall apply:
 - a. West Bend Fire Code 5.220(2)(b) "1. No hibachi, gas fired grills, charcoal grills or other similar devices used for cooking, heating, or any other purpose may be used on any balcony above ground level. Electric ranges, electric grills or similar electrical apparatus approved by Underwriter's Laboratory may be stored and used on balconies above ground level."

Rainbow Lake Rules and Regulations

- b. Recreational fires shall not be allowed.
 - c. The use of fire pits, torches and other similar forms of recreational fires are not allowed.
8. High-pressure storage tanks that contain highly combustible gases, such as oxygen or acetylene, are prohibited anywhere at the Association, including in the garages, buildings or common elements. The sole exception to this rule are oxygen tanks that are used for medical purposes.

Building Exteriors

- 1. Erecting or installing an antenna or anything else, other than holiday lights as set forth below, on the exterior of a building or common element is prohibited absent the written consent of the Board.
- 2. Each Owner or resident shall immediately reimburse the Association for any expenditure incurred in repairing or replacing any part of the building common element in any manner damaged by him/her, any member of his/her family, any tenant, any employee or any other user or occupant of his/her unit.
- 3. Holiday lights are permitted on balcony railings after Thanksgiving and must be removed by January 31st each year. Other holiday decorations shall not be put up more than two weeks before the holiday and must be removed within 2 weeks of the holiday.
- 4. Holiday trees shall not be put out for garbage pickup and must be taken off of the property by the resident.
- 5. Seasonal decorations are not permitted to be attached to the exterior of the building. No nail, tacks or screws or any other method of attachment are permitted.
- 6. In order to provide safety and security, it is the responsibility of the Owner or resident to maintain the exterior lighting located at their individual patio, balcony or garage entrances to their unit. Only maintenance required is replacing any burned out light with a light blub with the proper wattage for the fixture. Any unit owner that does not take responsibility to replace their burned out light bulbs, will be assessed for the cost of association maintenance to take care of the light bulb.

Rainbow Lake Rules and Regulations

General

1. If an owner of a unit intends to leave such unit for a period of more than one (1) month, such owner shall notify the Management Company prior thereto of their forwarding address and a telephone number where they can be reached.
2. No noxious, destructive or offensive activity shall be carried out in any unit or in the common elements, including the use of Hi-Fis, stereos, musical instruments, televisions, or radios at such time or in such volume as to be objectionable to any other person.
3. Noise. No person shall make or cause to be made any loud, disturbing or unnecessary sounds that annoys or disturbs a person of reasonable sensibilities between the hours of 10:00 PM and 7:00 AM.
4. Consistent with the noise ordinances, the use of clothes washers, clothes dryers, dish washers and vacuum cleaners is prohibited between the hours of 10:00 PM and 7:00 AM.
5. Unit Owners are responsible for all residents, tenants, guests and invitees complying with the Association's Declaration, By-Laws and these Rules and Regulations. Any violations by tenants, subject to Section 703.24 Wis. Stat., guests or invitees will be assessed to the Unit Owner.
6. West Bend Fire Department semi-annual inspection of Association property.
 - a. The West Bend Fire Department randomly surveys the Association property twice every year for full compliance with the Wisconsin State Fire Code and West Bend Fire Department Regulations.
 - b. Any resident or Unit Owner who fails to comply fully with all aspects of the law which results in a citation or charge against the resident, Unit Owner or Association, shall be solely responsible for the fine as well as subsequent penalties resulting from any noncompliance.
7. Storage of any resident or guest property on the common element is not permitted, i.e., bikes, auto parts, appliances, gardening tools, garbage cans or bags, etc.
8. Dog houses or cages are not permitted.
9. Storage sheds are not permitted (excluding Association owned).
10. Permanent structures (clotheslines, posts, etc.) are not allowed.

Rainbow Lake Rules and Regulations

11. Permanent swing sets and slides are not allowed on common elements at any time.
12. Any damage caused to lawn, shrubs, or any common element by the Unit Owner, tenant, or guests, shall be repaired, at the option of the Association, either by the Association, but assessed to the Unit Owner and/or tenant, or by the Unit Owner or tenant within ten (10) days of notice by the Association. The Board must approve in writing any and all common element repairs prior to the repairs being made.
13. Common elements may not be altered without the prior written consent of the Board.
14. Portable and/or permanent sports/recreational fixtures and/or facilities are prohibited on all common element or limited common element within the Association. These include, but are not limited to: basketball backboards, street hockey nets, volleyball nets, etc. Organized sports/recreational activities (including but not limited to: pick-up football, basketball or baseball/softball games) are likewise prohibited.
15. Overnight tenting is prohibited on common elements. The drying or airing of tents must be done during daylight hours only. Tents must be removed by sundown.
16. No persons, other than contractors with the prior written consent of the Board or the Property Manager, are allowed on the roofs of the buildings.
17. Pest Control.
 - a. If any building in the Association requires the Board to direct a pest control service to find the source of reported pests, all residents shall allow the exterminator access to all areas the exterminator desires to solve the pest problem.
 - b. If a particular unit or units are determined by the Board to be the cause of the pest problem, its resident(s) shall pay all of the costs of correcting the problem. Any unit thought by the Board, in its sole discretion, to be potentially contributing to a pest control problem, shall immediately, upon notice from the Board, remove or solve the issue giving rise to the problem.
 - c. All residents shall fully and completely cooperate with the Board in allowing access to their units for investigation and extermination of pests. If any resident fails to completely cooperate and make his or her unit available after two reasonable attempts by the Board, that unit shall be conclusively determined to be the cause of the problem.

Rainbow Lake Rules and Regulations

General Grounds

1. Any landscaping or flower planting shall require the prior written consent of the Board of Directors.
2. Maintenance of all grass, shrubbery and trees shall be done by the Association's landscaper as directed by the Board of Directors.
3. Removing, adding or altering any planted flowers, shrubs, bushes or trees is prohibited without permission from the Board of Directors.
4. Use of any type of landscape mulch must be pre-approved in writing by the Board of Directors.
5. Any unit owner or resident seeking authority of the Board to install landscape mulch must provide enough mulch to cover the complete bedding area. If the bedding area is shared with another unit, that owner must approve the mulch installation in writing.
6. Trees and shrubs must be kept at a uniform height and shape and the installation of any tree or shrub must be pre-approved in writing by the Board.
7. Unit owner or resident is responsible for maintaining any plantings.
8. All plantings, once planted, become property of the Association.
9. Owner or resident planted flowers/plants must be removed or trimmed down by November 15th each year. The Board reserves the right to require any Unit Owner or resident to remove any planting at any time.
10. No clinging vines may be planted or maintained that adhere to the building or any part of the common element.
11. All seasonal plantings must be removed from the property no later than November 15th.
12. Any damage caused to the lawn, shrubs, etc. by resident or guest shall be promptly repaired by the resident. If not repaired within ten (10) days, the Association may hire a contractor to perform the repair and all costs and expenses, plus a \$50 administrative charge, will be assessed to the resident, in addition to any other remedies allowed under the condominium documents or the law.
13. Any unit owner who causes or allows any improvements to be constructed, installed, placed or altered on common areas prior to the approval of the Board of Directors may be required to remove such improvements at the unit owner's expense.

Approved by the Board of Directors 10/14/2013

Rainbow Lake Rules and Regulations

14. Unit owners that have been given individual trash and recycling containers must use them at all times.
15. **At the 4 family buildings only;** Trash containers must be stored in each unit's garage at all times except on or the day before the designated collection day. Containers must be removed from the collection site by 10 AM on the day following the collection day.
16. All garbage must be placed in sealed plastic bags and placed inside garbage cans for collection. Recyclables must be properly bagged to prevent items from being blown around.
17. It is the responsibility of the Unit Owner or resident to prevent any loose trash or recyclables from being blown by the wind.
18. Residents only are allowed to use the garbage pickup service. Unit Owners who do not reside at the Association are not allowed to bring items to the Association for disposition.
19. Large household items such as sofas, loveseats, dressers, refrigerators, stoves, washing machines, dryers, microwaves and hot water heaters shall not be placed outside of the building for garbage collection. If you wish to have items such as these disposed of, you must contact the Board or Property Manager to make appropriate arrangements. The resident must prepay the additional charge for these pickups.
20. For the trash dumpsters assigned to the 16 family units.
 - a. All items must be placed in their "properly marked" container.
 - b. Trash must be placed in container with lid closed.
 - c. Mixing of recyclables and trash is prohibited.
 - d. Cardboard boxes must be flattened and placed in the "properly marked" container.
 - e. Containers shall not be used for the disposal of any business or major household goods such as mattresses, microwaves or furniture.
 - f. Unit owners or residents should contact the City of West Bend, Street Department, for information regarding the City's Recycling Yard .
21. Airing or drying of laundry, carpeting, rugs or clothing outside any unit is prohibited.

Rainbow Lake Rules and Regulations

22. Each unit owner or resident shall immediately reimburse the Association for any expenditures incurred in repairing or replacing any part of the common elements in any manner damaged by him/her, any member of his/her family, any tenant, any employee or any other user or occupant of his/her unit.
23. Individual owner or resident rummage, garage or estates sales are prohibited.
24. The Association may schedule two community weekend rummage sales; one in the spring and one in the fall. The Board of Directors shall set the dates and times for the rummage sales.

Parking and Traffic

1. The Board of Directors or the Management Company may grant a case-by-case exception of the parking and traffic rules and regulations.
2. Only unit owners or residents and their guests may park in the designated parking areas. No parking allowed on any common area grassy areas.
3. Parking is prohibited on common element driveway approaches to assure that there will always be adequate room for the passage of emergency vehicles and the removal of snow.
4. Owners or residents and their guests may only park outside on the aprons just in front of a unit's garage.
 - a. NO MORE THAN TWO VEHICLES are allowed to be parked in these areas.
 - b. Persons using such parking areas shall, at reasonable times, for a reasonable period and upon reasonable notice (not more than 24 hours is necessary), remove their vehicles to permit the parking areas to be repaired, resurfaced, repainted, striped or to permit cleaning or removal of snow or for other similar purposes.
 - c. A weather forecast of 2 inches or more of snow constitutes a reasonable notice. There should be no parking on the street if 2 or more inches of snow is forecasted. Owners and residents must park in their garages and guest in the designated common element parking areas. Parking on the street can resume after snow removal has been completed.

Rainbow Lake Rules and Regulations

5. Unit Owners or residents may be fined and/or assessed for any additional plowing/clean-up fees charged by a snow removal contractor if the unit owner or resident fails to comply with the parking rules relating to snow.
6. Unit Owner, resident and guest vehicles shall not block access to or exit from another unit or approach to another unit.
7. Parking or storing a mobile home, camper, trailer, semi-trailer/cab, motorcycle, moped, motorized bicycle, boat, boat trailer, snowmobile, ATV, jet ski, off road motorcycle or any other type of recreational vehicle in the designated common element, including driveways, is prohibited.
8. Areas designated as "guest parking" are to be used by invited guests of residents only. Unit Owners and/or tenants are not to use guest parking as long term parking of extra vehicles at any time.
9. Any vehicle parked in a fire lane, parked in front of a fire hydrant, no parking area, or parked on sidewalks or grass area may be towed at the resident or Unit Owner's expense, without notice to the resident or guest. In addition, the resident or Unit Owner may be fined by the Association.
10. Vehicles may be fined and/or towed, without notice to the owner or resident, for the following violations, in addition to any other specifically mentioned in the condominium documents:
 - a. Parked in another resident's driveway without their written permission
 - b. Parked behind other vehicles or obstructing the use of other vehicles
 - c. Parked in front of fire hydrants, on grassy areas and sidewalks
 - d. Parked on Association property while not currently licensed or operable i.e. expired sticker on plate, no plates or no applied for sticker on back window.

The towing company will be called and the vehicle will be towed without notice to resident or guest. All charges must be paid prior to the towing company releasing the vehicle.

Rainbow Lake Rules and Regulations

Lease of Condominium Units

1. All leases for rental of condominium units shall be for a period of one year or longer, in writing.
2. All leases shall include provisions that:
 - a. The tenant acknowledges receipt of and agrees to abide by the Declaration, By-Laws and Rules and Regulations of the Association; and
 - b. Make the lease term at least 12 months and not more than 24 months.
3. A copy of the executed lease and owner/tenant contact information must be forward to the Association's Management Company prior to move-in by any lessee. Failure to provide information before tenant moves in, will result in a \$50 fine.
4. In order to preserve the high standards of maintenance and care and the other benefits arising from owner occupancy of units, including low turnover of occupants, no unit may be occupied by solely non-owner occupants during the one year period immediately following a transfer of ownership of said unit. The Board of Directors shall upon receipt of a written request waive the foregoing prohibition if the Board of Directors determines that the non-owner occupancy is being sought by reason of a sufficiently significant unforeseeable event which occurred within the twelve month period, such as the death of an owner of the unit. Any written request for a waiver shall be deemed denied if not granted in writing within thirty days after receipt by the Board of Directors.
5. With respect to any new occupancy of units, the unit owner completely relinquishes to the new occupants for the period of their occupancy the privileges which unit ownership would otherwise have a right to exercise with respect to all common areas, limited common areas and parking areas, other than the right to vote as part of any Unit Owner meeting. With respect to any new occupancy of a unit by non-owner occupants, the conduct of non-owner occupants and their guests shall be in accordance with the Declaration, By-Laws and Rules and it shall be the responsibility of the Unit Owner to make sure that any tenant or non-owner occupant is aware of all of the rules. Furthermore, the Unit Owner shall be financially responsible for the payment of any costs and attorney fees incurred by the Association in enforcing the provisions of the Declaration, By-Laws and Rules against any non-owner occupant or guest.
6. Every lease shall contain a provision that upon occupancy the tenant shall immediately provide the Board of Directors or its authorized agent owner/tenant contact information. The lease shall also contain the address and telephone number of the Unit Owner.

Rainbow Lake Rules and Regulations

7. With respect to any new occupancy of the unit by solely non-owner occupants, the Unit Owner must pay to and maintain with the Association a rental deposit account in an amount of \$500. The rental deposit account may be used by the Association to pay the following:
 - a. The cost to the Association, including reasonable Attorney fees, to enforce the Declaration, Bylaws or Rules against the tenant, an occupant or their guest(s).
 - b. The cost to the Association to repair any damages for which the unit owner or tenant is liable.
 - c. Any delinquent charges for annual and special assessments, late fees, and/or cost of collection of same imposed pursuant to the Declaration, By-Laws and Rules.
8. In the event the rental deposit account, or any portion thereof, is used to pay any of the costs or charges described in the Declaration, Bylaws or Rules, the unit owner shall reimburse to the Association the amount paid. Said reimbursement shall be made within ten calendar days following the Association's mailing to the unit owner a notice of the amount to be reimbursed. Upon the termination of the tenancy or occupancy by a non-unit owner, the rental deposit account balance with respect to that unit shall be refunded to the unit owner within twenty-one calendar days following the Association's receipt of written notification of such termination.
 - a. Any lease in effect prior to the publication of these Rules shall be exempt from with Rule 8 relating to a rental deposit account until January 1, 2014.
9. No one owner may own more than 10% of the declared units.
10. Nothing in this section shall prevent or prohibit the Association from leasing any Unit that it should own.

Construction Rules

- A.1 Rules. Unit Owners shall furnish any contractor performing work on the condominium premises on the Unit Owners behalf with a copy of the Rules and Regulations, along with the name, address and phone number of the property manager.
- A.2 Units Owners shall be responsible for any violations of the Rules and Regulations by any contractor performing work on the premises on their behalf.

Rainbow Lake Rules and Regulations

- A.3 Work shall be completed so as not to adversely affect other Unit Owners and according to any rules, regulations or architectural standards of the Association.
- A.4 Demolition and build-outs may only be done during normal business hours (M-F 7:00 am – 5:00 pm; Sat. 7:00 am – 3:00 pm). Any core, hammer drilling or high noise operation is only allowed between 8:30 am – 5:00 pm M-F. Work during any other hours must be pre-approved in writing by the Property Manager.
- A.5 System tie-ins:
 - a. For work requiring building tie-ins HVAC piping, plumbing piping, sprinkler system, smoke detection, electrical, cable, phone, etc., the contractor shall notify the Property Manager in writing 15 days prior to any tie-in work.
 - b. Before the tie-in work is started the contractor must have received written approval from the Property Manager. The written tie-in request shall describe the work to be performed in detail, and the time it will take to complete the work. The tie-in request shall also include the performing contractor's name and phone contact number(s).
 - c. The Property Manager may waive the 15 day written notification if emergency work is needed.
- A.6 Flooring:
 - a. Any drilling into the concrete shall be coordinated with the Property Manager.
 - b. A sound deadening underlayment shall be installed per manufacturer's specifications beneath tile, wood and hard surface floors.
- A.7 Keys. All building and Unit keys shall be obtained from the individual Unit owner or person(s) designated by the Unit owner. Lost or stolen keys shall be reported to the Property Manager.
- A.8 Contractor vehicles shall not block the driveways, roads, or alleys.

Rainbow Lake Rules and Regulations

- A.9 Transporting and Disposal of Materials. The freight elevator or stairwells shall be used to transport materials to and from a Unit during normal business hours 8:30 am – 5:00 pm, M-F.
- A.10 Carpet runners, drop cloths, wall corners shall be used to protect Common Elements when moving large objects through the buildings, these items shall be supplied by contractor and removed during non-working hours.
- A.11 Contractors shall clean any Common Elements, including but not limited to stairwells, hallways, elevators and lobby if sawdust, drywall dust, etc., is left behind.
- A.12 Tools or materials shall not be left on the property, except during loading and unloading. The contractor shall remove all of contractor's materials from the buildings.
- A.13 No work shall be performed in or to the Common Elements, except with the prior written approval of the property manager. Hallways, stairwells and elevators cannot be blocked at any time.
- A.14 Removal of construction, demolition materials:
- a. The general contractor and/or subcontractor(s) shall make arrangements to obtain a dumpster for discarding of materials. The dumpster shall not interfere with the ingress and egress of any building or garage doorway. All dumpster arrangements shall meet with the approval of the Property Manager.
 - b. Ultimately, the removal of construction debris is the responsibility of the Unit owner having the work done.
- A.15 Conduct:
- a. Professional conduct is required at all time while on the premises. Loud music, offensive language or obscenities in any unit or Common Elements is prohibited.
 - b. No smoking policy. Smoking is not allowed in any public or Common Elements.
 - c. Lunch and breaks shall not be taken in the Common Elements. Lunch and breaks must be taken within the unit or off-site.
- A.16 Building Emergencies. The Property Manager shall be notified of any and all building emergencies caused in conjunction with the demolition, remodeling work, repair work or build-out work in a Unit.

Rainbow Lake Rules and Regulations

- A.17 Liability. Unit owners having work done will be held responsible for any and all damage, insurance deductible or any extra charge for the cleaning, removal of debris to the Common Elements and/or adjoining units as a result of contractors or carriers work or negligence. Unit owners having work done will be charged for removal of materials or for cleaning of the Common Elements due to construction to their Unit.
- A.18 Insurance. All contractors must provide proof of insurance, including worker's compensation insurance to the Property Manager, unless a waiver of such insurance is applicable.
- A.19 Construction. Any construction that adds more than 400 square feet of living space to any Unit, including any new construction on vacant land, shall;
- a. Pay a Construction Fee to the Association equal to twice the amount of the standard monthly assessment prior to commencing any construction or bringing any construction equipment on site;
 - b. Allow the Association or its agent, or a consultant or engineer of the Association, to inspect any portion of the construction at any time. If the agent, consultant or engineer, in its sole discretion, determines that any of the construction fails to make the standards of the industry, fails to meet code or violates any other law, the Unit Owner shall immediately cease any further construction until the violations or deficiencies are corrected;
 - c. The entire roof area must have at least 12 feet of ice and water shield placed from the eave and 3 feet of ice and water shield around any skylight and on both sides of any valley; and
 - d. Provide the Association with a payment and performance bond to assure that the construction is completed without any possible liens against the other Unit Owners.

B. INSURANCE

- B.1 All claims and potential claims against the Association's insurance are to be reported immediately to the manager or a designated board member;
- B.2 No resident is to file a claim directly with the Association's insurance company;
- B.3 Owners and residents should report any claim involving their personal property and home to their own insurance agent; and

Rainbow Lake Rules and Regulations

- B.4 Decisions on reporting Association property claims are to be made by the Board, in conjunction with the community associations insurance agent or consultant.

**ENFORCEMENT, VIOLATION, PROCEDURE &
ATTORNEY FEES**

C. VIOLATIONS MAY BE REPORTED BY ANY UNIT OWNER OR RESIDENT TO:

- C.1 The West Bend Police Department, if the violation is an infraction of a City Ordinance or any other law.
- C.2 Management.

D. A VIOLATION REPORTED TO MANAGEMENT MUST BE IN WRITING AND MUST CONTAIN THE FOLLOWING:

- D.1 Name of offender and address, if known.
- D.2 Violation observed and brief description thereof.
- D.3 Time and place of occurrence or, if a continuing violation, the time or times of observance of the occurrence.
- D.4 Name, address and telephone number of the reporting Unit Owner or Resident.

E. UPON RECEIPT OF A COMPLAINT MANAGEMENT SHALL ATTEMPT TO RESOLVE THE MATTER BY:

- E.1 Obtaining voluntary payment of an appropriate fine as per the Penalties Section of these rules, and/or
- E.2 Obtaining voluntary correction of the violation, and/or
- E.3 Any other solution to which the complainant, the alleged offender and/or Management agree.

Rainbow Lake Rules and Regulations

F. IF MANAGEMENT IS UNABLE TO RESOLVE THE MATTER, THE MATTER SHALL BE SUBMITTED TO THE GRIEVANCE COMMITTEE.**G. GRIEVANCE COMMITTEE RULES AND PROCEDURES:**

- G.1 The Grievance Committee shall consist of a member of the Board of Directors, who will act as the Chairperson, and six (6) members at large of the Association who are chosen by the Board. The members at large shall not be officers or members of the Board of Directors of the Association.
- G.2 Each member at large shall serve for one (1) year.
- G.3 For any grievance hearing, the Chairperson and three (3) of the six (6) members at large shall serve. A majority vote of the Committee will determine the action and decisions of the Committee. The Chairperson shall not cast a vote except to break a tie.
- G.4 Members serving on any Grievance Committee must not be directly or indirectly involved in the specific dispute at hand.
- G.5 Upon receipt by the Grievance Committee of a grievance, the Chairperson shall proceed as follows:
 - a. A letter shall be sent by certified mail, return receipt requested, informing all parties:
 - (i) Of the time, place and date of a hearing before the Grievance Committee.
 - (ii) Of the right to counsel.
 - (iii) That evidence shall be received and a record made whether or not the party complained against attends.
 - (iv) That, if found in violation, a fine may be imposed in accordance with the Penalties Section, plus costs and actual attorney fees incurred by the Association.
 - (v) That any such fine imposed may be secured by filing a lien against the subject Unit, as prescribed by law.
 - b. The hearing shall be divided into two (2) sections:
 - (i) The hearing.

Rainbow Lake Rules and Regulations

(ii) The determination and decision.

The Hearing Section shall be open to only the Committee, Board of Directors, the parties involved, their attorneys and witnesses.

The Determination and Decision Section of the meeting shall be open only to the Committee. The decision will be rendered in writing to concerned parties within five (5) business days of the hearing.

- c. If the complainant, or their representative, fails to appear at the hearing without a valid excuse acceptable by the Committee Chairperson, the grievance shall be dismissed without prejudice and reasonable and necessary costs incurred by the responding party assessed against the complaining party.
- d. If the alleged offender fails to appear, the complainant must prove his grievance and no presumption can be made against the alleged offender for non-appearance.
- e. The burden of proof shall be on the complainant to prove the grievance by a preponderance of the evidence.

G.6 The decision of the Grievance Committee is final, non-appealable and binding upon all parties.

H. Fine Schedule

The following is a schedule of the fines that will be imposed for non-compliance with the Declaration, By-Laws, rules, regulations, covenants, conditions or restrictions (herein collectively "Condominium Documents"):

- H.1 **A WRITTEN WARNING** for a Unit Owner or resident's first violation of the Condominium Documents. In addition, a member of the Board or the property manager may attempt to contact the offending party to explain the violation and the need that all residents and Unit Owners comply with the Condominium Documents.
- H.2 **FIFTY DOLLARS (\$50.00)** shall be assessed against a resident or Unit Owner for a second violation of the Condominium Documents. The second violation does not need to be the same violation as the first violation in order for the \$50 fine to be assessed.

Rainbow Lake Rules and Regulations

- H.3 **ONE HUNDRED DOLLARS (\$100.00)** shall be assessed against a resident or Unit Owner for a third violation of the Condominium Documents. The third violation does not need to be the same violation as the second violation in order for the \$100 fine to be assessed.
- H.4 **TWO HUNDRED AND FIFTY DOLLARS (\$250.00)** shall be assessed against a resident or Unit Owner for a forth violation of the Condominium Documents. The 4th violation does not need to be the same violation as the Third violation in order for the \$250 fine to be assessed.
- H.5 **TWO HUNDRED AND FIFTY DOLLARS (\$250.00)** shall be assessed against a resident or Unit Owner for each successive violation of the Condominium Documents.
- H.6 **Notwithstanding paragraphs (a-c) immediately above, FIVE HUNDRED DOLLARS (\$500.00)** for each violation of the Condominium Documents, when in the sole opinion of the Board of Directors the violation meets one or more of the following criteria:
- a. The violation is in direct defiance of a previous mandate from the Board of Directors;
 - b. The violation was malicious in its intent;
 - c. The violation is evidence of a pattern of the resident's or Unit Owner's non-compliance with the Condominium Documents; or
 - d. The violation is of such a nature that the violation can not be corrected and/or that direct monetary restitution can not be determined. (i.e. if alterations are made that can not be restored to their original state.)
- H.7 Any Unit Owner or resident who has been accused of violating the Condominium Documents or been fined may demand that the matter be heard by a Grievance Committee. Such demand must be in writing and provided to the Board of Directors within 14 calendar days of the notice of the violation or fine. If no demand is made within 14 calendar days, then the finding of a violation and/or fine shall be final. If a demand is timely made, the matter shall be submitted to the Grievance Committee within seven (7) days.
- H.8 By the Association removing or correcting the violation, the cost of which, including reasonable attorney fees, shall be borne by the Unit Owner.

Rainbow Lake Rules and Regulations

- H.9 Loss of use of the Association recreational facilities.
- H.10 For any amounts not paid to the Association when due, compound interest at the rate of 1.5% per month shall be added to the outstanding balance. For any amounts not paid when due the unit owner and/or resident shall pay all costs of collection, including actual attorney fees.

I. INTEREST AFFECTED

All Unit Owners shall be responsible for all actions of their guests, tenants, and tenants' guests. In the case of the alleged offender being a tenant, a copy of all notices shall be mailed by certified mail to the Owner of the Unit affected; and the Unit Owner shall be entitled to attend the hearing, and present evidence as prescribed above.

J. REMEDIES NON-EXCLUSIVE

- J.1 The provisions of these rules and regulations shall in no way limit or restrict any other remedies or rights as set forth in the Condominium Declaration or the Condominium Act of the laws of the State of Wisconsin (Chapter 703) and shall not be exclusive, but shall be in addition to all other remedies provided by the Condominium Declaration and the laws of the State of Wisconsin.
- J.2 In the event that the Association retains an attorney to collect any funds due, enforce any rule, bring any claim against a unit owner or defend any claim or allegation by a unit owner, including any counterclaim, the Association shall, if it is the prevailing party in the claim or defense, be entitled to collect from the unit owner all of its costs and expenses, including reasonable attorney fees.