

COVER SHEET  
DISCLOSURE MATERIALS

Name and Location of the Condominium:   SPRINGTIME RIDGE CONDOMINIUM  
Town of Sheboygan  
Sheboygan County, Wisconsin

Name and Address of Declarant:           WESTMARK DEVELOPMENT, LLC  
A Wisconsin limited liability company  
819 New York Avenue  
Sheboygan, WI 53081

Name and Address of Declarant's Agent:   Gregory C. Gottsacker  
819 New York Avenue  
Sheboygan, WI 53081

1.       THESE ARE THE LEGAL DOCUMENTS COVERING YOUR RIGHTS AND RESPONSIBILITIES AS A CONDOMINIUM OWNER. IF YOU DO NOT UNDERSTAND ANY PROVISIONS CONTAINED IN THEM, YOU SHOULD OBTAIN PROFESSIONAL ADVICE.

2.       THESE DISCLOSURE MATERIALS GIVEN TO YOU AS REQUIRED BY LAW MAY, WITH THE EXCEPTION OF THE EXECUTIVE SUMMARY, BY RELIED UPON AS CORRECT AND BINDING. FOR A COMPLETE UNDERSTANDING OF THE EXECUTIVE SUMMARY, CONSULT THE DISCLOSURE DOCUMENTS TO WHICH A PARTICULAR EXECUTIVE SUMMARY STATEMENT PERTAINS. ORAL STATEMENTS MAY NOT BE LEGALLY BINDING.

3.       YOU MAY AT ANY TIME WITHIN 5 BUSINESS DAYS FOLLOWING RECEIPT OF THESE DOCUMENTS, OR FOLLOWING NOTICE OF ANY MATERIAL CHANGES IN THESE DOCUMENTS, CANCEL IN WRITING THE CONTRACT OF SALE AND RECEIVE A FULL REFUND OF ANY DEPOSITS MADE. IF THE SELLER DELIVERS LESS THAN ALL OF THE DOCUMENTS REQUIRED, YOU MAY, WITHIN 5 BUSINESS DAYS FOLLOWING RECEIPT OF THE DOCUMENTS, DELIVER A REQUEST FOR ANY MISSING DOCUMENTS. IF YOU TIMELY DELIVER A REQUEST FOR MISSING DOCUMENTS, YOU MAY, AT ANY TIME WITHIN 5 BUSINESS DAYS FOLLOWING THE EARLIER OF EITHER THE RECEIPT OF THE REQUESTED DOCUMENTS OR THE SELLER'S DEADLINE TO DELIVER THE REQUESTED DOCUMENTS, CANCEL IN WRITING THE CONTRACT OF SALE AND RECEIVE A FULL REFUND OF ANY DEPOSITS MADE.

Please date and sign the attached receipt and return to the Declarant or the Declarant's Agent.  
Cut on dotted line.

-----  
RECEIPT

I acknowledge that I have received a copy of the Disclosure Materials, including the Executive Summary which follows the Index on Page 3 of these materials (Declaration of Condominium, By-Laws, Rules and Regulations, if any, Articles of Association, a copy of the Annual Projected Operating Budget, a copy of a sample lease to be used by unit owners, and a copy of the floor plan of the unit, its location in the common elements, and the location of the common elements of the condominium) of Springtime Ridge Condominium, that I was provided with time to read such material, that I was advised that should I have any questions in connection with same; I should seek independent professional advice; that I did read such documents; that a lien for maintenance payments could attach against my property and other matters as set forth in more specific detail in the Executive Summary and Disclosure materials which follow, receipt of which is hereby acknowledged.

Executed this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_

## INDEX

The following is an index to the materials Declarant is required by law to provide to each prospective condominium purchaser.

- I. EXECUTIVE SUMMARY. The Executive Summary relates to certain particular information of importance in regard to this condominium, and the location of the information within the Disclosure Materials, which follow. The Executive Summary begins on Page Three (3).
- II. DECLARATION. The Declaration establishes and describes the condominium, the units and the common elements. The Declaration begins on Page Five (5).
- III. BY-LAWS. The By-Laws contain rules which govern the condominium and affect the rights and responsibilities of unit owners. The By-Laws begin on Page Thirty (30).
- IV. ARTICLES OF ASSOCIATION. The operation of a condominium is governed by the Association, of which unit owner is a member. Powers, duties and operation of an association are specified in the Articles of Association. The Articles of Association begin on Page Forty (40).
- V. ANNUAL OPERATING BUDGET. The Association incurs expenses for the operation of the condominium which are assessed to the unit owners. The operating budget is an estimate of those charges which are in addition to mortgage and utility payments. The budget begins on Page Forty-four (44).
- VI. LEASES. There are no leases of property of facilities which are not a part of the condominium. However, pursuant to the terms of the By-Laws of the Association of condominium owners, individual condominium units may be subject to residential rental leases. A copy of the residential rental form to be utilized in the event of a written lease is at Page Forty-five (45).
- VII. ASSOCIATION LIEN FOR ASSESSMENTS. A copy of form to be used by the Association in the event it files a lien for assessments is attached at Forty-six (46).
- VIII. MAP (PLAT). The Declarant has provided a map (plat) of the condominium project which shows the location of the units and the facilities and common elements which are a part of the condominium. The map (plat) is on Page Twenty-seven (27).
- IX. FLOOR PLANS. The Declarant has provided floor plans of the units being offered for sale. The floor plans begin on Page Twenty-eight (28).

## EXECUTIVE SUMMARY

1. CONDOMINIUM IDENTIFICATION: The Condominium name is Springtime Ridge Condominium.
2. EXPANSION PLANS: Springtime Ridge Condominium is expandable and may contain as many as thirty-eight (38) units. The Declarant has reserved such expansion to be over a period of ten (10) years. See Pages Twenty-one, Twenty-two and Twenty-three (21, 22 & 23) of the Disclosure Materials.
3. GOVERNANCE: The initial address of the Condominium Association is 819 New York Avenue, Sheboygan, WI 53081. The initial registered agent is Gregory C. Gottsacker. The Association is self-managed. Questions regarding the management of the condominium should be directed to the members of the Board of Directors of the Association or an officer designated by the Board of Directors. Questions regarding assessments should be directed to the Treasurer of the Association. Further information regarding the governance of the condominium is set forth in the Disclosure Materials on Pages Thirty-three through Thirty-six (33-36).
4. SPECIAL AMENITIES: There no special amenities located within the common elements of the condominium.
5. MAINTENANCE AND REPAIR: A description of the unit owner's responsibility for repair and maintenance of the owner's unit and the limited common elements assigned to that unit is set forth in the Disclosure Materials on Pages Eighteen and Thirty-seven (18 & 37).
6. MAINTENANCE, REPAIR AND REPLACEMENT OF COMMON ELEMENTS: Information relating to the Association's responsibility for maintenance, repair and replacement of common elements, and how such maintenance, repair and replacement is to be funded are set forth on Pages Eighteen and Nineteen (18 & 19) of the Disclosure Materials.
7. RENTAL OF UNITS: Information relating to unit owner's right to rent their units is set forth on Page Thirty-eight (38) of the Disclosure Materials and a sample lease form is set forth on Page Forty-five (45) of the Disclosure Materials.
8. UNIT ALTERATIONS: A description of the rules, restrictions and procedures governing a unit owner's authority to alter the unit are set forth on Pages Seventeen and Eighteen (17 & 18) of the Disclosure Materials.
9. PARKING: Parking is allowed on the limited common elements assigned to the unit, any designated open parking areas that may be designated within the common elements and on the public streets adjacent to the condominium, subject to the parking regulations of the municipality.
10. PETS: Rules relating to pets on the condominium property are set forth on Page Thirty-eight (38) of the Disclosure Materials.

11. STATUTORY RESERVE ACCOUNT: The Declarant has not established a Statutory Reserve Account for future expenditures relating to repair and replacement of the common elements of the condominium, and has filed a Statutory Reserve Account Statement in the Office of the Register of Deeds for Sheboygan County, Wisconsin. Non-routine maintenance and replacement of common elements will be by assessment as determined by the Association as set forth on Page Forty-seven (47) of the Disclosure Materials.

12. FEES ON NEW UNITS: Condominium Assessments shall commence as to any unit completed on the condominium property upon issuance of an occupancy permit by the City of Sheboygan as set forth on Page Fifteen (15) of the Disclosure Materials.

13. AMENDMENTS TO DECLARATION AND BY-LAWS: The Declaration and By-laws of the condominium may be amended as set forth on Pages Twenty-four and Thirty-eight (24 & 38) respectively of the Disclosure Materials. The percentage vote required and the process and requirements for such changes are set forth on these pages. The Declarant reserves the exclusive right to amend the Declaration to add expansion phases to the Condominium as set forth on Pages Twenty-one, Twenty-two and Twenty-three (21, 22 & 23).

14. RESTRICTIONS RELATING TO MOTOR VEHICLES, UNLICENSED VEHICLES AND RECREATIONAL VEHICLES: Restrictions relating to motor vehicles, unlicensed vehicles and recreational vehicles may be found on Page Thirty-eight (38) of the Disclosure Materials.

15. RESTRICTIONS ON UNIT OWNER'S USE OF THE COMMON ELEMENTS: The restrictions relating to the unit owner's use of the common elements is set forth on Pages Eleven, Twelve and Thirty-eight (11, 12 & 38) of the Disclosure Materials which follow.

ANY CHANGE MADE BY THE DECLARANT OR THE ASSOCIATION TO THE DISCLOSURE MATERIALS CONTAINED IN THIS EXECUTIVE SUMMARY, OR THOSE MATTERS REFERENCED IN THE EXECUTIVE SUMMARY, SHALL REQUIRE A REVISION OF THE EXECUTIVE SUMMARY BY THE DECLARANT OR THE ASSOCIATION, WHICHEVER IS IN CONTROL OF THE CONDOMINIUM WHEN THE CHANGE TAKES PLACE.

## DECLARATION TABLE OF CONTENTS

|                                                                                                                          |    |
|--------------------------------------------------------------------------------------------------------------------------|----|
| RECITALS .....                                                                                                           | 6  |
| ARTICLE I - DEFINITIONS .....                                                                                            | 7  |
| ARTICLE II - DESCRIPTION AND IDENTIFICATION OF BUILDINGS,<br>UNITS, COMMON ELEMENTS AND LIMITED COMMON<br>ELEMENTS ..... | 9  |
| ARTICLE III - PROPERTY RIGHTS .....                                                                                      | 11 |
| ARTICLE IV - MEMBERS AND THEIR VOTING RIGHTS .....                                                                       | 13 |
| ARTICLE V - COVENANT (AND LIEN) FOR ASSESSMENTS .....                                                                    | 13 |
| ARTICLE VI - DAMAGE AND DESTRUCTION OF PROPERTY .....                                                                    | 16 |
| ARTICLE VII - ARCHITECTURAL CONTROL .....                                                                                | 17 |
| ARTICLE VIII - MAINTENANCE AND REPAIR .....                                                                              | 18 |
| ARTICLE IX - USE RESTRICTIONS .....                                                                                      | 19 |
| ARTICLE X - INSURANCE .....                                                                                              | 19 |
| ARTICLE XI - DECLARANT'S RIGHT TO EXPAND<br>CONDOMINIUM.....                                                             | 21 |
| ARTICLE XII - GENERAL PROVISIONS.....                                                                                    | 23 |
| EXHIBIT A - PLAT (MAP) OF THE CONDOMINIUM.....                                                                           | 27 |

DECLARATION OF CONDOMINIUM  
OWNERSHIP AND COVENANTS, CONDITIONS  
AND RESTRICTIONS FOR SPRINGTIME RIDGE CONDOMINIUM

THIS DECLARATION is made by Westmark Development, LLC, a Wisconsin limited liability company, hereinafter referred to as Declarant, the date hereinafter stated for the purposes of subjecting the following described real property and the appurtenances thereto to the provisions of the Wisconsin Condominium Ownership Act (Chapter 703, Wisconsin Statutes) and for the additional purpose of imposing certain covenants, conditions and restrictions upon such property.

RECITALS

Section 1. Ownership: Westmark Development, LLC, a Wisconsin limited liability company, hereinafter referred to as "Declarant", is the owner of the subject property.

Section 2. Name of Condominium: The Condominium shall be known as Springtime Ridge Condominium, located in the Town of Sheboygan, Sheboygan County, Wisconsin.

Section 3. Condominium is Expandable: Phase I of the Condominium shall consist of one (1) building containing two (2) units. Declarant may expand the Condominium by as many as eighteen (18) additional phases. All additional buildings shall be duplexes, each containing two (2) units for a possible expansion of thirty-six (36) additional units. Further detail regarding Declarant's right to expand the Condominium is set forth in Article XI, below.

Section 4. Legal Description of Property: The real property owned by Declarant, subject to Condominium ownership by this Declaration is:

Lots One (1) and Two (2) of a Certified Survey Map recorded for record in Volume 25 of Certified Survey Maps on Pages 71/3 in the office of the Register of Deeds for Sheboygan County, Wisconsin, being a part of the Southeast Quarter (SE1/4) of the Northeast Quarter (NE1/4), Section Seventeen (17), Township Fifteen (15) North, Range Twenty-three (23) East, Town of Sheboygan, Sheboygan County, Wisconsin and Lot Two (2) of a Certified Survey Map recorded in Volume 23 of Certified Survey Maps on Pages 333/5 in the office of the Register of Deeds, being a part of the Southeast Quarter (SE1/4) of the Northeast Quarter (NE1/4), Section Seventeen (17), Township Fifteen (15) North, Range Twenty-three (23) East, Town of Sheboygan, Sheboygan County, Wisconsin.

Tax Key Numbers: 59024-348376, 59024-348377, and 59024-348373

The real property described as Phase I of the Condominium is described as:

Lot One (1) of a Certified Survey Map recorded in Volume 25 of Certified Survey Maps on Pages 71/3 in the office of the Register of Deeds for Sheboygan County, Wisconsin being a part of the Southeast Quarter (SE1/4) of the Northeast Quarter (NE1/4), Section Seventeen (17), Township Fifteen (15) North, Range Twenty-three (23) East, Town of Sheboygan, Sheboygan County, Wisconsin.

Tax Key No. 59024-348376

The real property subject to phased construction is described as:

Lot Two (2) of a Certified Survey Map recorded in Volume 25 of Certified Survey Maps on Pages 71/3 in the office of the Register of Deeds for Sheboygan County, Wisconsin, and Lot Two (2) of a Certified Survey map recorded in Volume 23 of Certified Survey Maps on Pages 333/5 in the office of the Register of Deeds for Sheboygan County, Wisconsin, both being a part of the Southeast Quarter (SE1/4) of the Northeast Quarter (NE1/4), Section Seventeen (17), Township Fifteen (15) North, Range Twenty-three (23) East, Town of Sheboygan, Sheboygan County, Wisconsin.

Tax Key Nos. 59024-348377 and 59024-348373

Section 5. Covenants, Conditions and Restrictions: Certain covenants, conditions and restrictions upon the use or uses of the Condominium property are set forth throughout this Declaration.

#### CONDOMINIUM PLAN, COVENANTS, CONDITIONS AND RESTRICTIONS

NOW, THEREFORE, the Declarant hereby establishes the following plan for Condominium ownership of the real property described above and the buildings and improvements hereafter located thereon pursuant to the provisions of the Condominium Ownership Act, and hereby declares that all said property shall be held, occupied, used, transferred, sold and conveyed subject to the terms, conditions and restrictions of this Declaration.

#### ARTICLE I.

#### DEFINITIONS

As used in this Declaration, or in any amendment thereto, unless otherwise provided or unless the context requires otherwise, the following words/terms shall have the meaning set forth below.

Section 1.1 "Association": Shall mean and refer to the Springtime Ridge Condominium Owners Association, which association shall be an unincorporated, non-profit association, its successors and assigns.

Section 1.2 "Unit Owner": Shall mean, refer to and include every record owner, whether one or more persons or entities, of a fee simple title (defined herein for clarification as including land contract vendees, but excluding those holding record title or a similar interest merely as security for the performance of an obligation) to any unit described in this Declaration, and may also be referred to in this Declaration as "Owner".

Section 1.3 "Condominium Property": Shall mean and refer to the real property described herein, together with the buildings thereon, as well as current and future improvements and structures made to the common area, and all easements, rights and appurtenances belonging thereto. It shall not include personal property inside the units, including appliances, fixtures, floor and wall coverings, etc., or limited common elements.

Section 1.4 "Buildings": Shall refer to the duplex type building(s) identified herein and also depicted on the Condominium plat filed in the office of the Register of Deeds for Sheboygan County, Wisconsin.

Section 1.5 "Residential Unit": Shall mean, refer to and include each part of the Condominium property designated as and intended for residential use, including one or more cubicles of air at one or more levels in a building.

Section 1.6 "Common Elements": Shall mean, refer to and include all of the Condominium property except its units.

Section 1.7 "Limited Common Elements": Shall mean, refer to and include those parts of the common elements designated in this Declaration or the Condominium plat as reserved for a certain unit(s) or building(s) to the exclusion of other units or buildings.

Section 1.8 "Common Expenses" and "Common Surpluses": Shall mean, refer to and include the expenses and surpluses of the Association.

## ARTICLE II.

### DESCRIPTION AND IDENTIFICATION OF BUILDINGS,

#### UNITS, COMMON ELEMENTS AND LIMITED COMMON ELEMENTS

Section 2.1 Description of Buildings: The buildings shall be (2) unit duplex type buildings as further described herein. The buildings shall be numbered consecutively as constructed, beginning with Number One (1). The buildings will be of the Greenvue, Brighton or Westmark plan as depicted on Exhibit A.

The building(s) and the floor plans are depicted on the Plat which is attached hereto as Exhibit A. The location of the building(s) and the floor plans of the unit(s) are further subject to Article XI, detailing the Declarant's right to expand the Condominium.

Section 2.2 Description of Units: Each of the two units situated in the buildings shall be separately designated by an identifying number one and two (1 and 2) as set forth on Exhibit A attached hereto and in the plat of the Condominium. The total number of units in Phase I shall be two (2). Subject to the Declarant's right to expand the Condominium, the total units in the Condominium may be thirty-eight (38) or thirty-six (36) additional units. Each unit shall be a self-contained unit with the various levels connected by interior stairways and each unit shall have separate exit/entry doors leading to the outside. The boundaries of each unit shall be as set forth in Article III, Section 3.3 below.

If any of the common or limited common elements shall encroach upon any unit, or any unit shall encroach upon any other unit whereupon any portion of the common or limited common elements as a result of the construction of the building, or as a result of settling or shifting of the building, a valid easement for the encroachment and for its maintenance shall exist as long as the building stands. In interpreting the exhibits attached hereto, the existing physical boundaries of a unit or a unit which is

constructed in substantial compliance with the plan thereof, shall be conclusively presumed to be within its boundaries rather than the dimensions expressed in the attached exhibits, regardless of settling or lateral movement of the building and regardless of minor variances between boundaries shown on the attached plans and those of the building.

Section 2.3 Description of Common Elements: The common elements shall be described as that portion of the Condominium property except the units and is depicted on Exhibit A attached hereto and also designated on the Condominium plat filed in the office of the Register of Deeds for Sheboygan County, Wisconsin, and the items of property and facilities included within the meaning of said term are as stated in Section 1.6 of this Declaration. The owners of each unit shall have an undivided interest as tenants in common in the common elements as hereinafter described in this Declaration.

Section 2.4 Description of Limited Common Elements: The limited common elements are part of the common elements of the project but are permanently assigned and limited to the exclusive use of designated units as follows:

The entrances, service walks, covered porches, decks and/or patios appurtenant to the units shall be assigned to each unit for the exclusive benefit of that unit.

The driveway appurtenant to each unit shall be the exclusive use and benefit of that unit and/or the unit which shares the driveway.

The limited common elements designated herein shall be assigned to the exclusive use of the particular unit and units designated and limited common elements shall be assigned by the Declarant to a unit purchaser and such conveyance shall designate such assignment. Thereafter the unit to which each of the limited common areas was assigned shall have the exclusive use thereof and any subsequent conveyance of title to such unit shall pass with it as an appurtenance thereto the exclusive use herein provided for. The use of the limited common elements aforescribed shall be restricted to the purposes for which are herein designated and no owner shall use, add to, alter, modify or in any way change such limited common element in any manner contrary to provisions of this Declaration or

the By-Laws of the Association or any rules or regulations as may from time to time be adopted by the Association.

The limited common elements designated shall be subject to access under the provisions of this Declaration, by the By-Laws of the Association or any rules and regulations as may from time to time be adopted by the Association, such access including but not being limited to the purposes of maintenance, inspection and repair.

### ARTICLE III.

#### PROPERTY RIGHTS

Section 3.1 Percentage of Undivided Interest in Common Elements: The fraction of undivided interest owned in the common elements (including the limited common elements, being a part thereof) and the facilities appertaining to each unit in Phase I and its owners is one-half (50%). Upon addition of units by phase construction, each unit owners fraction shall be re-computed so that each owner has an equal ownership interest in the common elements. (See Article XI for further explanation)

Section 3.2 Status and Ownership of Units: Each unit, together with its undivided interest in the common elements and facilities shall constitute real property for all purposes, and the owner(s) of each unit shall be entitled to the exclusive ownership and possession thereof.

Section 3.3 Boundaries of Unit: The boundaries of each unit shall be the underside of the finished interior surface of its perimeter walls, floors and ceilings. Such finished surfaces being included within the unit. In addition, a unit will contain a garage and/or storage areas. The interior space of said areas shall be included in the unit.

Section 3.4 Rights in Common Elements: Each owner, together with his family and guests, and tenants shall use the common elements for all purposes for which it was designed and intended. No owner, his family and guests or tenants may hinder or encroach upon the lawful rights of any other owner, such owner's family and guests or tenants with respect to such use, with the exception of the limited common elements as described in this Declaration. Such rights to use the common elements

shall be subject to all restrictions and limitations set forth in this Declaration or in the By-Laws of the Association, and the rules and regulations adopted pursuant thereto.

Section 3.5 Easement of Enjoyment: Every owner shall have a nonexclusive right to an easement of enjoyment in and to the common elements, with the exception of the limited common elements as described in this Declaration, including, but not by way of limitation, a right and easement of ingress and egress over, upon and across the common elements necessary for access to such owner's unit. These rights and easement of enjoyment shall be appurtenant to and pass with the title to every unit, subject to the right of the unit owners to mortgage their interest in the common elements.

Section 3.6 Easements: The Condominium property shall be subject to the following easements, and all rights appurtenant thereto:

a. Any easement now in existence or created in the future as may be required and granted for gas, water, electrical, telephone services, cable television services, sewer, or storm water detention, whether or not evidenced by an instrument in writing of public record.

b. Each unit may maintain a compact dish receiver attached to the common element of the building appurtenant to the unit served by the compact dish, provided however, that the size and location of the compact dish receiver be approved by the Condominium under the procedures set forth in Article VII, below.

c. Operable smoke detectors shall be maintained on the premises of each unit.

d. Declarant shall be entitled to easements that may be necessary for the completion of the building(s) upon the Condominium property including, but not limited to, easements to install and maintain utilities, locate construction materials, remove and replace earth, and any other necessary easement associated with the construction of the improvements upon the Condominium property.

e. Should any of the aforescribed easements hereafter be required to be evidenced by written instrument, Declarant reserves the right to convey same in its name alone, which conveyance shall be binding upon each owner of any unit on the Condominium property by the acceptance of any right, title or interest therein.

f. All the easements described in this section and all rights appurtenant thereto shall run with and bind the land in perpetuity and shall inure to the benefit and be binding upon the Declarant, its successors and assigns, and upon all parties having any (legal or equitable) right, title or interest in the Condominium property, their respective heirs, personal representatives, successors and assigns. Units proposed to be added under Declarant's Right to Expand the Condominium shall not be considered as proposed units until the contemplated phase is added to the Condominium by the Amendment of this Declaration.

#### ARTICLE IV.

##### MEMBERS AND THEIR VOTING RIGHTS

Section 4.1 Members: Every record owner, whether one or more persons or entities, of a fee simple title (defined herein for clarification as including land contract vendees, but excluding those holding record title to a similar interest merely as security for the performance of an obligation) to a unit, whether existing or proposed (as described herein), shall be a member of the Association which shall administer the common areas.

Section 4.2 Voting Rights: Each unit, whether existing or proposed, shall be entitled to one vote only. If an owner shall own more than one unit, such owner shall be entitled to one vote for each unit owned. If there exists more than one owner of a unit, then they shall determine between themselves who has the right to cast the one vote or may divide their vote in relationship to their ownership interest in the unit, but in no event shall the owners of any one unit, if there be more than one, have more than one vote.

#### ARTICLE V.

##### COVENANT (AND LIEN) FOR ASSESSMENTS

Section 5.1 Assessments, and Lien and Personal Obligation Therefor: Each future owner by acceptance of a Deed conveying an interest in the Condominium is deemed to covenant and agree to pay the Association annual assessments, special assessments for capital improvements, statutory

reserve account assessments (when, and if established by the Association) and any sum assessed for damages to the Condominium property pursuant to this Declaration, the By-laws thereof, and any rules and regulations established thereunder. These assessments shall be collected as hereinafter provided for in this Declaration. The aforementioned assessments, together with interest thereon (at the legal rate) and the expenses and reasonable attorney's fees incurred in the collection thereof, shall be and constitute a continuing lien in favor of the Association upon the unit(s), and the undivided interest in the common elements and facilities appurtenant thereto, against which such assessment is made, which lien shall arise at the time a Certificate for Lien is filed in the office of the Clerk of Courts for Sheboygan County, Wisconsin, or other appropriate place according to law, by authority of and at the direction of the Board of Directors of the Association. Such Certificate for Lien shall contain such information as is necessary to properly identify the unit against which the lien exists, the record owners thereof and the amount of the lien claim, and shall be signed by an officer and authenticated by an officer or agent of the Association. A lien for assessments, as provided for herein, may be foreclosed as provided in Chapter 703 of the Wisconsin Statutes. In addition to the foregoing, such assessments, together with interest thereon (at the legal rate) and the expenses and reasonable attorney's fees incurred in the collection thereof, shall be a personal obligation of the owner(s) of the unit against which assessed at the time such assessment (or any installment thereof) is due, and such personal obligation shall pass to the successors in title (except for mortgages, their successors and assigns, and other purchasers who obtain title to the unit as a result of a first mortgage foreclosure) to such unit, and each owner of any unit, by acceptance of any right, title or interest therein, is deemed to assume the obligation to make such payment.

Section 5.2 Purpose of Assessments: The assessments levied by the Association shall be used to enhance the property value, to promote the recreation, health, safety and welfare of the unit residents, and for the maintenance and improvement of the Condominium property. Subject to the provisions following, assessments shall be used to pay the common expenses of the Association for

such items, but not by way of limitation, as: general maintenance services of the common elements (and facilities appurtenant thereto) and Association property; liability, fire and extended coverage insurance premiums for the common elements; utility charges for any part of the Condominium property not individually metered to units; lawn care, landscaping, trash services, snow removal, repair, maintenance and operation of the common elements, facilities and Association property. Subject to the provisions of Section 5.3 following, special assessments for capital improvements shall be used to defray, in whole or in part, the common expenses for the costs of reconstruction, repair or replacement of capital improvements on the common elements or Association property, and the construction or purchase of new capital improvements, but may be levied only upon the affirmative vote of the unit owners at a meeting called for that purpose in accordance with the provisions of the By-Laws of the Association.

Section 5.3 Common Expenses (and Surplus); Payment of the Annual Assessment: The common expenses under Section 5.2 above shall be charged to (and the common surplus shall be distributed among) the unit owners equally. The annual assessment may be paid monthly or quarterly as determined by the Board of Directors of the Association.

Section 5.4 Date Assessments Commence: The monthly assessment provided for herein shall commence on the date this Declaration is recorded as to every occupied unit and shall be due and payable to the Association each month thereafter on the same date, or such other date as may be established by the Declarant herein, but no later than the first day of the month following occupancy of the unit. Should the assessments be deemed insufficient to pay the common expenses, the Board of Directors or the Declarant, as determined by the By-Laws of the Association may increase the amount thereof, and thereupon shall give written notice of such action to the unit owners. See Article XI regarding the effect of Declarant's expansion(s) of the Condominium.

Section 5.5 Disposition of Excess Assessments: In the event the Board of Directors determines that excess assessments have been made or assessed to the unit owners, the Board of

Directors may repay those excessive assessments or credit all or a portion of excessive assessments to the next annual assessment. Excessive assessments would be those assessments collected or due for which there are no existing or projected common expenses within a one-year period, necessitating the payment of such funds or for which no specific contingency exists. The Board of Directors may make such repayments in their discretion, with due regard given for past payment patterns and the future needs of the Condominium.

Section 5.6 Certification of Status of Assessments: The Association shall furnish, upon request of a unit owner or such other persons who have a bona fide interest in the status of such assessments, a Certificate signed by an officer (other than an owner of the unit for which requested) of the Association setting forth as a specified date the amount of unpaid or excess assessments on a specified unit.

Section 5.7 Remedies of Association for Non-payment of Assessments: In addition to the right of the Association to foreclose a lien for non-payment of assessments due and owing, an action at law against the owner(s) personally obligated to pay same may be brought by the Association. No owner may waive or otherwise escape liability for the payment of assessments by non-use of any of the common elements or by abandonment of his, her and/or its units.

Section 5.8 Priority of Lien: A lien for assessments shall be prior to all other liens except only (a) liens of general and special taxes, (b) all sums unpaid on a first mortgage recorded prior to the making of such assessments, and (c) mechanics' (construction) liens prior to the making of such assessments, as provided in Section 703.16 of the Wisconsin Statutes.

## ARTICLE VI.

### DAMAGE AND DESTRUCTION OF PROPERTY - INSURABLE RISKS

Section 6.1 Repair and Reconstruction After Damage: In the event of any damage to or destruction of the Condominium property as a result of fire or other casualty and the damage is less than a total loss to said Condominium property, repairs shall promptly be undertaken by the

Association to reconstruct the property to a condition compatible with the remainder of the Condominium. Any cost of repair or reconstruction in excess of the available insurance proceeds shall be a common expense.

Section 6.2 Total Loss or Loss in Excess of Insurance Proceeds: In the event the common elements of the Condominium are damaged to an extent more than the available insurance proceeds or the Condominium property is damaged to the extent that it is a total loss for insurance purposes, the Condominium shall be subject to an action for partition upon obtaining the written consent of the unit owners having one hundred (100%) percent of the votes. In the case of partition, the net proceeds of sale together with the net proceeds of insurance shall be considered as one fund and shall be divided among all unit owners in proportion to their percentage interest in the common elements and shall be distributed in accordance with the priority of interests in each unit.

## ARTICLE VII.

### ARCHITECTURAL CONTROL

No building, fence, wall, other structure or landscaping (except that contemplated in the original Declaration, the original plans and the original plat) shall be commenced, erected, placed, or maintained upon the Condominium property, nor shall any addition, change or alteration be made to or on the building exteriors until the plans and specifications showing the nature, kind, shape, height, materials, color and location thereof shall have been submitted to and approved by the Board of Directors of the Association. In the event the Board of Directors fails to approve such plans and specifications within thirty (30) days of their submission, such plans and specifications shall be deemed to have been disapproved.

The decks appurtenant to the unit may be constructed of wood or composite materials, but all decks shall be as uniform in color as possible and shall closely approximate the color as originally constructed.

A deck awning may be added to the deck subject to the approval process of the Board of Directors set forth in this Article VII.

See Article XI for additional rights of Declarant during phase construction.

#### ARTICLE VIII.

##### MAINTENANCE AND REPAIR

Section 8.1: All maintenance and repair to the individual unit(s), including the limited common elements assigned thereto, shall be made by the individual unit owner unless otherwise provided herein, but such maintenance and repair shall not include structural alteration or repair to the buildings themselves. Included within the unit owner's responsibility for maintenance and repair are all windows, doors (exterior and interior), overhead garage doors, glass, appliances (whether included with the unit or added to the unit after purchase), furnaces, air conditioners, hot water heaters, water softeners, interior surfaces of walls, ceilings and floors, light fixtures, smoke alarms, doorbells, locks, patios and decks. Each unit owner shall be responsible for all damages to any other unit or to the common or limited common elements facilities resulting from the misconduct, negligence or misuse of the common or limited common elements of the facilities on the part of said unit owner.

Section 8.2: Each unit owner shall be responsible for, and pay for any damage caused by the unit owner, his agents, invitees and lessees to another unit(s), to the common elements or to the limited common elements resulting from the misconduct, negligence or misuse of the common elements or facilities by such owner, his agents, invitees and lessees. Any charge to a unit owner pursuant to this section shall be treated as a Condominium assessment and shall be subject to same rights of the Association as to collection as any other Condominium assessment as set forth in Article V hereinabove.

Section 8.3: All maintenance, repairs and replacements to and within the common elements, shall be undertaken by action of the Board of Directors and shall be charged to all units as a common expense as set forth in Article V, above, unless necessitated by the negligence, misuse or neglect of a

unit owner, his agents, invitees and lessees, in which case the expense for such maintenance, repair and replacement shall be charged to said unit owner.

## ARTICLE IX.

### USE RESTRICTIONS

Section 9.1 Residential Use: Each unit is intended for and its use shall be restricted to a single family residence only. Special rules relating to occupancy are set forth in detail in the By-Laws of the Association and may be further set forth in any rules established by the Association as are permitted by said By-Laws.

Section 9.2 No nuisance shall be allowed on the property nor shall any use or practice be allowed which is a source of annoyance to its residents or interferes with the peaceful possession or proper use of the property by its residents.

Section 9.3 No signs of any kind shall be displayed to public view on the Condominium property except those approved and authorized in advance by the Board of Directors of the Association. Such approval will not be required for standard "For Sale".

Section 9.4 Additional Rules and Regulations: In addition to the foregoing, the Association may from time to time adopt reasonable rules and regulations pursuant to the By-Laws of the Association which regulations impose additional use restrictions on the Condominium property, including but not limited to restrictions relating to the keeping of pets upon the Condominium property and the placement of furniture or other items within the limited common or common elements.

## ARTICLE X.

### INSURANCE

Section 10.1 Property Insurance: The Board of Directors shall be required to obtain and maintain fire insurance with extended coverage, vandalism and malicious mischief endorsements, or other appropriate insurance coverage, insuring all Condominium property, but not including furniture, furnishings or personal property owned by or located in units. Such insurance shall cover the property

and shall name as insureds the Association, the Board of Directors, the unit owners and their mortgagees as their interest may appear and such insurance shall be in an amount equal to the full replacement value of the building without deduction for depreciation.

Section 10.2 Each policy shall provide that proceeds shall be payable to the Board of Directors or an insurance trustee as may be provided for in the By-Laws of the Association in trust for all unit owners and their mortgagees as their interest may appear.

Section 10.3 : All policies of physical damage insurance shall contain waivers of subrogation and waivers of any defense based on co-insurance or of invalidity arising from any acts of the insured, and shall provide that such policies may not be cancelled or substantially modified without at least 30 days prior written notice to all of the insureds, including all mortgagees of units. Duplicate originals of all policies of physical damage insurance and of all renewals thereof, together with proof of payment of premiums, shall be delivered to all mortgagees of units at least ten (10) days prior to expiration of the then current policies. Prior to obtaining any policy of fire insurance or any renewal thereof, the Board of Directors shall obtain an appraisal from a fire insurance company or otherwise of the full replacement value of the buildings including all of the units and all of the common and limited common elements without deduction for depreciation, for the purpose of determining the amount of fire insurance to be affected pursuant to this section.

Section 10.4 Public Liability Insurance: The Board of Directors shall also be required to obtain and maintain, to the extent obtainable, public liability insurance in such limits as the Board of Directors may from time to time determine, covering each member of the Board of Directors, the managing agent, the manager, and each unit owner. Such public liability coverage shall also cover cross liability claims of one insured against another. The Board of Directors shall review such limits once each year. Until the first meeting of the Board of Directors following the first annual meeting of the unit owners, such public liability insurance shall be in a single limit of at least One Million Dollars (\$1,000,000.00) covering all claims for bodily injury or property damage arising out of one occurrence. Such insurance