

DISCLOSURE MATERIALS

**THE HIDDEN RESERVE CONDOMINIUMS
Mequon, Wisconsin**

**DECLARANT: WALLY LANGE, LLC
533 East Cedar Lane
Mequon, Wisconsin 53092**

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

2. THESE DISCLOSURE MATERIALS GIVEN TO YOU AS REQUIRED BY LAW MAY BE RELIED UPON AS CORRECT AND BINDING. ORAL STATEMENTS MAY NOT BE LEGALLY BINDING.

3. YOU MAY AT ANY TIME WITHIN FIVE (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.

October __, 2000

THE HIDDEN RESERVE CONDOMINIUS

INDEX OF DISCLOSURE MATERIALS

1. **DECLARATION.** The Declaration establishes and describes the Condominium, the Units and the Common Areas ("Common Elements"). The Declaration begins on page A-1.
2. **ARTICLES OF INCORPORATION.** The operation of the Condominium is governed by The Hidden Reserve Condominiums Owners Association, Inc. ("Association"), of which each Unit Owner is a member. The establishment of the Association was effected by the filing of the Articles of Incorporation which begin on page B-1.
3. **BY-LAWS.** The By-Laws of the Association contain rules which govern the Condominium and effect the rights and responsibilities of Unit Owners, as well as the powers, duties and operation of the Association. The By-Laws begin on page C-1.
4. **MANAGEMENT OR EMPLOYMENT CONTRACTS.** There are at this time no written contracts with individuals or private firms to provide management services to the Condominium. When deemed appropriate, the Association will consider and enter into written contracts, commercially reasonable, for services such as management services, maintenance of landscaping, snow removal, etc.
5. **ESTIMATED 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 a Unit Owner's mortgage, utility and tax payments. The Association also undertakes, as a special service to the Unit Owners, the procurement and payment of a master property and casualty insurance policy covering the basic structural components of the Units; charges for the premiums are billed to the Unit Owners in proportion of each Unit's assessed value to the assessed values of all the Units. The estimated Annual Budget is shown on page I.
6. **LEASES.** There are no written leases affecting the Condominium or its Unit Owners.
7. **EXPANSION PLANS.** The Declarant has reserved the right to expand the Condominium in the future. A description of the plans for expansion and its effect on Unit Owners is contained in the Declaration.
8. **FLOOR PLAN AND MAP.** The Declarant has provided a floor plan of the Unit being offered for sale and a map of the Condominium which shows the location of the Unit you are considering and all facilities and common areas which are part of the Condominium. The floor plan and map begin on page II.

DECLARATION OF CONDOMINIUM
OF
THE HIDDEN RESERVE CONDOMINIUMS
PHASE I

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EXHIBIT B – List of Addresses

EXHIBIT C – Development Agreement, Section 5(f)(1-10)

EXHIBIT D – Assignment and Assumption of Development Agreement to Wally Lange, LLC

EXHIBIT E – Detention Pond Maintenance Agreement

EXHIBIT F – Landscape Preservation Agreement

DECLARATION OF CONDOMINIUM
OF
THE HIDDEN RESERVE CONDOMINIUMS
PHASE I

THIS DECLARATION is made this 17 day of October, 2000, by Wally Lange, LLC, a Wisconsin limited liability company ("Declarant"), pursuant to Chapter 703 of the Wisconsin Statutes, the Condominium Ownership Act, as the same may be amended, renumbered or renamed from time to time ("Act").

WITNESSETH:

Declarant owns certain real property delineated as Phase I ("Property") on Exhibit A appended hereto. Declarant intends to improve the Property to provide sites therein for the construction thereon of a total of thirteen (13) two-family buildings ("Buildings"), each containing two-(2) individual Units, together with certain other improvements in connection therewith. The Property, together with all buildings and improvements, is hereinafter called "Condominium".

Declarant also owns adjoining real property delineated as Phase II ("Phase II") on Exhibit A appended hereto and SPECIFICALLY RESERVES THE RIGHT TO EXPAND THE CONDOMINIUM within ten (10) years from the date of recording of this Declaration, to include Phase II and provide sites therein for the construction of not more than an additional fourteen (14) two-family buildings, each containing two (2) individual Units, together with certain other improvements, roadways, easements and rights-of-way in connection therewith; that expansion shall increase the Common Elements by including all real estate and improvements in Phase II except the additional twenty-eight (28) individual Units shown in that area designated "Phase II" on Exhibit A appended hereto.

Declarant intends by this Declaration to subject the Property and improvements to the condominium form of ownership under the Act, and further desires to establish, for its own benefit and that of all future owners and occupants of the Condominium, certain easements, rights, restrictions, and obligations with respect to the ownership, use, and maintenance of the Condominium on the terms and conditions hereinafter set forth.

The name of the Condominium shall be "The Hidden Reserve Condominiums". The addresses of the Units in the Condominium are as set forth on attached Exhibit B.

The general purpose of this Declaration is to help assure that The Hidden Reserve Condominiums will become and remain an attractive residential area and in furtherance of such purpose: to preserve and maintain high aesthetic standards for all improvements, as well as the natural beauty of certain open spaces and Common Areas within The Hidden Reserve Condominiums; to help assure the best use and most appropriate development and improvement of each Lot; to protect owners of Units against use of surrounding Units which may detract from the residential value or enjoyment of their Property; to guard against the erection or maintenance of garish or poorly designed or proportioned structures; to obtain a harmonious and aesthetically pleasing blend of materials,

structures, and color schemes; to insure a residential development of The Hidden Reserve Condominiums consistent with high aesthetic standards and the purposes for which each such Unit is platted; to encourage and secure the erection of attractive residential structures with appropriate locations; to prevent installation of improvements which may adversely affect the aesthetic appearance of a Unit or surrounding area; to secure and maintain a proper spatial relationship of buildings, structures and other improvements; and to otherwise secure mutual enjoyment of benefits for owners and occupants of residential property within The Hidden Reserve Condominiums.

NOW, THEREFORE, Declarant, the fee owner of the Property, by this Declaration hereby (i) submits the Property and the improvements, subject to taxes and assessments not yet due and payable, municipal and zoning ordinances, recorded easements and restrictions, if any, and all other matters of record, to the condominium form of use and ownership as provided in the Act and this Declaration; (ii) establishes and imposes the following provisions, restrictions, conditions, easements, and uses to which the Condominium may be put; and (iii) specifies that the provisions of this Declaration shall constitute covenants to run with the land and shall be binding on Declarant, its successors and assigns, and all subsequent owners and occupants of all or any part of the Condominium.

ARTICLE I.

DIVISION OF CONDOMINIUM INTO SEPARATE FREEHOLD ESTATES

Declarant divides the Condominium into the following separate freehold estates:

1. Twenty-six (26) separately designated and legally described freehold estates (collectively called "Units" and individually called a "Unit"), consisting of the spaces, areas, or improvements contained within the boundaries of each such Unit as described in Article II, below, and.
2. An undivided freehold estate in the "Common Elements" and in the "Limited Common Elements" of Phase I of the Condominium as described in Article III.

ARTICLE II.

DESCRIPTION AND LOCATION OF THE BUILDING AND UNITS

1. Unit. "Unit" means that part of each residential building intended for independent residential use and the boundaries of each Unit shall consist of that part of each residential building as follows:

- a. the vertical or parametrical boundaries of each Unit shall be the plane of the outer surface of the wood and/or brick siding of the residential building, including the soffits, and the plane of the outside faces of doors (including the garage doors) and windows contained in such vertical boundaries and the plane of the center line of any party wall, as extended to the outer surface of any portion of the building which

crosses the plane of such party wall, extended in each case to an intersection with the upper and lower boundaries; and

- b. the upper boundary of each Unit shall be the plane of the outer surface of the roofing shingles and the lower boundary shall be the plane of the lower surface of basement concrete slab, the plane of the under-surface of any portion of the building extending beyond the basement and the plane of the lower surface of the garage slab; and
- c. the foundation and footings supporting any portion of a Unit shall be a part of such Unit.

2. Party Walls. Each wall which is built as a part of the original construction of the Buildings and placed on the dividing line between the Units shall constitute a party wall, and to the extent not inconsistent with the provisions of this Declaration, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions will apply thereto. The cost of reasonable repair and maintenance of a party wall shall be shared by the Unit Owners who make use of the wall in proportion to such use. The right of any Unit Owner to contribution from any other such Unit Owner under this Section 2 shall be appurtenant to the land and shall pass to such Unit Owner's successor in title.

3. Locations. The locations of the Unit and other improvements are shown on the site map appended hereto as Exhibit A.

4. Addresses. The respective addresses of the Units are shown on the list appended hereto as Exhibit B.

5. Unit Owner. The term "Unit Owner" shall include all individuals and legal entities holding title to a location at which a Unit may be or has been built.

ARTICLE III.

DESCRIPTION OF COMMON ELEMENTS AND OF LIMITED COMMON ELEMENTS

1. Common Elements. The Common Elements shall consist of all of the Condominium improvements, areas, fixtures, equipment, and facilities except the individual Units and the roadways dedicated and to be dedicated to the City of Mequon.

2. Description of Limited Common Elements.

a. Patio Areas and Front Yards. All Patio Areas, Front Yards and side Yards (as such terms are defined below) shall be a part of the Common Elements and not a part of any individual Unit; however, each Unit Owner shall be entitled to the exclusive use and possession of that Patio Area, Front Yard or Side Yard to which direct access is provided from his respective Unit, or which is or are located outside of and adjoining each respective Unit. Unless and until such time as the Association determines to the contrary, each Unit Owner shall be responsible for breakage, damage, malfunction and ordinary wear and tear. The improvement, maintenance and appearance of the Patio

Areas, Front Yards and Side Yards and all improvements, fixtures and landscaping located therein shall be subject to rules and regulations promulgated by the Association. A Unit Owner shall not paint, or otherwise decorate or adorn or change the appearance of the Patio Area, Front Yard or Side Yard appurtenant to his or her Unit without the prior written approval of the Association.

b. Patio Area. The Patio Area Limited Common Elements shall extend eighteen (18) feet directly behind the rear elevation of the respective Unit.

c. Front Yard. The Front Yard Limited Common Elements shall extend fourteen (14) feet directly in front of the front elevation of the respective Unit.

d. Side Yard. The Side Yard Limited Common Elements shall extend five (5) feet directly to the side of the outward side elevation of the respective Unit.

e. Shared Driveways. Any driveway that serves two Units shall be a Limited Common Element appurtenant to both Units served and all rights and obligations of the Unit Owners of each such Unit, with respect to the use, maintenance and repair of such driveway, or sidewalk shall be joint, common and indivisible, and shall not be subject to partition through judicial proceedings or otherwise.

3. No Partition of Common Elements. There shall be no partition of the Common Elements through judicial proceedings or otherwise until this Declaration is terminated and the property is withdrawn from its term or from the terms of any statute applicable to condominium ownership; provided, however, that if any Unit shall be owned by two or more co-owners as tenants-in-common or as joint tenants, nothing herein contained shall be deemed to prohibit a voluntary or judicial partition of said Unit as between such co-owners.

ARTICLE IV.

PERCENTAGE OF OWNERSHIP IN COMMON ELEMENTS

1. Ownership. The ownership of each Unit in Phase I shall include a 1/26th undivided interest in the Common Elements. After the expansion of the Condominium by Adding Phase II, the ownership of each Unit shall include not less than a 1/54th undivided interest in the Common Elements.

2. Sharing of Expenses and Surpluses. Subject to Article XI, Section 1, below, the common surpluses and expenses of the Condominium relating to Common Elements shall be shared equally among the owners of all Units for which the City of Mequon has issued an occupancy permit.

3. Use of Surpluses. All common surpluses of the Condominium for each fiscal year of the Association shall be credited to the reserves or replacement funds for common expenses of the Condominium for the next succeeding fiscal year or years in accordance with the percentage of undivided interest of each Unit Owner in the Common Elements as aforesaid.

ARTICLE V.

FILE CONTROL CHARGES AND REAL ESTATE TAXES

1. File Control Charges. The Declarant's grant of title to a Unit shall impose upon the grantee a file control charge in the amount of \$500 to be paid immediately by the new Unit Owner to the Association. Thereafter, each purchaser of a previously titled Unit shall make a payment of \$250 to the Association at the time of conveyance. These charges are separate from, not in lieu of, and shall not be credited toward dues or assessments of the Association. The amounts of these file control charges may be adjusted by a majority vote of the members of the Association after the termination of the period of Declarant control. All such payments shall be credited to the Association's general funds and accounted for as "file control charges".

2. Real Estate Taxes. Real estate taxes shall be separately levied by the City of Mequon to each Unit Owner for his Unit and his corresponding percentage of ownership in the Common Elements as provided by Wisconsin law. In the event that for any years such taxes are not separately taxed to each Unit Owner but are taxed to the Condominium as a whole, then each Unit Owner shall pay his proportionate share thereof based upon the ratio of his Unit's assessed valuation to the total assessed valuation of all Units in the Condominium.

ARTICLE VI.

ASSOCIATION OF UNIT OWNERS

1. Administration. The Condominium shall be administered by a non-profit corporation known as The Hidden Reserve Condominiums Owners Association, Inc. ("Association"). The Association shall be governed by a Board of Directors ("Board of Directors"). The Board of Directors shall adopt By-Laws and Rules and Regulations in furtherance thereof.

2. Membership and Voting. Each Unit Owner shall be a member of the Association. One (1) vote shall appertain to each Unit. Membership shall commence and terminate with ownership. The manner of sharing and casting ballots shall be set forth in the By-Laws.

3. Declarant Control. Notwithstanding the voting rights granted to Unit Owners under this Declaration, Declarant shall have the right to appoint and remove directors of the Association as provided in the By-Laws during the period of Declarant control. The "Period of Declarant Control" shall be the period beginning on the date that the first Unit is conveyed by Declarant to a Purchaser and ending upon the first to occur of the following:

- a. ten (10) years after the date of recording of this Declaration, or
- b. thirty (30) days after the first date on which seventy-five percent (75%) of the Common Element interest (Note: including specifically that appertaining to those additional twenty-eight (28) Units sited in Phase II, unless the Condominium has not been expanded timely by Declarant) has been conveyed by the Declarant to Purchasers, or

- c. any other date hereafter specified by the Declarant, in a written notice delivered to the Association, as the date of expiration of the Period of Declarant Control.

4. Meetings to Elect Directors. In accordance with Chapter 703 of the Wisconsin Statutes,

(a) prior to the conveyance of twenty-five percent (25%) of the undivided interests in the General Common Elements by Declarant to purchasers, the Association shall hold a meeting and the Unit Owners other than the Declarant shall elect at least twenty-five percent (25%) of the members of the Board which, at the sole discretion of the Declarant, may be expanded to at least four (4) persons including the newly elected member of the Board, and

(b) prior to the conveyance of fifty percent (50%) of the undivided interests in the General Common Elements by Declarant to purchasers, the Association shall hold a meeting and the Unit Owners other than the Declarant shall elect at least thirty-three and one-third percent (33-1/3%) of the members of the Board which, at the sole discretion of the Declarant, may be expanded to at least five (5) persons including the newly elected member of the Board.

5. Calculation of Percentage. The calculations of percentages of the undivided interests in the General Common Elements conveyed to purchasers, for purposes of Sections 3 and 4, above, of this Article II, shall be based on the percentage of undivided interest appertaining to each Unit which has been conveyed by Declarant to purchasers, assuming that all of the Units to be completed are included in the Condominium, specifically, those maximum twenty-eight (28) Units sited in "Phase II" of attached Exhibit A unless the Condominium has not been expanded timely by Declarant.

6. Elections after Expiration of Declarant Control. Not later than forty-five (45) days after the expiration of Declarant Control, as set forth in Section 3, above, of this Article II, the Association shall hold a meeting and the Unit Owners, including Declarant, to the extent that it still owns Units, shall elect at least three (3) members of the Board and the officers of the Association, all of whom shall take office immediately upon election.

7. Association Management. Subject to Article XVI, Rights of Declarant, the Board of Directors may employ on a commercially reasonable basis a professional property manager, management company, or managing agent with such experience and qualifications and on such terms and conditions as may be acceptable to the Board of Directors. Any such agreement not commercially reasonable may be terminated without penalty upon no more than ninety (90) days notice and the term thereof may not exceed ten (10) years.

8. Condominium Instruments. The Association shall make available to Unit Owners and to holders, insurers, or guarantors of any mortgage of a Unit, current copies of this Declaration, the By-Laws, Rules and Regulations and the books, records, and financial statements of the Association. "Available" means available for inspection, upon request, during normal business hours or under other reasonable circumstances. "Mortgage" as used in this Declaration includes a land contract for a Unit.

9. Audit. The holders of any first mortgage shall be entitled, upon written request, to an audited financial statement for the immediately preceding fiscal year of the Association prepared at the expense of such mortgagee. Such financial statement shall be furnished within a reasonable time following such request. A "first mortgage" is one which is entitled to priority over all other mortgages for such Unit, without regard to other liens and encumbrances.

10. Easements. The Association shall have the right to grant permits, licenses, and easements over the Common Elements for utilities and other purposes reasonably necessary or useful for the proper maintenance, operation, or expansion of the Condominium, on such terms and conditions as the Board of Directors may deem advisable. Such easements may include easements for walkways, jogging trails, or bikepaths which are available for use by residents of adjacent lands owned or controlled by Declarant on the date hereof.

ARTICLE VII.

ARCHITECTURAL STYLES AND BUILDING MATERIALS

1. Architectural Styles. Individuality and quality of design of improvements with traditional architectural styles, including Colonial Williamsburg, Cape Cod, French Country, Georgian, and English Country, are encouraged and may be approved and promoted by the Declarant and/or the Association, their heirs, successors, or assigns. All exterior building materials (exclusive of shutters) shall be of natural materials, and all roofing shall consist of at least thirty-year dimensional asphalt shingles. The use of wood, timbers, fieldstone, and brick, is and shall be encouraged and approved. All exterior windows and doors shall have divided lights. Exterior chimneys must be 4-inch thick stone or brick veneer; the exposed portion of interior chimneys in the rear half of a Unit may be wood, stucco or such other finish as approved by the Declarant and/or the Association.

2. Architectural Control Board. The Architectural Control Board ("ACB") shall be composed of the principal officers of the Association in accordance with Article VI of the By-Laws of the Association.

3. Board's Determination is Conclusive. The Architectural Control Board ("ACB") shall have the exclusive right to determine whether all architectural, siting and aesthetic requirements of this Declaration will be and have been satisfied and any decision of the ACB shall be final and conclusive. Approval by the Plan Commission or building inspector of the City with respect to setbacks or other matters shall not be binding on the ACB in any respect.

4. Minimum Architectural Standards for Units.

- a.(1) Each Unit shall have a minimum living area (exclusive of basement, attic, garage, porches, patios, and storage areas) of not less than two thousand five hundred (2,500) square feet;
- (2) In no event shall a Unit exceed three thousand five hundred (3,500) square feet.

- (3) The Declarant shall have the exclusive right to determine whether such requirements will be satisfied and any decision of the Declarant shall be final and conclusive. The Declarant has the right to approve Units smaller or larger than those specified herein, if such Units are exceptional in design and quality, architectural standard, and compatible with the surrounding Units, provided that any such approved Unit will not have a depreciating effect on adjacent values.
- (4) The Declarant further has the right to assign a determination as to minimal architectural standards to the Association at the Declarant's discretion.
- b. Each home shall have a full basement with a finished concrete floor.
- c. No home shall exceed two and one-half stories (excluding the basement) or thirty-five (35) feet in height above finished grade, whichever is less.
- d. Roof elevations seen from the front of each home shall be pitched to rise at least ten (10) inches vertically for each twelve (12) horizontal inches.
- e. An attached enclosed garage (for at least two (2) and not more than three (3) cars) shall be constructed at the time of construction of the home; all exterior portions of such garage shall be completed prior to occupancy of the home; no garage door opening shall be higher than seven (7) feet.

5. Approval of Architectural Control Board Required for All Improvements.

- a. No Unit, building, garage or other structure or improvement of any kind shall be installed, erected, constructed or placed on the Condominium (or altered or changed with respect to layout, location or exterior design, appearance, color or material composition) without: (1) prior submission to the ACB of detailed plans appropriate for its review and approval; and (2) acquisition of prior written approval from the ACB. Plans, to be considered appropriate for review by the ACB, must include the following (unless the ACB advises a Unit Owner in writing to the contrary): construction drawings, plans and specifications (prepared by a qualified home designer or architect if the improvement involves construction of a Unit, garage or addition or change to either) showing dimensions, composition and color of exterior materials and equipment, if any; and a plot plan showing the location of the improvement with respect to other buildings and improvements, finish grade elevations, topography, drives, existing plantings and other data pertinent to such review by the ACB as it may reasonably request. The ACB shall consider the following factors and may deny or withhold approval of any proposed improvement if, in its sole judgment, any one or more of the general purposes specified in the preamble of this Declaration

will not be satisfied: material composition and quality; exterior design, appearance and color; coordination with other existing or contemplated improvements; location with respect to topography and existing surroundings, setbacks, finished grade elevations, access, drainage and plantings; and general aesthetics. ANY UNIT OWNER WHO CAUSES OR ALLOWS ANY IMPROVEMENTS TO BE CONSTRUCTED, INSTALLED, PLACED OR ALTERED WITHOUT PRIOR WRITTEN APPROVAL OF THE ACB MAY BE REQUIRED TO PROMPTLY REMOVE SUCH IMPROVEMENT IN ITS ENTIRETY AND RESTORE AT THE UNIT OWNER'S EXPENSE. Without intending to limit the generality of the foregoing, it is intended that the exterior color of any portion of a Unit, garage or other improvement may not be changed in any significant respect without the prior written approval of the ACB.

- b. Construction of an approved home must commence within 18 months of property acquisition from the Declarant or title to the property can be reacquired at the sale price by either the Declarant or the Association.
- c. Upon approval by the ACB of the plans for the proposed improvement and upon receipt of any necessary City and other governmental approvals or permits, construction or installation of the improvement may commence and, once commenced, shall be completed as to all exterior items within twelve months following either acquisition of ACB approval or issuance of any required building permit by the City, whichever is later. The ACB may, in its discretion, extend such completion deadline up to an additional six months in the event it finds the delay has been caused primarily by factors beyond the control of the Unit Owner and his/her contractors. For its own benefit to be sure of compliance the ACB may at its discretion require performance bonds from the contractors involved, the cost of which shall be that of the Unit Owner.
- d. In the event the ACB fails to act upon proposed plans within 30 days following written acknowledgment by the ACB that it has received such plans and that they are adequate for purposes of its review or in the event no suit to enjoin the erection, installation or change of the improvement or to require removal thereof has been commenced within one year following final completion thereof, no right shall exist to thereafter enforce these restrictions insofar as approval by the ACB is required as to such particular matter.
- e. Any approval or permission of the ACB under this Section, to be binding or effective, must be in writing signed by the President or Secretary of the Association. No oral statements, representations or approvals of the ACB or any of its members or agents shall be binding on the ACB or the Association under any circumstances, regardless of any reliance thereon by any Unit Owner.

- f. Within 90 days following construction or installation of any improvement, the Unit Owner shall furnish an as-built certified survey showing the location of the improvement, if requested by the ACB.

6. Landscaping & Drainage.

- a. Landscaping plans shall include mature shrubbery and must be submitted for approval in conjunction with building plans.
- b. All landscaping shall be completed (in accordance with the plan approved by the ACB) within 18 months following the issuance of the occupancy permit for the Unit. For its own benefit to be sure of compliance, the ACB may at its discretion require performance bonds from the contractors involved, the cost of which shall be that of the Unit Owner.
- c. To avoid a substantial increase in surface water drainage onto perimeters of other Units, the landscaping plan shall provide for adequate drainage of storm and surface water toward adjoining streets and away from other Units if natural drainage is to be or has been altered by grading or landscaping by the Unit Owner.
- d. No fence, wall, hedge, or screen planting shall be installed unless in accordance with landscaping or other plans approved in advance by the ACB.
- e. All yards shall be maintained.

7. Driveway. Vehicle access to each Unit shall be provided by the Unit Owner via an asphalt driveway extending from the street to the garage within twelve (12) months following issuance of an occupancy permit for the Unit. A plot plan showing the location of the drive shall be submitted to the ACB for its prior approval under Article VII, Section 5, above.

8. Construction Materials – Storage. No building or construction materials shall be stored outside of the Unit or garage, other than during periods of actual construction or remodeling and then only for so long as may be necessary. Excess excavated material shall not be stored on the Condominium during or after construction without the prior approval of the Board, unless required for backfilling, finish grading, or landscaping.

9. Sewerage Disposal. Each Unit shall be connected with the City or other common sewer system and no septic tank or other individual sewerage system shall be used or permitted.

10. Garbage Disposal. Each Unit shall be equipped with a garbage disposal connected to the sanitary sewer. No incinerator or incineration system for burning garbage or debris shall be used or permitted.

11. Wires, Antenna and Solar Panels.

- a. All utility lines and wiring for gas, electric, telephone, and cable television service to a Unit, garage or other improvement shall be installed underground, unless otherwise permitted by the ACB prior to installation.
- b. No roof-top, tower-mounted or other external antenna or satellite dish for television or radio reception or for other electronic transmission or reception or solar heating panels shall be erected or used without the prior approval of the ACB.

12. Signs, Lamp Posts, and Mailboxes.

- a. No sign or banner of any kind shall be placed or displayed to public view on any Lot, except one standard sign (showing the Unit Owner's name) as may be approved by the ACB for uniform use in terms of size, design, appearance and location for each Unit in The Hidden Reserve.
- b. Each Unit shall install a lamp post within the area and of the size, quality and appearance approved in writing by the ACB in accordance with Section 5, above.
- b. Each Unit shall install one mailbox at the location and of the size, materials and appearance approved in writing by the ACB in accordance with Section 5, above.

ARTICLE VIII.

MAINTENANCE, ALTERATION, AND IMPROVEMENT OF CONDOMINIUM

1. Unit Owner's Responsibility. The owner of each Unit shall: (a) maintain in good condition and repair and replace all of the components or installations within or used by the Unit, including but not limited to, all utility lines and installations, the heating and air conditioning systems for the Unit, fixtures, appliances, water heater, equipment, exterior and interior walls, flooring, ceilings, windows, window frames and doors, including all glass and locks in windows and doors; (b) paint and decorate the Unit, including exterior repainting and restaining, as needed, at least every five (5) years; (c) keep the patio, deck, or porch appurtenant to the Unit in a clean and neat condition; and (d) repair and replace any portion of the Common Elements damaged through the fault or negligence of such owner or such owner's family, guests or invitees, or any other occupants of the Unit. Notwithstanding the above, repairs to Common Elements shall be effected by the Association but paid for by the Unit Owner if within this section.

2. Driveways. As shown on the final condominium plat, some driveways are intended to be "shared driveways". Each Unit Owner who uses a shared drive for purposes of ingress

and egress to their Unit sharing proportionately in the cost of maintenance of such a drive; the cost of repair for extraordinary damage shall be borne solely by the Unit Owner who, or whose agents or invitees, caused that damage. In the event that one or more individual Unit Owners expend funds for maintenance of a shared drive, they shall have the right of reimbursement from any other Unit Owner who uses that driveway for ingress and egress to that Unit.

3. Association Responsibility. The Association shall maintain in good condition and repair, replace, and operate all of the Common Elements, except as provided above.

4. Structural Changes by Owners. An owner of a Unit shall make no changes regarding the exterior structure or exterior appearance of the Unit without prior approval of the Declarant or the Association, their respective heirs, successors, or assigns.

5. Decorations; Signs; Patios, Decks and Porches. No Unit Owner shall decorate or alter the Common Elements without the consent of the Board of Directors. No owner of a Unit, except the Declarant, may erect, post, or display religious symbols such as crosses or menorahs, or posters, signs, or advertising material on the Condominium Property; however, the Declarant may erect posters or signs for promotion and sale until all Units have been conveyed to an owner other than the Declarant. A Unit Owner may place upon the lawn a temporary sign relating to the sale of a Unit not exceeding 18" x 24"; any such sign shall be removed within 24 hours of accepting an offer to purchase. No awnings or enclosures shall be installed on patios, decks, or porches without the consent of the Board of Directors. Fixed grills shall be allowed on patios on such terms and conditions as approved by the Association; all grills must be covered and all covers must be in good repair. Patios, decks, and porches shall not be used for storage, including the storage of motorcycles, baby carriages, bicycles, wagons, etc., or for airing or drying of laundry, carpet, rugs, or clothing. Vehicles may be parked on streets within the Condominium if and only as permitted by rules adopted by the Board of Directors pursuant to the By-Laws and in accordance with the Regulations and Ordinances of the City of Mequon.

6. Landscaping and Gardening. Except as otherwise approved from time to time by the Association, the maintenance and care of landscaping, lawns, yards, and other exterior portions of each Unit shall be provided exclusively through Lot Maintenance Services furnished by the Association pursuant to this Declaration. Except as so approved by the Association, or as otherwise authorized under this Declaration, no Unit Owner shall have the right to alter, improve, or modify the landscaping, lawns, yards, or other exterior portions of his or her Unit; to plant, husband, or maintain on any portion of the Unit, any flower or vegetable gardens or beds, trees, shrubs, hedges, or other plantings or foliage, unless such planting is within fourteen (14) feet of the front elevation, within eighteen (18) feet of the rear elevation, and within five (5) feet of the side elevation of the Unit, is attractively maintained by the Unit Owner at the Unit Owner's sole expense, and does not interfere with another Unit Owner's quiet enjoyment of their property. The trimming, alteration, installation, or removal of any plantings outside these perimeters, other than by the Association is strictly prohibited.

7. Unit Maintenance Standards. The Association, through the Board of Directors, shall be responsible for establishing from time to time minimum standards for the maintenance, upkeep, and repair of all Units and other improvements located on the Units (such standards being herein referred to as "Unit Maintenance Standards"). Except to the extent reasonably necessary to take into account variations in the size, location, materials, and other characteristics of individual Units and improvements, such Unit Maintenance Standards shall be uniform as to all Units.

Unit Maintenance Standards may be established through incorporation in the Rules and Regulations or through such other procedures as may be calculated to provide Unit Owners with reasonable notice of the terms and content of such Unit Maintenance Standards.

8. Structural Changes by Association. Except as reserved to the Declarant, its successors and assigns, the Association shall not make or permit any alterations or additions of a structural nature or otherwise to the Common Elements without the affirmative vote of two-thirds (2/3) of the Board of Directors. In no case shall any such alterations or additions prejudice the rights of any owner of a Unit unless his written consent has been obtained.

9. Architectural Control. The Board of Directors shall establish procedures for administering requests for permission to change Common Elements or construct porches, bird feeders, bird baths, or similar matters. Any committee therefor shall have at least three (3) members and shall consider the architectural harmony of the proposed action with the existing Condominium when arriving at any decision.

ARTICLE IX.

UTILITIES, WATER SUPPLY AND SEWAGE DISPOSAL

1. Utilities. Each Unit shall be separately metered for utilities.
2. Water Supply. Each Unit shall be connected to the water supply system constructed by Wisconsin Gas Company and no individual wells shall be used or permitted.
3. Sewage Disposal. Each Unit shall be connected with the City of Mequon or other common sewer system, and no septic tank or other individual sewage system shall be used or permitted on any Unit or in the Condominium. Given the nature and location of the sewer facilities each Unit Owner, by taking title to that Unit, grants the right of access to the Unit Owner adjacent solely for the purpose of repair or replacement of the adjacent Unit's sewer lateral; all costs of repair or replacement of a sewer lateral, including restoration of other property, shall be the sole expense of the Unit Owner requiring that access.

ARTICLE X.

COMMON AREA MAINTENANCE

1. General. Garbage pick-up, snowplowing (driveways) and shoveling (front walk), general landscaping, and maintenance of all common areas shall be common expenses of the Condominium.
2. Trees. Declarant shall plant all trees in accordance with the Developer's Agreement dated August 11, 1998.
 - a. Maintenance. The care and maintenance of the trees within the Common Element and within the Limited Common Elements, including but not

limited to, replacement, trimming and pruning, shall be the responsibility of the Declarant for a period of one (1) year from the date of planting and thereafter shall be the responsibility of the Association.

3. Detention Basin/Pond. The Declarant and the Association agree to maintain a detention basin/pond as the same is described in the Development Agreement for The Hidden Reserve Condominiums as approved by the City of Mequon, a municipal corporation of Ozaukee County, Wisconsin, on the 11th day of August, 1998. The relevant portion of that Development Agreement as contained in Section 5(f)(1-10) is attached hereto as Exhibit C and incorporated herein by reference.

4. Maintenance of Common Areas. Any signs, monuments, structures or entranceway landscaping constructed by Declarant or the Association for the general benefit of The Hidden Reserve residents shall be properly maintained by the Association. The Association shall also maintain the bicycle walkway and any other Common Areas so as to be neat and attractive in appearance.

5. Environmental Concerns. Certain areas of the Common Elements are subject to oversight and regulation by the Wisconsin Department of Natural Resources without whose specific consent no changes can be made.

ARTICLE XI.

ASSESSMENTS

1. Special Exception. During the time that Fred Miller, Jr. and/or his wife, Anne Miller, reside in and own a Unit, that Unit shall neither be liable for nor share in surpluses (if any) arising from, assessments made to maintain the Common Elements of the Condominium. On the first day of the month after the termination of either residency in or ownership of, that Unit by Fred Miller, Jr. and by his wife, Anne Miller, this special exception for that Unit shall terminate, and the books of the account of the Association for such assessments shall start a new accounting period, having been closed effective the day before for all other Unit Owners. This Special Exception shall not apply to the costs of property and casualty insurance on that Unit pursuant to paragraphs 1 and 5(a) of Article XV of this Declaration.

2. Liability. The By-Laws shall set forth the manner of making and collecting assessments against the Unit Owners for common expenses of the Condominium. Regular assessments and special assessments not made for violations of the provisions of this Declaration, the By-Laws, or Rules and Regulations shall be made on an annual basis but shall be due and payable in monthly installments as determined by the Board of Directors. Subject to Section 1, above, of this Article XI, each Unit Owner shall be liable for such fractional or percentage interest of the common expenses of the Condominium as is provided in Article IV hereof.

3. Late Payments. Any assessment or installment not paid when due shall be delinquent and the Unit Owner may be charged interest on the unpaid assessment or installment, calculated from the date when the assessment or installment was first due until the date it is paid. The Board of Directors shall establish a uniform policy with regard to the number of days that must run following the due date for interest to be charged and shall establish the rate of interest to be charged on

such unpaid assessments or installments. All payments upon account shall be first applied to the interest, if any, and then to the assessment payment first due.

4. Liens. If a Unit Owner defaults in the payment of any special expense, assessment or installment, the Association shall take appropriate measures as provided by law in accordance with the By-Laws. The lien for unpaid assessments provided in the Act shall also secure reasonable attorney fees incurred by the Association incident to the collection of such assessment or enforcement of such lien. In any foreclosure of a lien for assessments, the owner of a Unit subject to a lien shall be required to pay a reasonable rental for the Unit and the Association shall be entitled to the appointment of a receiver to collect the same. To the extent permitted by the Act, the lien provided therein and herein shall be subordinate to the lien of any first mortgage on a Unit.

5. Rights of Mortgagees. Any first mortgagee who obtains title to a Unit pursuant to remedies provided in the mortgage or foreclosure of the mortgage and any party purchasing the Unit in such a foreclosure shall not be liable for such Unit's unpaid installments of assessments which accrued prior to the acquisition of title to such Unit by such mortgagee or other party. The obligation of the former Unit Owner to pay such assessment is not hereby extinguished.

6. Association Statements. The Association, upon ten (10) days request, shall provide a letter to the purchaser of any Unit which states the existence, if any, of outstanding general or special assessments against the owner of the Unit being sold, provided, however, that all Units conveyed by Declarant shall be deemed to be conveyed free from all such outstanding general or special assessments and no such letter shall be required or given as to such Units.

7. Working Capital Deposit. Each purchaser of a Unit shall advance an amount equal to two (2) months installments of the regular annual Association assessment, or such greater amount as is designated by the Board of Directors with notice of record, to the Association at the time of conveyance for the common expenses of the Association. Each advance shall be credited to such purchaser and shall be returned without interest to such purchaser upon subsequent conveyance of the Unit and payment of a like advance by the subsequent purchaser. Amounts paid pursuant hereto are not to be considered as advance payments of installments of the regular assessments.

8. First Assessment. Regular assessments shall be levied and installments thereon shall commence being due and payable on the date of recordation hereof, provided that the monthly installment shall be prorated on a daily basis.

ARTICLE XII.

CONSTRUCTION OF IMPROVEMENTS BY UNIT OWNER

1. Conveyance of Units. Declarant may, within his sole discretion, convey undeveloped Unit sites. Each owner of an undeveloped Unit site shall construct thereon a two-Unit building that conforms with the requirements of this Declaration and to a construction plan approved by the Declarant ("Approved Plan"). Any subsequent alteration or modification to such Approved Plan must be approved in writing by the Declarant or his successors or assigns prior to construction. The Declarant or the Association shall have the right to bring an action at law or equity to remove or

correct any part of a building constructed by a Unit Owner which is not in compliance with the requirements of this Declaration, the Approved Plan, or any approved alteration thereof.

2. Declarant's Right to Repurchase Undeveloped Units. By acceptance of a Deed for an undeveloped Unit, each owner of an undeveloped Unit site covenants to commence and complete construction of a two-Unit building in accordance with the following timetable ("Construction Schedule"): each such Unit Owner shall commence construction within twelve (12) months after the date of the initial conveyance of the undeveloped Unit site by Declarant to each such Unit Owner ("Initial Conveyance Date"), and shall complete construction of a home within two (2) years after the Initial Conveyance Date. For purposes of this section, a Unit shall be deemed complete upon the issuance of an occupancy permit by the City of Mequon. If any such Unit Owner fails to comply with his or her Construction Schedule, Declarant may, at his option, at any time after such Construction Schedule's one- or two-year period (whichever is applicable) expires, prior to completion of such home, repurchase that site for a repurchase price equal to:

- a. The initial purchase price of the undeveloped Unit site paid by the Unit Owner, without interest and less Declarant's selling expenses and administrative costs of such initial sale of the undeveloped Unit to the Unit Owner, plus
- b. If the Unit Owner has begun construction of a two-Unit building, eighty-five percent (85%) of the value of any improvements, whether completed or uncompleted, existing on the Unit site as of the date of reconveyance to Declarant. The value of such improvements shall be the fair market value as determined by a qualified appraiser selected by the Declarant and the Unit Owner ("Parties"). The cost of such appraisal shall be split equally between the Parties. If the Parties cannot agree on the choice of an appraiser, each Party shall select an appraiser, and the two appraisers so selected shall select a third appraiser. If the two appraisers selected by the Parties cannot agree on a third appraiser, such third appraiser shall be selected by the Metropolitan Builders Association of Greater Milwaukee, Inc., or a successor organization. All three appraisers shall render an appraisal of the fair market value of the improvements and the value of the improvements shall be the average of the two appraisals that are closest to each other in amount. Each Party shall pay the cost of the appraiser selected by such Party and fifty percent (50%) of the cost of the third appraiser. If the failure of a Unit Owner to complete construction of a home in accord with such Unit Owner's Construction Schedule is due to circumstances (other than financial) beyond the control of such Unit Owner, such Unit Owner may request in writing to Declarant that Declarant grant an extension of such Construction Schedule. Such request shall state the circumstances that caused the construction delay and the estimated time necessary to complete construction of the Unit. Declarant shall grant such request if he finds the request to be bona fide and in compliance herewith, but shall not be required hereunder to grant an extension exceeding one year.

Declarant's right to repurchase an undeveloped Unit under this section shall be subordinate to and shall not impair, hinder, or otherwise affect the rights of any mortgagee or purchasers from Declarant's mortgagee.

Except as provided in the preceding paragraph, no conveyance of an undeveloped Unit site by a Unit Owner (other than Declarant) to a purchaser (other than Declarant) shall toll, reinstate, or in any other way affect the running of the time periods set forth in the Construction Schedule, or any extensions thereof, established for the undeveloped Unit site conveyed. Any such Purchaser from such Unit Owner shall take the undeveloped Unit site subject to the Construction Schedule established for such undeveloped Unit site and Declarant's right to repurchase such undeveloped Unit site as hereunder provided.

Each Unit Owner of an undeveloped Unit site, by acceptance of a deed thereto, covenants to reconvey such undeveloped Unit site to Declarant pursuant to the terms and conditions of this section, by warranty deed, free and clear of all liens and encumbrances except any in existence prior to the Unit Owner's ownership of the undeveloped Unit site.

3. Grading, Landscaping, and Drainage. Grading and landscaping plans for each Unit utilizing mature shrubbery must be developed by or approved in advance by the Declarant or the Association or their respective heirs, successors, or assignees.

All grading and landscaping shall be completed (in accordance with the plan approved by the Declarant or the Association, their heirs, successors, or assignees) within eighteen (18) months following the issuance of the occupancy permit for the home by the City of Mequon. If the approved grading and landscaping is not completed within eighteen (18) months from the date of the occupancy permit, the Unit Owner shall be liable for liquidated damages to the Declarant at the rate of Three Hundred Dollars (\$300) per month for each month of non-completion.

Final grading elevations and drainage easements must conform with the approved grading plan. To avoid a substantial increase in surface water drainage onto adjoining Units, the landscaping plans shall provide for adequate drainage, storage, and surface water toward adjoining streets and away from adjoining Units if natural drainage on the lot is to be or has been altered by grading or landscaping by the Unit Owner.

4. Driveways. Each Unit shall be improved with a blacktop asphalt driveway extending from the street to the garage in the twelve (12) months following the issuance of an occupancy permit for the Unit by the City of Mequon.

ARTICLE XIII.

RESTRICTIONS ON USE, OCCUPANCY AND TRANSFER

1. Residential Purposes Only. Each Unit shall be occupied by one family and used only for private dwelling purposes and for no other purposes, except that business activities may be conducted only by residents in their Unit if confined solely to the transaction of business by telephone or by Internet. No trade or business shall be carried on anywhere within the Condominium.

2. Leases of Units. The Declarant may lease a Unit on such terms and conditions as it desires in its sole discretion. Any other owner may lease a Unit for a term of not less than six (6) months. Any lease or rental agreement must be in writing. Any person occupying a Unit with the authority of an owner shall comply with all of the provisions hereof, and the By-Laws imposed on an owner and a breach of such provisions shall be deemed a breach of such lease. Each such lease shall contain a provision making a breach of any of the provisions of this Declaration or of the By-Laws of the Association a breach under the lease. No rooms in any Unit may be rented and no transient tenants may be accommodated.

3. Pets. No animals, reptiles, or birds shall be permitted within the Condominium, except as hereinafter set forth. The Association may issue a permit for the keeping of any pets. Such permit shall allow the keeping of pets in accordance with rules and regulations to be established by the Board of Directors. Such permit shall be deemed a revocable license which may be revoked at any time following notice and hearing if, in the judgment of the Board of Directors, such licensed animal is or becomes offensive, a nuisance, or harmful in any way to the Condominium or those occupying or owning therein. The Association may charge an application fee to cover its administrative and enforcement costs. All permitted pets shall be housed indoors and, if allowed outdoors, shall be kept on a leash at all times while outdoors. Any pet excrement in common areas shall be removed immediately by the occupant of the Unit in which the pet resides. A violation of the provisions of this paragraph shall subject the Unit Owner responsible for such violation to additional special assessments by the Board of Directors for the enforcement costs, including, but not limited to, reasonable attorney fees incurred by the Association incident to the enforcement of this paragraph and the rules and regulations established by the Board of Directors.

4. No Obstructions. No owner shall cause or permit the Common Elements to be so used as to deny to other owners the full use of such portion of the Common Elements. Accordingly, there shall be no obstruction of any Common Elements. Walks and drives shall be kept clean and orderly. Junked, inoperative, or unlicensed vehicles, and vehicles such as trailers, campers, camping trucks, house trailers, motorized bicycles, snowmobiles or land vehicles, or the like shall not be stored, parked, or placed on the Condominium. Boats, boat trailers, vans, and trucks may be stored, parked, or placed on the Condominium provided that they are so stored, parked, or placed only in a garage and further provided that such storing, parking, or placing does not cause the displacement of another vehicle or other personal property to outside parking, storage or placement on the Condominium. No automobiles, vans or trucks may be stored, parked, or placed overnight in a driveway of the Condominium without a permit issued by the Board of Directors which permit may be issued in the discretion of the Board of Directors to permit overnight parking in areas designated by the Board of Directors. No vehicle shall occupy, park upon, or otherwise block the access to or exit from another Unit or the approach thereto. No maintenance of any vehicle shall be permitted anywhere on the Condominium. Garage doors shall be closed at all times except when in active use for ingress and egress.

5. Waste. The unreasonable or unsightly accumulation of waste, litter, excess or unused building materials, or trash is prohibited, and garbage containers shall be stored inside garages or situated only in locations designated by the Association and all empty containers shall be returned to their storage locations not later than 7:00 p.m. on collection days. No materials shall be consumed by fire in incinerators, open fires, or elsewhere.

6. Antennas, Temporary Structures. No antennas for television or aerals for radios shall be erected on any roof or any other portion of the Condominium, except satellite dishes of a neutral color twenty-one (21) inches or smaller, any community antennas, or cable receivers erected by Declarant or the Association or any individual antennas erected or installed with the prior consent of the Board of Directors. No structure, trailer, tent, shack, or barn, temporary or otherwise, except for those maintained by Declarant, shall be placed or maintained on any portion of the Condominium nor shall any clothes hangers or clothesline be placed or maintained within or on the Common Elements.

7. Utility Lines. Any supply lines, waste lines, pipes, wires, conduits, or public utility lines running through a Unit which serve more than one Unit shall be deemed owned as tenants in common by all Unit Owners.

8. Encroachments. If any portion of the Common Elements encroaches upon a Unit or any Unit encroaches upon the Common Elements or upon any other Unit, a valid easement for the encroachment and for the maintenance of the same shall exist for so long as it stands.

9. Mutual Enjoyment. Each Unit shall be used only for such purposes and to such extent as will not overload or interfere with any Common Elements or the enjoyment thereof by the owners of other Units.

10. Noxious Activity. No use or practice shall be allowed on or within the Condominium which: (a) is a nuisance, or (b) is immoral or improper or offensive in the opinion of the Board of Directors, or requires any alteration of or addition to any Common Elements, or (c) is in violation of the By-Laws or Rules and Regulations of the Association, or (d) unreasonably interferes with or is an unreasonable annoyance to the peaceful possession or proper use of the Condominium by other Unit Owners or occupants, including the use of musical instruments, television, or radios at such times or in such volumes of sound as to be objectionable, and the storage or use of materials or substances having offensive, unpleasant or foul odors from the general enjoyment of the surrounding areas.

11. Outdoor Appearance. No clothes or other articles shall be hung outdoors or from the windows of the buildings, or draped over railings, for any such purpose whatsoever unless such clothing or articles are completely concealed from public view. Patio umbrellas and other outdoor furniture may be used by the Owners, provided that the color of same is inoffensive and neutral, as determined by the Architectural Review Committee in its sole and absolute discretion. No storage or supply tanks, including without limitation, fuel tanks (except propane tanks mounted on portable barbecues), shall be permitted to be installed or maintained aboveground.

12. Parking Areas. Parking areas, including driveways and roadways on which parking is allowed, but not including garages, shall be used only for the parking of private passenger automobiles and vans used exclusively for personal use and which do not bear any commercial signs or advertisements. Such vehicles shall at all times be in running condition and bear current license plates. Persons using such parking areas shall, at reasonable times, for a reasonable period, and upon reasonable notice, remove their vehicles therefrom to permit the parking areas to be repaired, resurfaced, repainted, striped, cleaned, snowplowed, or for similar purposes.

13. Vehicle Repair. There shall be no assembling or disassembling of motor vehicles except for minor unanticipated repair or maintenance such as the changing of a tire, battery, etc.

14. Restrictions on Storage and Use of Recreational Vehicles. Trucks and recreational vehicles (which shall include, watercraft, snowmobiles, trailbikes, travel trailers and vans, motor homes, and dune buggies and other off-street motorized vehicles of any kind) shall not be parked, kept or stored on any Common Area or undeveloped area of The Hidden Reserve nor shall any such truck and recreational vehicle be parked, kept, or stored outside an enclosed garage, without the prior approval of the Board (which may be withheld on the basis of aesthetics if for no other reason). Such trucks and recreational vehicles shall also not be used or operated within The Hidden Reserve except on dedicated streets in accordance with applicable traffic laws.

15. Vehicle Noise. All motorcycles and motor vehicles, including but not limited to, Mopeds and All Terrain Vehicles (ATV) shall be maintained so as not to produce offensive or vociferous noises, as determined by the Board of Directors in its sole discretion.

16. Acts Affecting Insurance. No Unit Owner or occupant shall commit or permit any violation of the policies of insurance taken out by the Board of Directors in accordance with the provisions of Article XV hereof ("Association Policies"), or do or permit anything to be done, or keep or permit anything to be kept, or permit any condition to exist, which might (i) result in termination of any such policies, (ii) adversely affect the right of recovery thereunder, (iii) result in reputable insurance companies refusing to provide Association Policies, or (iv) result in an increase in the insurance rate or premium unless, in the case of such increase, the Unit Owner responsible for such increase shall pay the same. If the rate of premium payable with respect to the Association Policies or with respect to any policy of insurance carried by any Unit Owner, as permitted by the provisions of Article XV hereof, shall be increased or shall otherwise reflect the imposition of a higher rate than that applicable to the lowest-rated Unit, (a) by reason of anything that is done or kept in a particular Unit, or (b) as a result of the failure of any Unit Owner or any occupant of a Unit to comply with the requirements of the Association Policies, or (c) as a result of the failure of any such Unit Owner or occupant to comply with any of the other terms and provisions of this Declaration, the By-Laws or the Rules and Regulations, then the Unit Owner of that particular Unit shall reimburse the Association and such other Unit Owners respectively for the resulting additional premiums which shall be payable by the Association or such other Unit Owners, as the case may be. The amount of any such reimbursement due the Association shall without prejudice to any other remedy of the Association and shall be enforced by assessing the same to that particular Unit pursuant to the By-Laws.

17. Legal Restrictions. No unlawful use may be made of the Condominium or any part thereof and each Unit Owner shall strictly comply with all valid laws, orders, rules, and regulations of all governmental agencies having jurisdiction thereof (collectively "Legal Requirements"). Compliance with any Legal Requirements shall be accomplished by and at the sole expense of the Unit Owner or Owners or the Association, as the case may be, whichever shall have the obligation under this Declaration to maintain and repair the portion of the Condominium affected by any such Legal Requirements. Each Unit Owner shall give prompt notice to the Board of Directors of any written notice it receives of the violation of any Legal Requirements affecting its Unit or the Condominium. Notwithstanding the foregoing provisions, any Unit Owner may, at its expense, defer compliance with and contest, by appropriate proceedings prosecuted diligently and in good faith, the validity or applicability of any Legal Requirements affecting any portion of the Condominium which

such Unit Owner is obligated to maintain and repair, and the Association shall cooperate with such Unit Owner in such proceedings, provided that:

- a. Such Unit Owner shall pay and shall defend, save harmless, and indemnify the Board of Directors, the Association and each other Unit Owner against all liability, loss, or damage which any of them respectively shall suffer by reason of such contest and any noncompliance with such Legal Requirements, including reasonable attorney fees and other expenses reasonably incurred; and
- b. Such Unit Owner shall keep the Board of Directors advised as to the status of such proceedings ((a) and (b), above, collectively called "Conditions as to Contest").

Such Unit Owner need not comply with any Legal Requirements so long as it shall be so contesting the validity or applicability thereof, provided that (a) noncompliance shall not create a dangerous condition or constitute a crime or an offense punishable by fine or imprisonment, and (b) no part of any Building shall be subject to being condemned or vacated by reason of noncompliance or otherwise by reason of such contest ((a) and (b) are called "Conditions as to Deferral of Compliance"). The Association may also contest any Legal Requirements without being subject to the Conditions as to Contest and may also defer compliance with any Legal Requirements, but only subject to the Conditions as to Deferral of Compliance. The costs and expenses of any contest by the Association shall be a common expense.

ARTICLE XIV.

RECONSTRUCTION AFTER LOSS

1. Reconstruction. In the event of fire, casualty, or any other disaster affecting one or more Units or other improvements on the Condominium ("Damaged Premises"), the Damaged Premises shall be reconstructed and repaired, unless action is taken as otherwise provided herein. Reconstruction and repair as used herein shall mean restoring the Damaged Premises to substantially the same condition they were in prior to the fire, casualty or disaster. The Unit Owner shall undertake to cause such reconstruction and repair to be accomplished within a reasonable period of time. In the event that reconstruction or repair work is not accomplished within a reasonable time, the Board of Directors of the Association may elect to have the work done itself and charge the full cost thereof as an extraordinary assessment against the Unit or Units benefitting from the work or, as an alternative thereto, the Association by written consent of two-thirds (2/3) of its members may make the determination not to repair or reconstruct. If such a determination not to reconstruct or repair is reached, then the Condominium shall be subject to an action for partition upon obtaining the written consent of the members having seventy-five percent (75%) or more of the votes cast in person or by proxy or otherwise as in accordance with the Act, except that the net proceeds of insurance for a Building and net proceeds of sale of such Buildings which are removed from the Condominium by partition shall be distributed to owners and Mortgagees of such Units in proportion to the ratio of the most current appraised replacement value of each Unit to the total appraised replacement value of the Building of which that Unit is a part. Extraordinary assessments made as provided in this Article XIV shall be assessed in the same manner as if the assessment is a special assessment, and such

extraordinary assessment shall give to the Association the same entitlement to a lien and the same rights with respect to collection as described in this Declaration and the By-Laws.

2. Condemnation. The Association shall represent the Unit Owners in any condemnation proceedings or in negotiations, settlements, and agreements with the condemning authority for acquisition of the Common Elements or part thereof. The award or proceeds of settlement for a taking of part or all of the Common Elements shall be payable to the Association for the use and benefit of the Unit Owners and their mortgagees as their interests may appear. The procedure for dealing with the total or partial condemnation of the condominium shall be that set forth in Wis. Stat. § 703.19 (1997-98), as the same may be amended from time to time.

ARTICLE XV.

INSURANCE

1. Association Property and Casualty Insurance. The Association shall obtain and continue in effect single entity insurance coverage on the Buildings and other improvements on or within the Condominium (Note: Not on personalty or improvements within the individual Units) in an amount equal to the maximum insurable replacement value, with "agreed amount" and "Condominium replacement cost" endorsements, without deduction or allowance for depreciation, which amount shall be reviewed annually by the Board of Directors, together with a "waiver of subrogation" with respect to all Unit Owners, their family members and officers and Directors of the Association affording protection against loss or damage by common "all-risk" perils coverage and such other risks or hazards as from time to time shall be customarily covered with respect to buildings similar in construction, location and use. This insurance shall be for the benefit of the Association and the owners of Units and their Mortgagees as their interests may appear; provided, however, all proceeds payable by reason of said insurance shall be paid to the Association as trustee for the Unit Owners and their Mortgagees for the express purpose of reconstruction and repair or as otherwise provided in Article XIV hereof. The Association may engage the service of any bank or trust company authorized to do trust business in Wisconsin to act as trustee, agent or depository on behalf of the Association for the purpose of receiving and disbursing the insurance proceeds resulting from any loss, upon such terms as the Association may determine consistent with the provisions of these By-Laws. The fees of such corporate trustee shall be Common Expenses assessed pursuant to Article VIII of the Declaration. In the event of any loss in excess of \$250,000 in the aggregate, the Association shall engage a corporate trustee as aforesaid, or in the event of any loss resulting in the destruction of the major portion of one or more Units, the Association shall engage a corporate trustee as aforesaid upon the written demand of the Mortgagee or owner of any Unit so destroyed.

2. Association Liability Insurance. The Association shall provide public liability insurance covering the Common Elements and the Limited Common Elements and Directors', officers' and committee members' liability insurance in such amounts as may be determined in the discretion of the Board of Directors from time to time. The Association may also provide workmen's compensation insurance and such other insurance coverage, as in the opinion of the Board of Directors of the Association, is reasonably necessary and not inconsistent with the Declaration and By-Laws of the Association and fidelity bonds on such officers and employees and in such amounts as is determined to be necessary from time to time.

3. Exclusions from Coverage. Notwithstanding anything to the contrary herein, the insurance coverage obtained by the Association shall exclude (i) any coverage obtained by the

Association or appertaining to the exclusive use of a Unit; (ii) additional living expense due to loss of use of a Unit; (iii) any loss assessment due to damage to the Common or Limited Common Areas not covered by insurance or damages which the Association may be obligated to pay from whatever source; (iv) any liability coverage on a Unit Owner, its guests, invitees, employees of such Unit and/or relating in any way whatsoever to said items (I), (ii) or (iii) of this Section 11C including, but not limited to, medical payments. It is the sole responsibility for each Unit Owner to obtain such insurance coverages as are excluded from the insurance coverage obtained by the Association.

4. Unit Owner's Insurance. The provisions of Section 1, above, are without prejudice to the right of any owner of a Unit to obtain individual Unit insurance; provided, however, that no Unit Owner shall be entitled to exercise his right to maintain individual Unit insurance in such a way as to decrease the amount which the Association may realize as trustee under any insurance policy obtained by reasons of the provisions of this Article XV.

5. Cost.

- a. All insurance premiums for any insurance coverage obtained by the Board of Directors pursuant to Section 1, above, shall be a Special Expense of the Condominium and not a Common Element Expense. They shall be charged to each Unit based upon the ratio of its assessed valuation by the City of Mequon to the total assessed valuation of all Units in the Condominium and paid by the Unit Owner to the Association within ten (10) days of billing, and if not promptly paid, shall be subject to the late payment and lien provisions of Sections 3 and 4 of Article XI, above.
- b. To facilitate the insurance cost allocation, each Unit Owner shall promptly send the Association a copy of any notice of assessment and a copy of the annual real estate tax bill.
- c. All insurance premiums for insurance coverage obtained by the Board of Directors pursuant to Section 2, above, shall be a Common Element Expense of the Condominium, the costs of which shall be included in the Association's general Annual Budget.

ARTICLE XVI.

RIGHTS OF DECLARANT

1. Control of Association. Until the expiration of the earlier of ten (10) years from the date the first Unit is conveyed to any person other than Declarant or thirty (30) days after the conveyance of seventy-five percent (75%) of the undivided interests in the Common Elements to purchasers, Declarant, or its successors and assigns, acting alone shall have the right to appoint and reappoint the members of the Board of Directors, other than those elected pursuant to Article VI, Section 3 hereof.

2. Other Rights. Notwithstanding other restrictions within this Declaration, pending the sale of all of the Units on the Condominium, Declarant, or its successors and assigns, acting alone:

- a. may, but shall not be obligated to, manage and operate the Condominium in accordance with the provisions of this Declaration; but any agreement for professional management of the Condominium, or any other contract providing for services of Declarant, shall not exceed six (6) years and shall provide for termination by either party without cause and without payment of a termination fee on no more than ninety (90) days written notice;
- b. may use the Common Elements and any unsold Units within the Condominium in any manner as may facilitate the development, sale or leasing of all Units thereon, including, but not limited to, in connection therewith, maintaining a sales and/or rental office or offices and models, showing the Condominium or maintaining signs;
- c. reserves the right to (i) grant easements upon, over, through and across the Common Elements as may be required for furnishing any kind of utility services, including cable television or master antenna service, which easements may be granted to itself or its nominee and/or as may be necessary for excavation and construction of any of the Units; (ii) grant easements upon, over, through or across the Common Elements for ingress and egress to and from the Condominium and other real property adjacent to it; and (iii) grant easements for road, sewer and other utility purposes across, over and under the Common Elements for the benefit of other lands provided that in the instrument creating such easement Declarant shall specify a method by which the maintenance costs of such easement shall be shared by the Association and such other users and provided that use of such easements will not be reasonably anticipated to overburden the existing use of the Common Elements; and
- d. reserves the right to (i) make alterations and changes to the design or exterior materials of any Building or any part thereof subsequent to construction and (ii) alter and change the interior materials and the interior arrangement of any Unit owned by Declarant.

ARTICLE XVII.

RIGHTS OF MORTGAGEES

1. Notice. Upon written request to the Association, identifying the name and address of the holder, insurer, or guarantor of a Unit mortgage and the Unit number or address, any such mortgage holder, insurer, or guarantor will be entitled to timely written notice of:

- a. Any condemnation or casualty loss which affects either a material portion of the Condominium or the Unit securing its mortgage;
- b. Any sixty (60) day delinquency in the payment of assessments owed by the owner of any Unit on which it holds a mortgage or any breach of the provisions of any instrument or rule governing the Condominium which is not cured by such owner within sixty (60) days of such breach;
- c. Any lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Association; and
- d. Any proposed action which would require the consent of a specified percentage of eligible mortgage holders as specified below or in Article XXI hereof.

rights: 2. Other Provisions. Mortgage holders shall also be afforded the following

- a. Any restoration or repair of the Condominium after a partial condemnation or damage due to an insurable hazard, shall be performed substantially in accordance with this Declaration and the original plans and specifications, unless other action is approved by holders of mortgages on Units which have at least fifty-one percent (51%) of the votes of Units subject to mortgages.
- b. Any election to terminate the Condominium after substantial destruction or a substantial taking in condemnation of the Property must require the approval of holders of mortgages on Units which have at least fifty-one percent (51%) of the votes of Units subject to mortgages.

ARTICLE XVIII.

REMEDIES FOR VIOLATION BY UNIT OWNER

If any Unit Owner fails to comply with the Act, this Declaration or the By-Laws, such Unit Owner shall be liable for damages and costs (including reasonable attorney fees) caused by the failure or required for injunctive relief, or both, by the Association or by any other Unit Owner.

ARTICLE XIX.

SERVICE OF PROCESS

Service of process shall be made on F. Patrick Matthews, Suite 800, 731 N. Jackson Street, Milwaukee, Wisconsin 53202, as registered agent for the Association. Any change in the

person or location for the service of process designated by the Board of Directors shall become effective upon the recording of notice thereof in the office of the Secretary of State of Wisconsin in accordance with Section 703.23 of the Wisconsin Statutes.

ARTICLE XX.

RIGHT OF ENTRY

The Declarant, for itself and its successors and assigns, reserves the right of entry to each Unit (upon prior request and at times convenient for the owner or occupant thereof) by itself or its agents or any person authorized by the Board of Directors to make installations, alterations, or repairs, provided, however, that in case of emergency, entry of the Unit may be made immediately, whether the owner or occupant of the Unit is or is not present and without liability to Declarant, the Board of Directors or their agents. Any damage or loss caused as a result of such entry shall be at the sole expense of the Unit Owner if, in the judgment of those authorizing the entry, such entry was for emergency purposes.

ARTICLE XXI.

AMENDMENT OF DECLARATION

1. Procedure. This Declaration may only be amended in a writing executed by the presiding officer of the Association and attested by another officer, with the written consent of at least seventy-five percent (75%) of the Unit Owners and mortgagees. No amendment shall change the rights of Declarant as contained in this Declaration. Any amendment to this Declaration shall become effective when recorded in the office of the Register of Deeds for Ozaukee County, Wisconsin, and no action to challenge the validity of an amendment under this Article may be brought more than one (1) year after the amendment is recorded.

2. Limitations on Certain Amendments. In addition to complying with Section 1 above, the approval of holders of mortgages on Units which have at least fifty-one percent (51%) of the votes of Units subject to mortgages, shall be required to add or amend any material provisions of this Declaration, the Articles, By-Laws, or Rules and Regulations which establish, provide for, govern, or regulate any of the following:

- a. Voting rights;
- b. Assessments, assessment liens, or the priority of assessment liens;
- c. Reserves for maintenance, repair, and replacement of the Common Elements;
- d. Insurance or fidelity bonds;

- e. Responsibility for maintenance and repair;
- f. Expansion or contraction of the Condominium or the addition, annexation or withdrawal of property to or from the Condominium;
- g. Redefinition of any Unit boundaries;
- h. Reallocation of interests in the Common Elements or rights to their use.
- i. Convertibility of Units into Common Elements or of Common Elements into Units;
- j. Leasing of Units;
- k. Imposition of any restriction on a Unit Owner's right to sell or transfer his or her Units;
- l. A decision by the Association to establish self-management of the Condominium;
- m. Restoration or repair of the Condominium (after a hazard damage or partial condemnation) in a manner other than that specified in this Declaration;
- n. Any provisions that expressly benefit mortgage holders, insurers, or guarantors.

3. Approval. A Unit Owner, or a mortgage holder in the cases of a technical amendment or any amendment not described in Section 2, above, hereof, who receives a written request to approve additions or amendments who does not deliver or post to the requesting party a negative response within thirty (30) days after it receives proper notice of the proposal, provided the notice was delivered by certified or registered mail, with a return receipt requested, shall be deemed to have approved such request.

4. VA Approval. If any Unit is subject to a mortgage owned or guaranteed under the U.S. Veterans Administration programs, then the condominium regime created hereunder may not be amended or merged with a successor regime without prior written approval in accordance with regulations implementing such programs.

ARTICLE XXII

RESERVATION OF RIGHT TO EXPAND CONDOMINIUM

1. Expansion. Declarant hereby expressly reserves the right to expand the Condominium to subject the real estate designated as "Phase II" on Exhibit A appended hereto, to the rights, duties and obligations attendant to and specified in this Declaration, and Declarant shall

exercise this right by recording an Amendment to this Declaration which amendment shall be effective on recordation and shall subject the entire area of Phase II to this Declaration. Declarant shall give timely notice of the recordation to all Unit Owners.

2. Easement to Future Owners. Declarant at any and all times reserves the right to grant access to and use of any Common Element to all present and future Unit Owners of the real estate described both in Phase I and in Phase II in Exhibit A attached hereto.

3. Consent of Present Unit Owners. Upon the request of any title company issuing an owner's policy of title insurance for a Unit, the original grantee of a Unit and each successor in title shall sign a consent form for the deed conveying title, in form acceptable to the title company, consenting and agreeing to the adjustment in the percentage of undivided interest in the Common Elements and facilities and to a method of accomplishing such adjustment, all as provided in this Article XXII.

4. Additional Units. The maximum number of additional Units that shall be added by virtue of that expansion shall be twenty-eight (28) individual Units, two (2) of which shall be contained in each of the fourteen (14) buildings shown in Phase II of Exhibit A appended hereto.

5. Expanded Common Elements. Upon the expansion of the Condominium by the addition of Phase II, each Unit Owner shall have a 1/54 undivided interest in the Common Elements, including specifically those contained within both Phase I and in Phase II.

6. Common Expenses. Upon expansion of the Condominium as stated in Section 1, above, of this Article XXII, the liabilities for all common expenses shall be borne (subject to Article XI, Section 1, below, of this Declaration), equally by all Unit Owners, except that Declarant shall be deemed the Unit Owner of all Units to which it has not conveyed title to someone other than Declarant.

7. Development Costs. All costs for grading, excavation and installation of roads, sewers and utilities in Phase II, up to the boundary of each Unit, shall be borne by Declarant and shall not be common expenses of the Association.

8. Votes. Upon the expansion of the Condominium, each Unit, pursuant to Article III, Section 1 of the By-Laws of The Hidden Reserve Condominiums Owners Association, Inc., shall still have one (1) vote; Declarant shall be deemed the Unit Owner of all Units (planned, finished, or unfinished) to which it has not conveyed title to someone other than Declarant.

9. Percentages of Liability for Common Expenses. Subject to Article XI, Section 1, above, upon expansion of the Condominium by including Phase II, all interests, rights, entitlements, duties, and obligations shall continue to be borne by the Unit Owners in the proportion by which their ownership relates to the ownership of all other Units for which the City has issued an occupancy permit.

ARTICLE XXIII.

CONSTRUCTION AND EFFECT

1. Number and Gender. Whenever used herein, unless the context shall otherwise provide, the singular number shall include the plural, the plural shall include the singular, and the use any gender shall include all genders.
2. Captions. The captions and Article headings herein are intended only as matters of convenience and for reference and in no way define or limit the scope or intent of the various provisions hereof.
3. Successors and Assigns. All rights and benefits reserved or covenanted in favor of the Declarant under this Declaration shall inure to the benefit of and be binding upon its successors and assigns. Any reference in this Declaration to the "successors and assigns" of Declarant shall be deemed to refer only to such person or entity to whom Declarant has expressly assigned all of said rights and benefits by an instrument in writing specifically identifying the provisions so assigned.
4. Severability. If any provision, or any part thereof, of this Declaration or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Declaration, or the application of such provision, or any part thereof, to persons or circumstances other than those to which it is held invalid or unenforceable, shall not be affected thereby. Each provision, or any part thereof, of this Declaration shall be valid, and shall be enforced, to the fullest extent permitted by law.
5. Deemed Interests. Wherever in this Declaration a specified percentage of Unit Owners or Common Element interests is required for any action, decision or diminution of Declarant control or Declarant's rights, Declarant shall be deemed to own all 54 one-fifty-fourth (1/54) interests, less one-fifty-fourth (1/54) interest for each Unit already conveyed at the time of such determination.
6. Acceptance of Deed. By acceptance of a deed of conveyance of a Unit from Declarant, the grantee of such Unit and each successor in title to such Unit or an interest therein shall, in the event of the occurrence of any or all of the events specified in Article XIV, XVI or XVII, be deemed to consent and agree to the action so taken. Each such grantee of a Unit and each successor in title to such Unit or an interest therein, hereby constitutes and appoints Declarant, its successors and assigns, as its true and lawful attorney (i) to execute, deliver and record on behalf of the grantee and

697101

Document Number

First Amendment to
Declaration of Condominium of
THE HIDDEN RESERVE CONDOMINIUMS

Document Title

VOL 1411 PAGE 542
RECORDED

2001 DEC 21 PM 2:00

Ronald H. Voigt
REGISTER OF DEEDS
LA SALLE COUNTY, WI

Recording Area

Name and Return Address

F. Patrick Matthews
Matthews Law Offices, S.C.
731 N. Jackson Street, #800
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 clauses, 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, 59.517. WRDA 2/96

FIRST AMENDMENT TO
DECLARATION OF CONDOMINIUM
OF
THE HIDDEN RESERVE CONDOMINIUMS

THIS FIRST AMENDMENT to the Declaration of Condominium of The Hidden Reserve Condominiums ("Declaration") is made this ____ day of _____, 2001, by Wally Lange, LLC, a Wisconsin limited liability company ("Declarant"), pursuant to Chapter 703 of the Wisconsin Statutes, the Condominium Ownership Act, as the same may be amended, renumbered or renamed from time to time ("Act"), and pursuant to Article XXII of the Declaration.

WITNESSETH:

Declarant recorded the Declaration in the Office of the Register of Deeds for Ozaukee County, Wisconsin, on October 31, 2000, in Volume 1268, on pages 384-424, inclusive, as Document Number 665551.

Article XXII of that Declaration expressly reserved unto Declarant, the right to expand The Hidden Reserve Condominiums ("Condominium") to annex thereto and include therein Phase II ("Phase II") the boundaries of which are delineated as Phase II on Exhibit A appended hereto.

Declarant intends to improve Phase II to provide sites therein for the construction thereon of a total of fourteen (14) two-family buildings ("Buildings"), each containing two (2) individual residential Units, together with certain other improvements, roadways, easements and rights-of-way in connection therewith.

This expansion shall increase the Common Elements by including all real estate and improvements in Phase II except the additional twenty-eight (28) individual Units shown in that area designated "Phase II" on Exhibit A appended hereto.

Declarant intends by this First Amendment to the Declaration to subject Phase II and the improvements therein to the Condominium form of ownership under the Act and further desires to establish, for its own benefit and for that of all future owners and occupants of the Condominium, certain easements, rights, restrictions and obligations with respect to the ownership, use, and maintenance of the Condominium on the terms and conditions set forth in the Declaration.

The name of the Condominium shall remain "The Hidden Reserve Condominiums". The addresses of the Units in Phase II in the Condominium are as set forth on attached Exhibit B.

NOW, THEREFORE, Declarant, the fee owner of the Property designated as Phase II, by this Amendment to the Declaration hereby (i) submits Phase II and the improvements, subject to taxes and assessments not yet due and payable, municipal and zoning ordinances, recorded easements and restrictions, if any, and all other matters of record, to the condominium form of use and ownership as provided in the Act and in the Declaration; (ii) establishes and imposes upon Phase II the provisions, restrictions, conditions, easements, and uses set forth in the Declaration to which Phase II

may be put; and (iii) specifies that the provisions of the Declaration shall constitute covenants to run with the land and shall be binding on Declarant, its successors and assigns, and all subsequent owners and occupants of all or any part of the expanded Condominium.

ARTICLE I.

DIVISION OF PHASE II OF THE CONDOMINIUM INTO SEPARATE FREEHOLD ESTATES

1. Declarant divides Phase II of the Condominium into twenty-eight (28) separately designated and legally described freehold estates (collectively called "Units" and individually called a "Unit"), consisting of the spaces, areas, or improvements contained within the boundaries of each Unit as described in Article II of the Declaration so that there are now a total of fifty-four (54) Units within the Condominium, and
2. An undivided freehold estate in the "Common Elements" and in the "Limited Common Elements" of Phase II of the Condominium as described in Article III of the Declaration so that the owner of each Unit in the Condominium now has an undivided freehold estate in those components of both Phase I and of Phase II of the Condominium.

ARTICLE II.

PERCENTAGE OF OWNERSHIP IN COMMON ELEMENTS

1. Ownership. The ownership of each Unit in the Condominium shall include a 1/54th undivided interest in the Common Elements.
2. Sharing of Expenses and Surpluses. Subject to Article XI, Section 1, of the Declaration, the common surpluses and expenses of the Condominium relating to Common Elements shall be shared equally among the owners of all Units for which the City of Mequon has issued an occupancy permit.
3. Use of Surpluses. All common surpluses of the Condominium for each fiscal year of The Hidden Reserve Condominiums Owners Association, Inc. ("Association") shall be credited to the reserves or replacement funds for common expenses of the Condominium for the next succeeding fiscal year or years in accordance with the percentage of undivided interest of each Unit Owner (as defined in Article II, Section 5, of the Declaration) in the Common Elements as aforesaid.
4. Development Costs. All costs for grading, excavation, and installation of roads, sewers and utilities in Phase II, up to the boundary of each Unit, shall be borne by Declarant and shall not be common expenses of the Association.

ARTICLE III.

MEMBERSHIP AND VOTING

IN

THE HIDDEN RESERVE CONDOMINIUM OWNERS ASSOCIATION, INC.

1. Membership. In accordance with the Articles and By-Laws of the Association, the Members of the Association shall consist of the Declarant and the Unit Owners who have record title in their names or who are the purchasers under a recorded land contract. Membership commences and terminates with ownership of a Unit.

2. Votes. One (1) vote shall appertain to each Unit. With this Amendment, the Condominium is expanded to fifty-four (54) Units. Declarant shall be deemed for these purposes the Unit Owner of all Units (planned, finished or unfinished) to which it has not conveyed title to someone other than the Declarant and shall have one (1) vote for each such Unit.

WALLY LANGE, LLC

By: Waldemar W Lange Member
Waldemar W. Lange, Member

STATE OF WISCONSIN)
) ss.
COUNTY OF OZAUKEE)

Personally came before me this 21 day of DECEMBER, 2001, the above-named Waldemar W. Lange, member, to me known to be the person who executed the foregoing instrument and acknowledged the same.

JINN P. GILMORE
Notary Public, State of Wisconsin
My Commission 9/12/04

This instrument was drafted by:

Attorney F. Patrick Matthews
Matthews Law Offices, S.C.
731 N. Jackson Street, Suite 800
Milwaukee, WI 53202-4697

SECOND AMENDMENT TO
DECLARATION OF CONDOMINIUM
OF
THE HIDDEN RESERVE CONDOMINIUMS

THIS SECOND AMENDMENT to the Declaration of Condominium of The Hidden Reserve Condominiums ("Declaration") is made this 20 day of March, 2002, by Wally Lange, LLC, a Wisconsin limited liability company ("Declarant"), pursuant to Chapter 703 of the Wisconsin Statutes, the Condominium Ownership Act, as the same may be amended, renumbered or renamed from time to time ("Act"), and pursuant to Article XXII of the Declaration.

WITNESSETH:

Declarant recorded the Declaration in the Office of the Register of Deeds for Ozaukee County, Wisconsin, on October 31, 2000, in Volume 1268, on pages 384-424, inclusive, as Document Number 665551.

Declarant recorded the First Amendment to Declaration of Condominium of The Hidden Reserve Condominiums in the Office of the Register of Deeds for Ozaukee County, Wisconsin, on December 21, 2001, in Volume 1411, on pages 542-548, inclusive, as Document Number 697101.

To address perceived uncertainty as to the obligations of the Unit Owners and of The Hidden Reserve Condominiums Owners Association, Inc. regarding their respective obligations for property and casualty insurance, pursuant to Article XXI of the Declaration, and with the written consent of at least seventy-five percent (75%) of the Unit Owners and mortgagees, with the intention to clarify the intended respective obligations of the Unit Owners and of the Association, the Declaration is amended as follows:

ARTICLE I.

Section 1 of Article XV, INSURANCE, of the Declaration is hereby stricken in its entirety and the following is substituted in its stead:

"1. Association Property and Casualty Insurance. The Association shall obtain and continue in effect single entity insurance coverage on the Buildings and other improvements on or within the Condominium (Note: Not on personalty or upgraded finishing or betterments within the individual Units and not, until assessed by the City of Mequon, on any additions to the individual Units, the additional insurance coverage for which shall be the responsibility of the Unit Owner) in an amount equal to the maximum insurable replacement value, with "agreed amount" and "Condominium replacement cost" endorsements, without deduction or allowance for depreciation, which amount shall be reviewed annually by the Board of Directors, together with a "waiver of subrogation" with respect to all Unit Owners, their family members and officers and Directors of the Association affording protection against loss or damage by common "all-risk" perils coverage and such other risks or hazards as from time to time shall be customarily covered with respect to buildings similar in

construction, location and use. This insurance shall be for the benefit of the Association and the owners of Units and their Mortgagees as their interests may appear; provided, however, all proceeds payable by reason of said insurance shall be paid to the Association as trustee for the Unit Owners and their Mortgagees for the express purpose of reconstruction and repair or as otherwise provided in Article XIV hereof. The Association may engage the service of any bank or trust company authorized to do trust business in Wisconsin to act as trustee, agent or depository on behalf of the Association for the purpose of receiving and disbursing the insurance proceeds resulting from any loss, upon such terms as the Association may determine consistent with the provisions of these By-Laws. The fees of such corporate trustee shall be Common Expenses assessed pursuant to Article VIII of the Declaration. In the event of any loss in excess of \$250,000 in the aggregate, the Association shall engage a corporate trustee as aforesaid, or in the event of any loss resulting in the destruction of the major portion of one or more Units, the Association shall engage a corporate trustee as aforesaid upon the written demand of the Mortgagee or owner of any Unit so destroyed."

THE HIDDEN RESERVE CONDOMINIUMS
OWNERS ASSOCIATION, INC.

By: /s/ Waldemar W. Lange
Waldemar W. Lange, President

ATTEST:

/s/ Clyda E. Lange
Clyda E. Lange, Secretary

STATE OF WISCONSIN)
) ss.
COUNTY OF OZAUKEE)

Personally came before me this 20th day of March, 2002, the above-named Waldemar W. Lange, President, and Clyda E. Lange, Secretary, to me known to be the persons who executed the foregoing instrument and acknowledged the same.

/s/ Frank E. Harney

Notary Public, State of Wisconsin
My Commission June 5, 2005

This instrument was drafted by:

Attorney F. Patrick Matthews
Matthews Law Offices, S.C.
731 N. Jackson Street, Suite 800
Milwaukee, WI 53202-4697

"THE HIDDEN RESERVE"

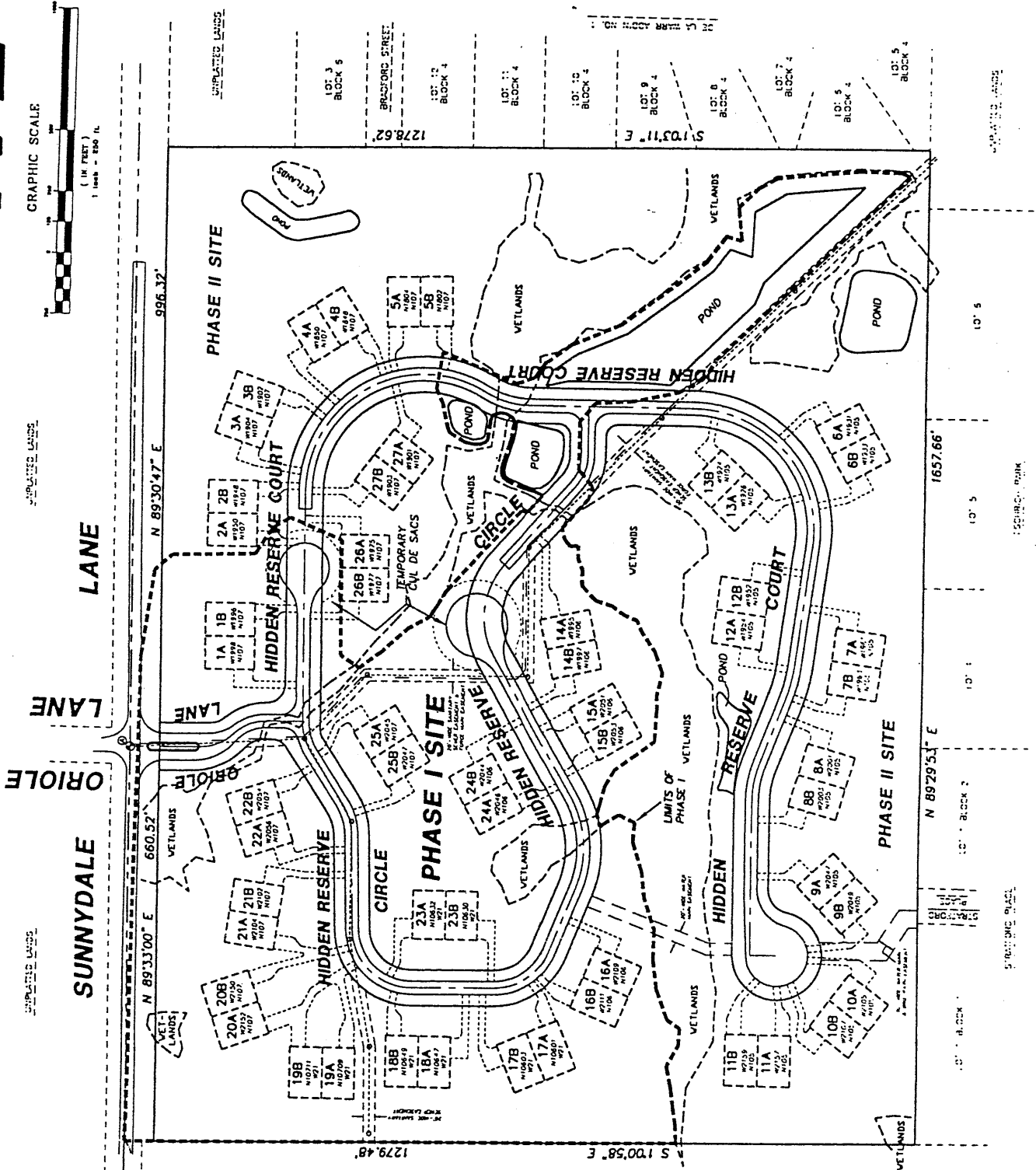


EXHIBIT B

INSPECTION DIVISION, DEPT OF ENGINEERING

April 18, 1999

TO: Owner
City Assessor
City Treasurer
Engineering Department
Police Department-911
Post Office
Register of Deeds
Jon Garms, Director of Public Works

Re: New addresses have been assigned for the Hidden Reserve Subdivision

1. 1996-98 W. Hidden Reserve Ct. 107N
2. 1948-50 W Hidden Reserve Ct. 107 N
3. 1902-04 W Hidden Reserve Ct. 107 N.
4. 1848-50 W. Hidden Reserve Ct. 107 N
5. 1802-04 W Hidden Reserve Ct. 107 N
6. 1931-33 W Hidden Reserve Ct. 105N
7. 1961-63 W Hidden Reserve Ct. 105N
8. 2001-03 W Hidden Reserve Ct. 105N
9. 2047-49 W Hidden Reserve Ct. 105N
10. 2105-07 W Hidden Reserve Ct 105N
11. 2157-59 W Hidden Reserve Ct. 105N
12. 1952-54 W Hidden Reserve Ct. 105N
13. 1924-26 W Hidden Reserve Ct 105N
14. 1995-97 W Hidden Reserve Circle. 106N
15. 2051-53 W Hidden Reserve Circle 106N
16. 2109-11 W Hidden Reserve Circle 106N
17. 10601-03 N Hidden Reserve Circle 21W

EXHIBIT B

18. 10647-49 N Hidden Reserve Circle 21 W
19. 10709-11 N Hidden Reserve Circle 21 W
20. 2150-52 W Hidden Reserve Circle 107N
21. 2102-04 W Hidden Reserve Circle 107N
22. 2054-56W Hidden Reserve Circle 107N
23. 10630-32 N Hidden Reserve Circle 21 W
24. 2044-46 W Hidden Reserve Circle 106N
25. 2045-47 W Hidden Reserve Circle 107N
26. 1975-77 W Hidden Reserve Ct. 107N
27. 1901-03 W Hidden Reserve Ct. 107N

Respectfully,



Mark J. Westphal
Chief Building Inspector

js

addresssecg

COMMON COUNCIL
OF THE
CITY OF MEQUONResolution 1996Approving the Wally Lange Condominium Development Agreement

WHEREAS, the Planning Commission has granted preliminary plat approval to the Wally Lange Condominium; and

WHEREAS, the City Engineer's report on the proposed project delineates the required improvements and fees to be paid; and

WHEREAS, the development agreement provides for the installation of improvements and the payment of fees in accordance with the City Engineer's report; and

WHEREAS, the Planning Commission has recommended the approval of this development agreement.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL FOR THE CITY OF MEQUON that the development agreement for the Wally Lange Condominium is hereby approved and that the appropriate City officials are hereby authorized to sign this agreement.

Approved: _____

Christine Nuernberg
Christine Nuernberg, Mayor

Date Approved: _____

August 14, 1998

This is to certify that the foregoing resolution was adopted by the City of Mequon at a meeting held on the 11th day of August, 1998.

Louise M. Rzentkowski
Louise M. Rzentkowski, City Clerk

Published: August 20, 1998

RECORDED

DEVELOPMENT AGREEMENT

(Wally Lange) Condominium

Articles of agreement made and entered into this 11th day of August, 1998, by and between Waldemar Lange, hereinafter called the Developer, and the City of Mequon, a municipal corporation of Ozaukee County, Wisconsin, hereinafter called the City.

1998 SEP 22 AM 10:00

Ronald H. Vait
REGISTER OF DEEDS
OZAUKEE COUNTY, WI

WITNESSETH:

WHEREAS, the Developer desires to improve and develop certain lands located in the Southeast ¼ of Section 30, Range 22 East, Township 9 North in the City of Mequon Ozaukee County, as described on attached Exhibit A, and for that purpose requires the installation of certain public improvements; and

WHEREAS, the Planning Commission on May 4, 1998, granted concept plan approval to the proposed development plan; and

WHEREAS, the City Engineer on June 26, 1998, submitted the City Engineer's report, attached hereto as Exhibit B, identifying the public improvements and other conditions necessary to this development, and

WHEREAS, Section 236.13(2) of the Wisconsin Statutes and Section 3.16(7) of the Mequon Code of Ordinances provide that as a condition of approval, the City of Mequon shall require that the developer make and install or have made and installed, any improvements reasonably necessary; and

WHEREAS, the Public Works schedule and budget of the City does not now include installation of the said improvements for the said development, and normally there would be a considerable delay in the installation of said improvements unless the instant agreement were entered into; and

WHEREAS, the City believes that the orderly, planned development of said lands will best promote the health, safety and general welfare of the community.

NOW, THEREFORE, in consideration of the payment of One Dollar (\$1.00) and other good and valuable consideration to each in hand paid by the other, receipt of which is hereby acknowledged, and in consideration of the mutual covenants herein contained, the parties agree:

1. The area to be improved shall consist of that area designated as (Mequon Condo Project) in the proposed development plan granted preliminary plat approval by the Planning Commission.
2. Preliminary condominium plat approval will be granted within 30 days of the completion of all the following:
 - A. Submittal by the Developer to the Department of Community Development of a preliminary condominium plat of the proposed development which meets all requirements of the Wisconsin Statutes and the Mequon Code of Ordinances, and which reasonably conforms to the development plan previously granted concept plan approval by the Planning Commission.
3. The improvements required shall be as described on Exhibit B.
4. The Developer will, at his expense, have plans and specifications prepared for the aforesaid improvements and such plans and specifications shall be submitted to the City Engineer for his approval. The plans and specifications to be submitted are indicated in Exhibit C.

5. The Developer will contract for and have performed, at his expense, all of the improvements as described on Exhibit B. The City as a condition of final certification by the City Engineer, will require that copies of lien waivers from all contractors and/or material suppliers performing work or supplying materials for the installation of these improvements be filed with the City.
6. The Developer will pay for all costs incurred by the City in the review of the engineering plans, inspection of the construction of the improvements, installation of street signs, and any other costs that may be incurred by the City in the installation of the improvements for this development. The Developer will pay the costs above enumerated within thirty (30) days after being billed by the City. Billing will be made periodically and/or monthly as the improvements are completed and as costs are incurred. Full cost will include labor, equipment, materials, engineering, inspection and overhead costs incidental to said work. Past due amounts on invoices generated by the City are subject to a one (1) percent per month penalty charge, computed from the date of the original invoice.
7. Upon certification by the City Engineer that all of the improvements enumerated in Exhibit B have been satisfactorily constructed or installed, inspected and found to be in compliance with City requirements, and that all other requirements of this agreement have been complied with, final plat approval will be granted by the Common Council. If the City and the Developer have mutually agreed upon a phasing plan for the development, final plat approval for each phase will be granted by the Common Council upon certification by the City Engineer that all requirements of this agreement pertinent to the phase in question have been complied with and in accordance with the following conditions:
 - A. The City Engineer shall only recommend final condominium plat approval to the Planning Commission upon certification that all of the improvements enumerated in Exhibit B have been satisfactorily constructed or installed, completed and approved, and escrow accounts established as necessary.
 - B. Escrow accounts shall be established for only the installation of the final asphalt surface course, street trees and minimal site restoration.
 - C. The Department of Community Development shall schedule final condominium plat approval before the Common Council only upon certification by the City Engineer that all the improvements have been constructed, installed and approved, and/or escrow accounts established as necessary.
8. As a condition of final condominium plat approval, the Developer will, prior to the final plat being recorded, make payment in full of all special assessments outstanding against the property described in Exhibit A.
9. As a condition of final condominium plat approval, and prior to the final plat being recorded, the requirements of Section 3.16(9)(b) of the Mequon Code of Ordinances pertaining to the required dedication of land for park, recreation and general open space needs generated by the development, or alternate methods in lieu of dedication, will be complied with in the following manner:

\$600 per new units (53 new units) = \$31,800
10. The following special provisions shall apply:
 - A. Easements are to be provided on the plat for the use of the Wisconsin Electric Power Company, Wisconsin Telephone Company, Cable TV. and other utilities for provision of services. The Developer shall provide proof of payment for installation prior to final plat approval.
 - B. Underground utility installations shall be made without any street pavement removal, unless otherwise specifically approved.

- C. A building permit may be issued for one (1) principal model structure (2 units) prior to the final condominium plat being approved and recorded. The Developer agrees and understands that the transfer of title to any unit in this development may not take place until after final certification by the City Engineer that the terms of this agreement have been complied with and the final condominium plat is approved and recorded. The Developer shall also be required to construct and maintain access roads to these model structures in accordance with City requirements and standards. Failure to comply with these standards may result in the building permit(s) being revoked.
 - D. The title to all improvements identified in Exhibit A and the land on which they stand, unless located within a dedicated public easement, shall be given in fee simple by the Developer to the City of Mequon, upon recording the final plat, as provided by State Statutes, and without recourse, and free and clear of all encumbrances and with access provided from a dedicated street, where necessary.
 - E. The improvements enumerated in Exhibit B shall be installed in strict accordance with the requirements of the City of Mequon and the City Engineer or his authorized representative, or as directed by said City Engineer; and shall be under and subject to constant inspection by the City Engineer or his representative.
 - F. The Developer agrees that he shall be fully responsible for all improvement facilities and appurtenances thereto during the period of the improvement construction and that such damages as may occur to these facilities during this period shall be replaced or repaired by the developer.
 - G. Those special provisions indicated on Exhibit D
 - H. No topsoil shall be removed from the condominium. The developer shall not disrupt topsoil where it is unnecessary.
 - I. The title to the water supply and distribution system (i.e., well, reservoir, mains, accessory equipment) shall be given, in fee simple, to the City of Mequon, upon request, and without recourse, and free and clear of all encumbrances. Note: Stipulation I shall be included in the private covenants and disclosed to all future condominium owners in this development.
 - J. Future property owners shall be prohibited from modifying the grading, drainage or landscaping of the approved common area without express written consent from the City Engineer.
 - K. The Developer, his successors and assigns along with individual future lot owners are hereby notified that "impact" fees will be assessed by the City against the Developer and/or lot owners. The parties understand and acknowledge at this time that the City retains full right and authority to amend and modify its impact fee ordinance, the methodology by which impact fees are calculated or the numerical component values of the impact fee calculation in the future, such that the resultant impact fee amounts in effect from time to time may differ from the impact fee assessment which is currently in effect as of the date of this agreement, and that such modifications and amendments are not susceptible of determination at this time.
- 11. The Developer shall not be released or discharged from the obligations assumed under this contract until final inspection and approval of all improvements above enumerated has been granted by the City Engineer in writing.
 - 12. The developer hereby agrees that the costs and value of said improvements will become an integral value of the abutting lots and that no future lot assessment will be made on behalf of the Developer.

13. Provisions of this agreement which may specify design criteria for required improvements are subject to change by the City Engineer, on a phase-by-phase basis, for the purpose of reflecting the most up-to-date design standards for required improvements. The design standards in effect at the preliminary approval shall apply to all improvements for a period of two years.
14. Execution of this agreement shall be accepted by the City as adequate provision for improvements within the meaning of Section 236.13(2) of the Wisconsin Statutes.
15. This agreement shall be binding upon the heirs, successors, executors and assigns of the parties hereto.
16. Preliminary plat approval for the this development shall be valid for a period of two years and shall automatically become null and void on August 11, 2000, unless extended by action of the Planning Commission.

FOR THE COMMON COUNCIL

OWNER(S)

Christine Nuernberg
Christine Nuernberg, Mayor

Waldemar W. Lange
Waldemar W. Lange

Louise M. Rzentkowski
Louise M. Rzentkowski, City Clerk

STATE OF WISCONSIN)

)SS

OZAUKEE COUNTY)

Personally came before me, this 13th day of August, 1998, the above named Christine Nuernberg, Mayor and Louise M. Rzentkowski, City Clerk, to me known to be the persons who executed the foregoing instrument and acknowledged the same.

Jonathan P. Censky
Notary Public, Ozaukee County, Wisconsin
My Commission (expires) (is) 8-18-02



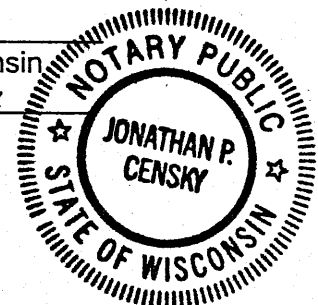
STATE OF WISCONSIN)

)SS

OZAUKEE COUNTY)

Personally came before me, this 21st day of September, 1998, the above named Waldemar W. Lange, to me known to be the persons who executed the foregoing instrument and acknowledged the same.

Jonathan P. Censky
Notary Public, Ozaukee County, Wisconsin
My Commission (expires) (is) 8-18-02



Approved by: John DeStefanis
John DeStefanis, City Attorney

EXHIBIT A

DEVELOPMENT AGREEMENT

Development Title - Mequon Condominium Project

DESCRIPTION OF AREA INCORPORATED IN THE SAID DEVELOPMENT:

That part of the N.E. 1/4 of the S.W. 1/4 and the N.W. 1/4 of the S.E. 1/4 of Section 30, Town 9 North, Range 22 East, in the City of Mequon, Ozaukee County, Wisconsin, bounded and described as follows:

Commencing at the Northwest corner of the S.E. 1/4 of said section; thence N89°30'47"E, along the north line of the S.E. 1/4 of said section, 995.79 feet; thence S1°03'11"E, 1328.62 feet; thence S89°29'53"W, 1657.66 feet; thence N1°00'58"W, 1329.48 feet to a point in the North line of the S.W. 1/4 of said section; thence N89°33'00"E, along said North line, 661.02 feet to the point of commencement, said lands containing 50.556 acres of land more or less.

EXHIBIT B
CITY OF MEQUON
WISCONSIN
* * * * *
ENGINEERING DIVISION
CITY ENGINEER'S REPORT

DEVELOPMENT TITLE: WALLY LANGE CONDOMINIUM DEVELOPMENT

The proposed development plans granted concept approval by the Planning Commission have been reviewed by the Engineering Division and this report is hereby submitted in accordance with the procedural requirements established by the Common Council.

The following public works improvements and conditions are necessary:

1. **Sanitary Sewer System**

- a. Installation of a sanitary sewer system designed to meet the ultimate needs of this development and all tributary areas, in accordance with the City's sanitary sewer system plan. Installation of one sewer lateral from the sanitary sewer main to the property line of each proposed lot.
- b. Connection to the existing sanitary sewer shall be done in accordance with the City's specifications.

2. **Water Supply System**

- a. Installation of a central water supply and distribution system for the proposed development with a community well, mains, hydrants, valves and laterals to the lot line of each property. The proposed system shall comply with applicable regulatory agencies. The system shall be designed to be compatible with existing or future water systems. The City of Mequon may allow interconnection to an adjacent water system subject to DNR regulations and approval.
- b. Developer shall construct and maintain the well and water delivery system (the water improvements) at all times in a first class condition. Prior to, but not more than ninety days before the water improvements are conveyed to an association of the unit owners, or before control of such association is shifted from the developer to the unit owners, whichever shall occur first, the water improvements shall be thoroughly inspected and certified by a qualified well drilling contractor to be functioning properly, and producing suitable quality water for drinking and other consumption, including a safe well test, and adequate quantities of water for the development in a fully occupied condition.

c. The development shall be served by a sandstone well with a reservoir and booster pumps, designed per NR811.33(2).

d. Testing Procedure

- 1) After installation of the test well in accordance with the DNR regulations, the developer is required to provide at least a minimum of a 24 hour pump test procedure under DNR regulations.
- 2) At least one week prior to the pump test, the developer shall arrange the test procedure with City staff. Developer shall have available the depth of the test well, static water level and anticipated gallons per minute for the test. The City shall attempt to locate at least four private wells radially from the test well for monitoring purposes.
- 3) The hydraulic consultant recommendations on the number and distance of the monitoring wells shall be additionally used for determining the number and location of the monitored wells, if appropriate to a given area. The developer shall be required to arrange and pay for any monitoring of a utility well located in the area of the test well if so required by the DNR.
- 4) Initial static water level readings shall be taken on all monitoring wells and the test well at least one day prior to the pump test.
- 5) During the 24 hour pump test, at least eight hours of the test must be at a "stabilized pumping rate" where no "significant drawdown" is present either in the test well or any of the monitoring wells. A "significant drawdown" in any monitoring well is defined as a maximum of five feet of drawdown measured from the previous static water level prior to the test pumping procedure.
- 6) If during any portion of the pump test, any monitoring well is affected greater than five feet, the gallons per minute of the test well shall be reduced until the maximum effect in any monitoring well is five feet. If that level of pumping can be reached and a "stabilized pumping rate" established, the pump test must then be carried out for an additional eight hours.
- 7) After completion of the pump test, all monitoring wells shall be rechecked in approximately 24 hours. The recovery to the original static water level must be 80% of the previous level. Failure to recover to the 80% level may result in a need to retest and verify the results. The City shall make this determination.
- 8) Based on time and personnel availability, no pump test procedure shall be continued after 9 p.m. unless arranged ahead of time. Start time for pump test procedures shall be not later than 8 a.m. and preferable 7 a.m. if possible.
- 9) If the final test well yield at the stabilized pumping rate is not adequate to meet the minimum demand as previously determined, the developer shall be required to add

additional wells as needed to meet the ultimate minimum demand for the entire development. All decisions on alternatives, if this situation arises, shall be reviewed and approved by the City and/or its hydraulic consultant prior to proceeding with further well construction.

10) Submittal of well driller's construction report.

11) Water samples shall be collected and tested at the completion of the pump test. The water samples shall be tested for volatile organics (VOC's), minerals, sulfate, calcium, chloride, sodium, magnesium, iron, alkalinity, total dissolved solids and Department of Natural Resources requirements.

3. **Fire Protection Water Supply**

Fire protection improvements will be coordinated with the Mequon Fire Chief.

4. **Grading**

- a. Rough grading as necessary to establish lot grades in accordance with future building grades, topsoiling, seeding and mulching, as required, to all exposed ground surfaces to prevent erosion.
- b. The developer shall provide separate detail and soils analysis by a competent soils engineer for all lots requiring fill. The results shall be made available to the City Engineering Division prior to final plat approval.
- c. The developer is responsible for correcting any and all damage done to finish grades by utility companies.
- d. The grading plan shall indicate proposed finished yard grades. Certification will be required to within six (6) inches of finish yard grade.

5. **Storm Drainage System**

- a. Installation and construction of a complete storm drainage system, including culverts, and open ditches as required to adequately drain the surface water from upstream areas and through the development. Erosion protection and minimum velocity design shall be provided for in the storm drainage system design. All areas adjacent to existing and proposed roadways shall be restored to conform with the standard roadway cross-section.
- b. Additional considerations will be required on all ditch slopes exceeding five percent (5%). All roadside ditches or drainage easements shall have a minimum one percent (1%) slope. Areas less than one percent (1%) will require further analysis.
- c. The development will be required to provide on-site stormwater detention or prove to the City Engineer that the development will comply with the City's ordinance without any detention.

- d. The peak rate of runoff after the proposed construction may not exceed the peak rate of runoff which would have resulted from the same ten (10) year 24 hour event occurring over the site with the land in its natural undeveloped state.
- e. Six (6) inch PVC sump lines must be installed to pick up sump discharge to all lots that do not have roadside ditches. All sump lines will discharge into a storm sewer or another location approved by the City Engineer.
- f. Detention Basin/Pond Maintenance Agreement:

The following requirements are applicable to the this development and conditions of approval of the preliminary plat and the development agreement, pertaining to detention basin/pond maintenance.

- 1. Detention basin/pond shall be maintained and cared for by the Developer and subsequently, at such time as the Developer passes control of the subdivision and responsibility for general subdivision maintenance to the (Homeowner's Association), it shall be maintained by the Association.
- 2. If, in the opinion of the City of Mequon, either the Developer (in keeping with the limitations upon its responsibility as expressed below) or the Association fail to maintain such detention basin/pond, and/or the owner of the remainder of the open space shall fail to maintain it, the City is authorized to give the Developer and/or the Association written notice requiring either or both within thirty (30) days thereafter, to cure the failure and to maintain and to provide the required care. If the Developer (in keeping with their limitations upon its responsibility as expressed below) or the Association fails to comply with the demands of the notice, the City shall have the right to provide the required maintenance and to include in the annual tax bill for each unit in this development a proportionate share of the cost of such maintenance.
- 3. Developer covenants and the City acknowledges that this development, Homeowner's Association will be created or caused to be created by the Developer as a non-profit, non-stock, Wisconsin corporation; the members of which will be the individual owners of the units in this development.

The City further acknowledges that the Developer intends to impose through agreement the above referenced maintenance responsibilities prior to the sale by the Developer of all the units in this Development. The Developer shall have no further responsibility for such maintenance, only after arms length sale of all the units by the Developer.

- 4. The Developer/Association agrees, at its expense, to provide normal, visual and customary cleaning and maintenance to the detention basin(s), lake(s), and pond(s) located in this Development, which may include weed and algae control, dam stabilization, outlet structure (including trash rack), dredging and biological control.

5. Dredging of the detention basin/pond requires approval under Section 30.20 Wisconsin Statutes, a permit to remove materials from the bed of a pond ultimately connected to the Milwaukee River from the Wisconsin Department of Natural Resources (WDNR).
6. The application of EPA/State Registered Chemicals to detention basins/ponds or lakes is regulated by the WDNR. With few exceptions, a permit must be filed with, and approved by the WDNR, prior to chemical treatment. In certain circumstances, a representative of the Department will monitor or supervise the chemical treatment. Contact the Department for additional information.
7. Detention basins/ponds shall be inspected and checked by an independent Engineer or licensed land surveyor and recertified that the detention basin/pond complies with the original design standards before transfer to the Homeowner's Association. Thereafter, the Homeowner's Association would be responsible to recertify the detention basin/pond as follows: All initially constructed detention basins/ponds must be inspected within two (2) years from the date this ordinance was adopted. Thereafter, all detention basins/ponds constructed prior to January 1, 1994, shall be required to be inspected and recertified every five (5) years; All detention basins/ponds constructed after January 1, 1994, shall be inspected and recertified in one additional two (2) year cycle and every five (5) years thereafter. Any deficiencies shall be corrected immediately. The City Engineering Department shall be notified three (3) working days in advance of the inspection and no more than five (5) working days after corrections have been made. A written report, not limited to photographs or diagrams of the deficiency and corrections with the certification, shall be submitted to the City Engineering Department for review and approval. Specific areas shall include, but not be limited to:
 - Pond Containment Berms are Stable and Free of Animal Burrowings
 - Detention Storage
 - Erosion
 - Vegetative Cover
 - Sediment Accumulation
 - Trash Rack/Culvert Functions
 - Outlet Flow
8. The City Engineer has the authority to stop work, amend, or alter remediation measures to the detention basins/ponds. Failure to comply will result in the issuance of a municipal citation in an amount prescribed by law, not less than \$30 nor more than \$500, and the costs to prosecute for each violation. Each day a violation exists shall constitute a separate offense.
9. If a Homeowner's Association does not exist, the City shall require recertification of the detention basin/pond to the time just prior to the City's release of the Developer's drainage escrow.
10. This agreement shall be binding on the heirs, personal representatives, successors and

assigns of the parties hereto.

This agreement shall be recorded with the Ozaukee County Register of Deeds Office. The Development covenants and restrictions shall include this language and not by reference.

6. Erosion and Run-off Control

- a. Installation and construction of improvements in the proposed development shall be done in conformance with the City in cooperation with the Ozaukee County Land Conservation Guidelines (SCS) and Department of Natural Resources "Wisconsin Construction Site Best Management Practice Handbook," latest edition, requirements, with respect to erosion and sedimentation control. Temporary stormwater quality measures during construction activities will include, as a minimum, the installation of silt fence and temporary sediment basins.
- b. The developer shall install the drainage system, including roads (unpaved, but with gravel surface), first. The swale and ditches shall be sodded or planted with fast growing grasses immediately after excavation. Straw, hay bales, check dams or silt fences shall be placed in the drainage system as sediment traps in accordance with established Best Management practices. The City will decide what situation is appropriate for sod and will determine the sediment trap method to be used.
- c. The developer may not commence land disturbing activities until all erosion control measures are installed and approved by the City. An erosion control permit must be approved which requires the developer to construct in conformance with the City's erosion control ordinance
- d. Excavated soil shall not be allowed to be piled near the drainage system. A topsoil stockpile area shall be identified and used, complete with appropriate erosion control measures.
- e. The surface of exposed bare soils shall be protected by mulches or by temporary annual grasses, or erosion matting.
- f. The developer will periodically inspect and maintain any measures utilized above. All erosion control devices shall be inspected after each rain event.
- g. An undisturbed area of natural vegetation shall remain as a buffer strip. This area shall be noted on the plat as a tree/natural vegetation preservation easement.

7. Streets

- a. Construction of a twelve (12) inch road base consisting of seven (7) inches of one and one half inch (1½") crushed stone base course and five (5) inches of ¾" T.B. for all new streets. The initial surface shall consist of two and one-half inches (2½") of bituminous binder course. The roads shall be constructed to the City's typical cross-section and in accordance with the City's standard specifications for land development.
- b. An additional one and one-half (1½") inch asphalt surface course is to be placed within three years, or at such time mutually agreed upon in writing between the developer and the City Engineer. The developer shall provide an estimate of the final surface course and shall provide the City with a Letter of Credit. The estimate shall include inspection shouldering, road failures, base repairs and defects and utility adjustments.

- c. Should the money in the account be inadequate to defray the cost of surfacing to include inspection, shouldering, road failures, base repairs and defects and utility adjustments, the developer shall make up any shortage of funds.

8. Miscellaneous

- a. Street trees, not less than three inches (3") diameter, planted at intervals of not more than thirty feet (30') on all street frontage in the development including frontage on existing and new streets. The total number of trees required shall be determined on the basis of the total street frontage divided by thirty feet (30'). The location and planting configuration can vary. The species and installation of street trees shall conform to the street tree ordinance.
- b. Landscape plans submitted for Planning Commission review be designed by a licensed landscape architect. The City may have a licensed landscape architect review a landscape plan.
- c. The developer shall be responsible to restore and maintain all construction areas. Any trees, brush, shrubs or vegetative material to be removed shall first be approved by the City.
- d. The developer shall be responsible for maintaining and repairing all damage done to City streets and State highways as a result of excessive hauling operations and development construction.
- e. Installation of street signs.
- f. Landscape plans for berms or entryways.
- g. All construction shall conform to the "Standards and Specifications for Development Construction in the City of Mequon," latest edition.
- h. Wetland boundaries, if applicable, identified and marked in the field by the Wisconsin Department of Natural Resources shall be identified on the plat.
- i. The City Engineer may make changes to the approved plans and specifications for any of the improvements covered under this agreement which are necessary to correct oversights, omissions, and errors, to compensate for changing site conditions, or to complete fully the work in accordance with sound engineering practice. The Developer shall perform the work as changed entirely at his expense without any claim for reimbursement.

9. Inspection

The developer shall be responsible to reimburse the City for all costs involved in the inspection of the installation/construction of improvements in the development and preparation of record drawings for City files. The inspection shall be conducted by the City or authorized agent contracted by the City. The developer shall be periodically invoiced for inspection services.

10. Special Provisions

- a. The development process shall strictly conform to the conditions set forth in the Development Agreement. Request for final plat approval is subject to Engineering Department certification that all improvements required to be installed have been completed and approved. The City will not accept escrows in lieu of completion of the improvement prior to final plat approval.
- b. A \$216,000 performance bond or letter of credit, approved by the City Attorney (i.e. 54 units x \$4,000/unit), shall be established by the developer to be used in the event future drainage problems occur as a result of this development. The terms of the performance bond or letter of credit shall be subject to the City Attorney's review and approval with the term not to exceed five (5) years from the date of final plat approval.

Date: _____

JAH/cn

6/98

EXHIBIT C**CITY OF MEQUON
WISCONSIN**

* * * * *

**ENGINEERING DEPARTMENT
DEVELOPMENT AGREEMENT****DEVELOPMENT TITLE: Wally Lange Condominium Development**

Plans and specifications to be submitted to the City Engineer shall be done in accordance with the City's standard specifications.

1. Streets

- a. Street plans including plan and profile view, road cross-section and specifications. Plans must show any storm drainage details such as inlet and flow line elevations, locations and sizes of all pipe systems along roadways.

2. Sanitary Sewer System

- a. Sanitary Sewer Plans, specifications, design calculations and copies of all sanitary sewer easements.
- b. Sanitary Sewer System Plan.
- c. All reports required by the Metropolitan Sewerage Commission, the State of Wisconsin and Southeast Regional Planning Commission.
- d. Separate sanitary sewer easements for each parcel as appropriate.

3. Water Supply System

- a. Watermain plans, specifications and design calculations.
- b. Fire System plans and specifications to provide a minimum supply of 500 gallons per minute per hour.
- c. Well plans, specifications and design calculations.
- d. Pump house plans, specifications and design calculations for pressure tank, pump, reservoir, as required.
- e. Engineering report on water supply requirements.

4. Grading and Drainage System

- a. Grading and drainage plan showing 2' contours for both existing and proposed grades, proposed building pad grades, culverts or storm sewers. Cross-section and profiles of all drainageways and erosion protection as required, must be indicated on the plans and detailed.
- b. Drainage System Plan showing all tributary areas to the proposed subdivision drainage system and downstream analysis. Included on the system plan should be all proposed and existing drainage structures in the drainage system area.
- c. Site grading plan showing only minimum setback and offset dimensions, and proposed building grades.
- d. Drainage easements must be shown by dimension and detailed cross-section.
- e. Erosion Control Plan for land disturbing activities showing existing contours at least 200' into adjacent parcels. This plan will show location and dimensions of all construction site management measures to control erosion and sedimentation.

5. Miscellaneous

- a. Landscaping plans (street trees, berms and entryways).
- b. If the storm system design includes underground piping a set of utility plans showing all plan and profile views of sanitary water and storm sewer shall be used and kept current during all phases of construction.
- c. Underground utility easements.
- d. All sanitary, drainage, water and other utility easements must be shown on the plat. All sanitary, water and drainage easements must be prepared separately for each lot or parcel and recorded at the developers expense. These documents shall be required at the time of final plat approval and approved by the City.
- e. Crossroad and proposed driveway culvert size plan.
- f. Sump pump discharge plan.

EXHIBIT D

DEVELOPMENT AGREEMENT

Development Title - Mequon Condominium Project

As a condition of final approval of the certified survey map, the Developer, in accordance with the requirements of Section 3.16(10) of the Mequon Code of Ordinances, will make payment in full of the following sewer connection charge \$10,800 (54 dwelling units) @\$200 per lot not served by sewer lines built or contracted by the City):

EXHIBIT D

ASSIGNMENT AND ASSUMPTION
OF DEVELOPMENT AGREEMENT

AGREEMENT made this 19 day of October, 2000, between WALDEMAR W. LANGE ("Assignor"), an adult individual resident of the State of Wisconsin, and WALLY LANGE LLC ("Assignee"), a limited liability company organized and existing under the laws of the State of Wisconsin, having its principal business office at 533 East Cedar Lane, Mequon, WI 53092.

WHEREAS, the Assignor is the Developer under a Development Agreement dated August 11, 1998 (recorded September 22, 1998, in the Office of the Register of Deeds, Ozaukee County, Wisconsin, in Volume 1123, at pages 982, et seq., as Document No. 612285), with the City of Mequon for the improvement and development of certain lands located in the Southeast 1/4 of Section 30, Range 22 East, Township 9 North in the City of Mequon, Ozaukee County, Wisconsin, as described on Exhibit A (attached hereto), and

WHEREAS, Assignor caused the organization of Assignee on March 1, 2000, and

WHEREAS, Assignor has transferred all of his right, title and interest in those certain lands to Assignee, and

WHEREAS, the Assignee has agreed to assume all of the Assignor's obligations under the Development Agreement, as well as under all other ancillary and complementary agreements and requirements attendant thereto as specified by the City of Mequon,

IN CONSIDERATION of the foregoing and other valuable consideration, the receipt of which is hereby acknowledged,

IT IS AGREED that:

1. The Assignor grants, conveys, transfers, and assigns to the Assignee all of the Assignor's right, title and interest in and to the Development Agreement.
2. The Assignee assumes all of the Assignor's obligations, responsibilities and liabilities under the Development Agreement and agrees to be bound by and perform all the covenants, terms and conditions of the Development Agreement and of the ancillary and complementary agreements and requirements attendant thereto.

Recording Area

Name and Return Address

Matthews Law Offices, S.C.
731 N. Jackson Street, #800
Milwaukee, WI 53202

3. The Assignee warrants that the obligations, responsibilities and liabilities of that Development Agreement shall be binding upon its successors and assigns of those certain lands or of any portions thereof.

Signed at Mequon, Wisconsin, the date first written above.

WALLY LANGE, LLC, Assignee

Waldemar W. Lange
Waldemar W. Lange, Assignor

By: Waldemar W. Lange
Waldemar W. Lange, Member

STATE OF WISCONSIN) Wisconsin
COUNTY OF ~~OZAUKEE~~) ^{ss.} Milwaukee

Personally came before me this 19 day of October, 2000, the above-named Waldemar W. Lange, to me known to be the person who executed the foregoing document and acknowledged the same.

Salon M. Spitel
Notary Public, State of Wisconsin
My Commission 4-21-02

This document was drafted by:

Attorney F. Patrick Matthews
Matthews Law Offices, S.C.
731 N. Jackson Street, Suite 800
Milwaukee, WI 53202
(414) 278-0800

"EXHIBIT A"

LEGAL DESCRIPTION

That part of the N.E. 1/4 of the S.W. 1/4 and the N.W. 1/4 of the S.E. 1/4 of Section 30, Town 9 North, Range 22 East, in the City of Mequon, Ozaukee County, Wisconsin, bounded and described as follows:

Commencing at the Northwest corner of the S.E. 1/4 of said section; thence N89°30'47"E, along the north line of the S.E. 1/4 of said section, 995.79 feet; thence S1°03'11"E, 1328.62 feet; thence S89°29'53"W, 1657.66 feet; thence N1°00'58"W, 1329.48 feet to a point in the North line of the S.W. 1/4 of said section; thence N89°33'00"E, along said North line, 661.02 feet to the point of commencement, said lands containing 50.556 acres of land more or less, and reserving the north 50.00 feet for public road purposes.

DETENTION POND MAINTENANCE AGREEMENT
FOR
THE HIDDEN RESERVE CONDOMINIUM PROJECT

THIS AGREEMENT entered into this 19 day of October, 2000, by and between Wally Lange, LLC, hereinafter called the "Developer," and the City of Mequon, a municipal corporation, of Ozaukee County, Wisconsin, hereinafter called the "City."

WITNESSETH

WHEREAS, the Developer and the City have entered into that certain Development Agreement dated August 11, 1998, relating to the development of The Hidden Reserve Condominiums a planned unit development located in the City and legally described in Exhibit A attached hereto; and

WHEREAS, the City is concerned that proper maintenance be provided for the detention ponds which are constructed on site by the Developer as part of the development.

NOW, THEREFORE, in consideration of the payment of \$1.00 and other good and valuable consideration to each in hand paid by the other, receipt of which is hereby acknowledged and in consideration of the mutual covenants herein contained, the parties agree as follows:

1. The detention pond shall be maintained and cared for by the Developer, and subsequently, at such time as the Developer passes control of the development and responsibility for general maintenance to The Hidden Reserve Owners Association, Inc. ("Association"), it shall be maintained by the Association.
2. If in the opinion of the City of Mequon, either the Developer, in keeping with the limitation upon its responsibility as expressed below, or the Association shall fail to maintain such detention pond and/or the owner of the remainder of the open space shall fail to maintain it, the City is authorized to give the Developer and the Association written notice requiring either or both within thirty days thereafter to cure the failure to maintain and to provide the required care. If the Developer, in keeping with the limitation upon its responsibility as expressed below, or the Association fails to comply with the demands of the notice, the City shall have the right to provide the required maintenance and add to and include in the annual tax bill by special assessment pursuant to law for each lot in The Hidden Reserve Condominiums, a proportionate share of the cost of such maintenance.
3. Developer covenants and the City acknowledges that The Hidden Reserve Condominium Owners Association, Inc. will be created or caused to be created by the developer as a non-profit, non-stock Wisconsin corporation, the members of which will be individual owners of the condominiums in The Hidden Reserve Condominiums. The city further acknowledges that the Developer intends to impose, through agreement, the above-referred to maintenance responsibility prior to the sale by the Developer of all the condominiums in the development. Developer shall have no further responsibility for such maintenance thereafter only after arms-length sales of all of the platted lots by developer.

DETENTION POND MAINTENANCE AGREEMENT
FOR
THE HIDDEN RESERVE CONDOMINIUM PROJECT

4. This Agreement shall be binding on the heirs, personal representatives, successors and assigns of the parties hereto.

THE CITY OF MEQUON

DEVELOPER
Wally Lange, LLC

Roger T. Reinemann
Roger T. Reinemann, Council President

Waldemar W. Lange
Waldemar W. Lange, Managing Member

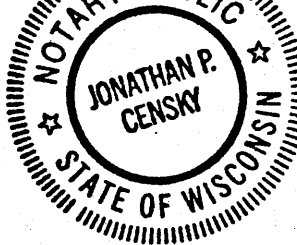
Louise Rzentkowski
Louise Rzentkowski, City Clerk

STATE OF WISCONSIN)

) SS

OZAUKEE COUNTY)

Personally came before me this 19th day of October, 2000, the above- name Christine Roger T. REINEMANN
~~Nuernberg, Mayor~~ and Louise Rzentkowski, City Clerk, to me known to be the persons who Council President
executed the foregoing instrument and acknowledged the same.



Jonathan P. Censky
Notary Public, State of Wisconsin
My Commission 8-18-02

STATE OF WISCONSIN)

) SS

OZAUKEE COUNTY) Milwaukee

Personally came before me this 19 day of October, 2000, the above named Waldemar W. Lange, as Managing Member of Wally Lange, LLC, to me known to be the person who executed the foregoing Instrument and acknowledged the same in the capacity indicated.

John M. Spittel
Notary Public, State of Wisconsin
My Commission 04-21-02

LANDSCAPE PRESERVATION AGREEMENT
FOR
THE HIDDEN RESERVE CONDOMINIUM PROJECT

THIS AGREEMENT entered into this 19 day of October, 2000, by and between Wally Lange, LLC hereafter called the ("Developer") and the City of Mequon, a municipal corporation, of Ozaukee County, Wisconsin, hereafter called the ("City").

WHEREAS, the Developer and the City have entered into that certain Development Agreement dated August 11, 1998, relating to the development of Hidden Reserve Condominiums (PUD), a planned unit development located in the City and legally described in Exhibit A attached hereto; and

WHEREAS, the City is concerned that proper planting, maintenance, and care of trees be provided in the areas located outside the road right-of-way of the PUD as more specifically described in the Agreement in accordance with the standards of the City;

WHEREAS, Developer and City desire to achieve a tree planting zone for the PUD which accommodates the unique topography and lot sizes of the PUD in accordance with the findings and accommodations of the City's Tree Board.

NOW, THEREFORE, in consideration of the payment of \$1.00 and other good and valuable consideration, receipt of which is hereby acknowledged and in consideration of the mutual covenants herein contained, the parties agree as follows:

1. Developer Plantings. Developer agrees, at its expense, to plant the trees identified and located in the Hidden Reserve Condo Street Tree Planting Plan dated August 11, 1999, and approved by the City. With respect to such plantings the Developer further agrees as follows:
 - a) Developer shall plant 302 trees (based upon calculations set forth in Exhibit C attached) in accordance with the Developer's Agreement to be located from a point two feet inside of the road right-of-way up to a point not to exceed 30 feet onto the private property, planted in cluster arrangement.
 - b) The Developer shall not plant more than fifty (50) percent of one species within the PUD.
 - c) Trees shall be balled, burlapped and staked in accordance with City specifications to ensure proper planting and growth.
 - d) Trees shall be installed at a caliper of three inches at a point one (1) foot above grade.
 - e) The Developer shall notify the City of the initial date of installation and completion date of installation of the trees.
 - f) All trees planted shall have a minimum diameter of three inches (3").
2. Care and Maintenance of Trees. The Developer shall be responsible for the care and maintenance of the trees including but not limited to, replacement, trimming, and pruning for a period of one (1) year, from the date the trees are planted. Thereafter, the Hidden Reserve Condominiums Owners Association Inc., a non-profit non-stock corporation ("Association") shall be responsible for the care and maintenance of the trees.
3. Beginning three years after the trees are planted the City assumes responsibility for those trees that are located within the right-of-way.
4. The City acknowledges that the Developer intends to impose the replacement, care and maintenance responsibility upon the Association by including such provisions and necessary easements in the Declaration of Restrictions and Homeowner's Association for The Hidden Reserve Condominiums.

EXHIBIT F

LANDSCAPE PRESERVATION AGREEMENT
FOR
THE HIDDEN RESERVE CONDOMINIUM PROJECT

5. This Agreement shall be binding on the heirs, personal representatives, successors and assigns of the parties hereto.

THE CITY OF MEQUON

DEVELOPER
Wally Lange, LLC

Roger T. Reinemann
Roger T. Reinemann, Council President

Waldemar W. Lange
Waldemar W. Lange, Managing Member

Louise Rzentkowski
Louise Rzentkowski, City Clerk

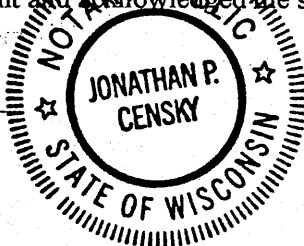
STATE OF WISCONSIN)

) SS

OZAUKEE COUNTY)

Personally came before me this 19th day of October, 2000, the above- name ~~Christine~~ ROGER T. REINEMANN Council President
~~Nuemberg, Mayor~~ and Louise Rzentkowski, City Clerk, to me known to be the persons who
executed the foregoing instrument and acknowledged the same.

Jonathan P. Censky



Notary Public, State of Wisconsin
My Commission 8-18-02

STATE OF WISCONSIN)

) SS

OZAUKEE COUNTY) Milwaukee

Personally came before me this 19 day of October, 2000, the above named Waldemar W. Lange, as Managing Member of Wally Lange, LLC, to me known to be the person who executed the foregoing instrument and acknowledged the same in the capacity indicated.

John M. Spitel

Notary Public, State of Wisconsin
My Commission 04-21-02

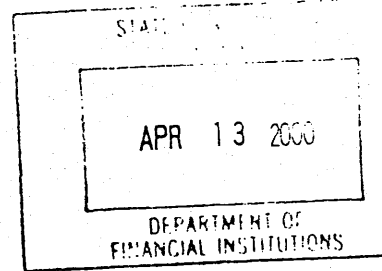
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FINANCIAL INSTITUTIONS
STATE OF WISCONSIN

2000 APR 10 AM 8:00

ARTICLES OF INCORPORATION

OF

THE HIDDEN RESERVE CONDOMINIUMS
OWNERS ASSOCIATION, INC.



The undersigned, being a limited liability corporation acting as incorporator for the purpose of forming a non-stock, non-profit corporation under the provisions of Chapter 181 of the Wisconsin Statutes ("Law"), does hereby adopt these Articles of Incorporation.

ARTICLE I

NAME

The name of the corporation shall be The Hidden Reserve Condominiums Owners Association, Inc.

ARTICLE II

PRINCIPAL OFFICE

The principal office of the corporation is 533 East Cedar Lane, Mequon, Wisconsin 53092.

ARTICLE III

PERIOD OF EXISTENCE

The corporation shall have perpetual existence.

ARTICLE IV

PURPOSES

The purposes for which this corporation is organized are:

(a) To serve as an association of unit Owners who own real estate and improvements under the condominium form of use and ownership as provided in the Condominium Ownership Act, Chapter 703 of the Wisconsin Statutes, as the same may be amended, renumbered or renamed from time to time ("Act"); and

(b) Subject to the terms and conditions of the Declaration of Condominium ("Declaration") of The Hidden Reserve Condominiums, ("Condominium") as recorded in the office of the Register of Deeds for Ozaukee County, Wisconsin; and to provide for the administration,

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maintenance, preservation and control of the Condominium in accordance with and in furtherance of the Declaration created under and pursuant to the Act; and

(c) To engage in any lawful activity within the purposes for which a non-stock, non-profit corporation may be organized under the Law, subject to the Act and the Declaration.

ARTICLE V

MEMBERS AND VOTING

The record owner of the fee title to any Unit and an undivided interest in the Common Elements, as defined in the Declaration, shall automatically be a member of this corporation upon becoming such owner and shall remain a member thereof until such time as his ownership ceases for any reason, at which time his membership in this corporation shall automatically cease. The respective rights and qualifications of each of the members of this corporation are set forth in the By-Laws of this corporation.

ARTICLE VI

REGISTERED OFFICE AND REGISTERED AGENT

The registered office of the corporation is 731 North Jackson Street, Suite 800, Milwaukee, Wisconsin, 53202, and the initial registered agent shall be F. Patrick Matthews.

ARTICLE VII

DIRECTORS

The number of directors of this corporation shall be fixed in the By-Laws but in no event shall be less than three (3). The manner in which the directors shall be elected, appointed or removed shall be provided in the Declaration and in the By-Laws of the corporation.

ARTICLE VIII

INITIAL DIRECTORS

The number of directors constituting the initial Board of Directors shall be three (3), and the name and address of the initial directors are:

Waldemar W. Lange
533 East Cedar Lane
Mequon, Wisconsin 53092

Clyda E. Lange
533 East Cedar Lane
Mequon, Wisconsin 53092

F. Patrick Matthews
731 N. Jackson Street, Suite 800
Milwaukee, Wisconsin 53202

ARTICLE IX

INCORPORATOR

The name and address of the incorporator of this corporation is:

F. Patrick Matthews
731 N. Jackson Street, Suite 800
Milwaukee, Wisconsin 53202

ARTICLE X

AMENDMENTS

Amendment of these Articles of Incorporation shall require the consent of seventy-five percent (75%) of the entire membership of this corporation.

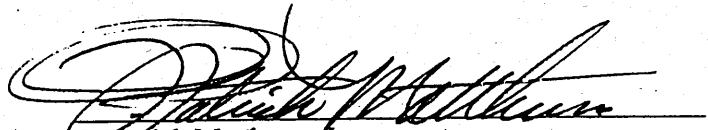
ARTICLE XI

STOCK, DIVIDENDS, AND DISSOLUTION

A. This corporation shall not have or issue shares of stock. No dividend shall ever be paid and no part of the assets or surplus of this corporation shall be distributed to its members, directors, or officers. This corporation may pay compensation in reasonable amounts to employees, agents, members, directors, or officers for services rendered and may confer benefits upon its members in conformity with its purposes.

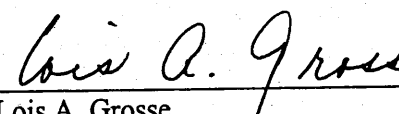
B. This corporation may be dissolved with the written consent of not less than seventy-five percent (75%) of the members. Upon dissolution of this corporation, other than incident to a merger or consolidation, all of its assets, after payment of its liabilities, shall be distributed to one or more non-profit corporations, societies, trusts, or other organizations and/or dedicated to an appropriate public agency or agencies, provided, however, that any such non-profit corporation, society, trust, other organization, or public agency has purposes deemed by a majority of the directors of this corporation to be similar to those of this corporation and that if none of the foregoing entities are deemed to exist, then all of the assets of this corporation, after payment of its liabilities, shall be distributed to a non-profit corporation, society, association, trust, or other organization, or any one or more of the foregoing, devoted to the promotion of aesthetic, cultural, or educational purposes.

Executed in duplicate this 31st day of March, 2000.


F. Patrick Matthews, Incorporator

STATE OF WISCONSIN)
) ss.
MILWAUKEE COUNTY)

Personally came before me this 31st day of March, 2000, the above-named F. Patrick Matthews, to me known to be the person who executed the foregoing Articles of Incorporation, and acknowledged that he executed the same for the purposes therein contained.


Lois A. Grosse
Notary Public, State of Wisconsin
My Commission expires 5/6/01



This instrument was drafted by:

Attorney F. Patrick Matthews
Matthews Law Offices, S.C.
731 N. Jackson Street, Suite 800
Milwaukee, WI 53202-4697
Phone: (414) 278-0800
Facsimile: (414) 278-9312

RETURN
TO DRAFTER

EXHIBIT C

~~d. The peak rate of runoff after the proposed construction may not exceed the peak rate of runoff which would have resulted from the same ten (10) year 24 hour event occurring over the site with the land in its natural undeveloped state.~~

~~e. Six (6) inch PVC sump lines must be installed to pick up sump discharge to all lots that do not have roadside ditches. All sump lines will discharge into a storm sewer or another location approved by the City Engineer.~~

5. f. Detention Basin/Pond Maintenance Agreement:

The following requirements are applicable to the this development and conditions of approval of the preliminary plat and the development agreement, pertaining to detention basin/pond maintenance.

1. Detention basin/pond shall be maintained and cared for by the Developer and subsequently, at such time as the Developer passes control of the subdivision and responsibility for general subdivision maintenance to the (Homeowner's Association), it shall be maintained by the Association.
2. If, in the opinion of the City of Mequon, either the Developer (in keeping with the limitations upon its responsibility as expressed below) or the Association fail to maintain such detention basin/pond, and/or the owner of the remainder of the open space shall fail to maintain it, the City is authorized to give the Developer and/or the Association written notice requiring either or both within thirty (30) days thereafter, to cure the failure and to maintain and to provide the required care. If the Developer (in keeping with their limitations upon its responsibility as expressed below) or the Association fails to comply with the demands of the notice, the City shall have the right to provide the required maintenance and to include in the annual tax bill for each unit in this development a proportionate share of the cost of such maintenance.
3. Developer covenants and the City acknowledges that this development, Homeowner's Association will be created or caused to be created by the Developer as a non-profit, non-stock, Wisconsin corporation; the members of which will be the individual owners of the units in this development.

The City further acknowledges that the Developer intends to impose through agreement the above referenced maintenance responsibilities prior to the sale by the Developer of all the units in this Development. The Developer shall have no further responsibility for such maintenance, only after arms length sale of all the units by the Developer.

4. The Developer/Association agrees, at its expense, to provide normal, visual and customary cleaning and maintenance to the detention basin(s), lake(s), and pond(s) located in this Development, which may include weed and algae control, dam stabilization, outlet structure (including trash rack), dredging and biological control.

5. Dredging of the detention basin/pond requires approval under Section 30.20 Wisconsin Statutes, a permit to remove materials from the bed of a pond ultimately connected to the Milwaukee River from the Wisconsin Department of Natural Resources (WDNR).
6. The application of EPA/State Registered Chemicals to detention basins/ponds or lakes is regulated by the WDNR. With few exceptions, a permit must be filed with, and approved by the WDNR, prior to chemical treatment. In certain circumstances, a representative of the Department will monitor or supervise the chemical treatment. Contact the Department for additional information.
7. Detention basins/ponds shall be inspected and checked by an independent Engineer or licensed land surveyor and recertified that the detention basin/pond complies with the original design standards before transfer to the Homeowner's Association. Thereafter, the Homeowner's Association would be responsible to recertify the detention basin/pond as follows: All initially constructed detention basins/ponds must be inspected within two (2) years from the date this ordinance was adopted. Thereafter, all detention basins/ponds constructed prior to January 1, 1994, shall be required to be inspected and recertified every five (5) years; All detention basins/ponds constructed after January 1, 1994, shall be inspected and recertified in one additional two (2) year cycle and every five (5) years thereafter. Any deficiencies shall be corrected immediately. The City Engineering Department shall be notified three (3) working days in advance of the inspection and no more than five (5) working days after corrections have been made. A written report, not limited to photographs or diagrams of the deficiency and corrections with the certification, shall be submitted to the City Engineering Department for review and approval. Specific areas shall include, but not be limited to:
 - Pond Containment Berms are Stable and Free of Animal Burrowings
 - Detention Storage
 - Erosion
 - Vegetative Cover
 - Sediment Accumulation
 - Trash Rack/Culvert Functions
 - Outlet Flow
8. The City Engineer has the authority to stop work, amend, or alter remediation measures to the detention basins/ponds. Failure to comply will result in the issuance of a municipal citation in an amount prescribed by law, not less than \$30 nor more than \$500, and the costs to prosecute for each violation. Each day a violation exists shall constitute a separate offense.
9. If a Homeowner's Association does not exist, the City shall require recertification of the detention basin/pond to the time just prior to the City's release of the Developer's drainage escrow.
10. This agreement shall be binding on the heirs, personal representatives, successors and

assigns of the parties hereto.

This agreement shall be recorded with the Ozaukee County Register of Deeds Office. The Development covenants and restrictions shall include this language and not by reference.