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MICHAEL J. HASSLINGER
REGISTER OF DEEDS

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CONDOMINIUM DECLARATION

Document Title

AMENDED CONDOMINIUM DECLARATION OF CONDITIONS, COVENANTS, RESTRICTIONS AND EASEMENTS FOR MISSION LAKES, A CONDOMINIUM

This Amended Declaration is made pursuant to the Condominium Ownership Act of the State of Wisconsin, Chapter 703 of Wisconsin Statutes, (hereinafter referred to as the "Act") this 29th day of July, 2005, by Mission Lakes, LLC (hereinafter referred to as "Declarant").

1. Statement of Declaration

The purpose of this Declaration is to submit the lands hereinafter described and the improvements constructed, or to be constructed thereon, to the condominium form of ownership in the manner provided by the Act and by this Declaration. The prior Declaration recorded on January 8, 2004, as Document No. 3116310, is amended and replaced in its entirety by this Declaration.

Declarant hereby declares that it is the sole owner of the real property described in Section 2.1 hereof, together with all buildings and improvements thereon (hereinafter referred to as the "Property") which is hereby submitted to the Condominium form of use and ownership as provided in the Act and this Declaration, and which Property shall be held, conveyed, devised, leased, encumbered, used, improved, and in all respects otherwise effected subject to the provisions, conditions, covenants, restrictions and easements of this Declaration and the Act. All provisions hereof shall be deemed to run with the land and shall constitute benefits and burdens to the Declarant, its successors, and assigns, and to all parties hereinafter having any interest in the Property. The Property, together with all Buildings and improvements, is hereinafter called the "Condominium".

This Declaration includes in Section 13 hereof, restrictions on occupancy of Units based upon age. It is intended that not less than eighty-five percent (85%) of the Units shall be occupied by at least one (1) person who is fifty-five (55) years or older.

This Condominium is subject to use restrictions as provided by this Declaration and corresponding By-Laws for Mission Lakes Condominium.

Recording Area

Name and Return Address

Attorney Mark C. Young
14380 West Capitol Drive
Brookfield, WI 53005

OCOT 0575.939

Parcel Identification Number (PIN)

Declarant reserves the right to expand the Condominium by adding additional Units to the Condominium Declaration. The additional Units would be located in a building to be constructed on the west portion of the real estate parcel which is subject to this Declaration, and is identified on Exhibit A as "Phase 2". The number of additional Units shall not exceed in number thirty-nine (39), but may be less, in the sole discretion of the Declarant. At the time of adding the additional Units to the Declaration, the percentage of ownership in the Common Elements shall be re-allocated by the Declarant. All Units' undivided interests in the Common Elements shall be recalculated at the time of the expansion, and each Unit's undivided interest in the Common Elements shall be equal to the proportion of that Unit's square footage to the total square footage for all Units subject to the Declaration. This calculation is intended to reflect the difference in size of the Units so that the Units with a greater square footage shall pay a fractionally greater percentage share of the operating expenses of the Condominium. The right to expand the Condominium is reserved by the Declarant for a period not exceeding ten (10) years from the date of recording of this Declaration. If the Declarant adds additional Units to the Condominium, the Declarant shall record an amendment to this Declaration showing the new percentage share of each Unit in the Condominium as expanded. Upon recording of an amendment to this Declaration, each Unit Owner shall have the percentage of ownership in the Common Elements, liabilities for common expenses, and rights to common surpluses, set forth in the amendment to this Declaration. Each Unit shall continue to have one (1) vote (subject to the provisions of Section 9(2)), despite the increased total number of Units in the Condominium or the square footage of the Unit. Following any expansion, the interest of any mortgagee shall attach to the new percentage of ownership in the Common Elements appurtenant to the Unit on which it has a mortgage.

2. Legal Description and Name

2.1 Legal Description. The real estate described as Phase 1 in Exhibit A is subject to the provisions of this Declaration. The real estate described as Phase 2 in Exhibit A is the area reserved by the Declarant for future expansion.

2.2 Name. The aforesaid real estate, and all Buildings and improvements thereon, and/or to be constructed thereon, shall be known as "Mission Lakes Condominium".

3. Description and Location of Buildings

There shall be two (2) Buildings (referred to as "Building" or "Buildings" hereafter) on the real estate described in Section 2.1. The Buildings comprising the Condominium and subject to this Declaration are located on the real estate described in Exhibit A as Phase 1, and referred to herein as the East Building, and the Community Center. The East Building is identified on the Condominium Plat as "Building 1" and the Community Center as "Building 2". The Declarant reserves the right to expand the Condominium by constructing a West Building containing additional Units, not to exceed thirty-nine (39) additional units, on the real estate described in Exhibit A as Phase 2. The Community Center shall consist of common elements available for use by residents of the Condominium, as provided for in the By-Laws and Rules of the Condominium, but shall not contain any residential units. The East Building shall contain a total

of eighteen (18) living units and underground parking containing eighteen (18) spaces, assigned for use by residents. Complete construction details are contained in working plans and drawings available for inspection at the office of Declarant. Buildings and Units are to be located on the real estate as indicated and designated numerically in the Condominium Plat marked Exhibit "C" attached hereto and made a part of this Declaration. Declarant shall have the right to amend this Declaration at its sole discretion, for the purpose of recording a plat of survey or plans depicting the lay-out, location, Unit numbers and dimensions of the Building(s) and Units as finally located and erected. Every deed, lease, mortgage or other instrument may legally describe a Unit by identifying its Unit number, and every such description shall be deemed good and sufficient for all purposes, as provided in the Act.

4. Number and Identification of Units

4.1 Number and Percentage Interest. There shall be a total of eighteen (18) Condominium Units in the East Building of Mission Lakes Condominium. Each Unit's percentage ownership in the Common Elements shall be equal to a fraction, the numerator of which shall be the square footage in the subject Unit, and the denominator of which shall be the total square footage of all Units in the Condominium. The percentages for each Unit are listed in Exhibit B.

4.2 Identification. Identification and Description of Units. A "Unit" is that part of a Building intended for individual, private use, comprised of one or more cubicles of air at one or more levels of space having outer boundaries formed by the following boundaries:

(A) **Upper Boundary.** The upper boundary of any portion of the Unit shall be the plane of the lower face of the joists supporting the ceiling above the uppermost existing story of living area of such portion, extended to an intersection with the vertical boundaries of the Unit.

(B) **Lower Boundary.** The lower boundary of the Unit shall be the horizontal plane of the uncovered or unfinished upper surface of the floor of such portion, or of any stairway included in such portion, whichever is lower, extended to an intersection with the vertical boundaries of the Unit.

(C) **Vertical Boundary.** The vertical boundaries of the Unit shall be the vertical planes, the elevations of which coincide with the inside face of the studs supporting the drywall, extended to an intersection with the upper and lower boundaries.

A Unit shall also consist of the windows, window frames, doors and door frames located within or contiguous with the Unit, together with all fixtures and improvements therein contained. Said boundaries are shown on the Condominium Plat attached hereto as Exhibit "C".

The Units are designated by identifying numbers, and their location, number of rooms, immediate Common Elements to which the Units have access, and further details identifying and describing the Units, are as set forth in Exhibit "C" attached hereto.

The post office address of the Condominium is N50 W34851 West Wisconsin Avenue, Okauchee, WI 53069.

The owner of a Unit shall be known as a "Unit Owner".

5. Common Elements

The "Common Elements" shall consist of all of Mission Lakes Condominium, except the Units as defined hereunder, including without limitation: the land on which the Buildings are located, bearing walls, floors and ceilings (except the interior surfaces thereof, which form the outer boundaries of each Unit), roofs, foundations, entrances and exits, pipes, ducts, electrical wiring and conduits, centralized utility services, surface parking, building exteriors and roofs, walks, piers, docks, public utility lines, water and sewer laterals, outside walls, girders, beams and support and structural parts of the Buildings.

Each Unit Owner shall have a valid, exclusive easement to the space between the interior and exterior walls for purposes of adding additional utility outlets, wall hangings, erection of non-bearing partition walls and the like, where space between the walls may be necessary for such uses, provided that the Unit Owner shall do nothing to impair the structural integrity of the Building or the soundproofing of common walls between the Units, and provided further that the Common Elements be restored to their former condition by the Unit Owner at the sole expense of the Unit Owner upon completion or termination of the use requiring the easement. Easements are hereby granted and declared for the benefit of the Unit Owners, and the Association of Unit Owners (hereinafter described), for the installation, maintenance and repair of common utility services in and on any part of the Common Elements or Units.

Each Owner shall have the right to ingress and egress over, upon and across the Common Elements necessary for access to the Owner's Unit, and a right of enjoyment in and to the Common Elements (except those designated as Limited Common Elements, the use of which are limited to one or more, but less than all, of the Unit Owners). An Owner's rights with respect to use of the Common Elements are, however, subject to such restrictions as may now, or hereafter exist, pursuant to the Declaration, By-Laws, and Rules of the Condominium.

Use of Common Elements, and use of Florence Lake by Owners and guests, shall be subject to rules approved by the Board of Directors, and as amended by the Board of Directors from time to time. The Common Elements (including Limited Common Elements) shall initially be subject to rules and restrictions provided by Declarant. Not by way of limitation of the foregoing, no personal property (such as chairs, sports equipment, etc.) shall be left unattended in the common areas by Owners, their guests or tenants.

6. Limited Common Elements

6.1 Description. A portion of the Common Elements is designated as "Limited Common Elements" as shown on Exhibit "C", and additionally includes all parts of any patios, and balconies which service and/or are appurtenant to one and only one Unit, whether or not specifically designated as such on the Condominium Plat, as are identified on Exhibit "C". Such Limited Common Elements shall be reserved for the exclusive use of the Unit to which they are appurtenant.

6.2 Use. The manner of use of the Limited Common Elements shall be governed by this Declaration, the By-Laws of the Mission Lakes Condominium Association, and such rules and regulations as may be established by the Association, and no Unit Owner shall alter, remove, repair, paint, decorate, landscape or adorn any Limited Common Elements, or permit such, in any manner contrary to this Declaration, the By-Laws and/or the rules and regulations.

6.3 Parking; Storage Areas. Unit Owners may park automobiles in the underground parking space(s) assigned to that Unit as a Limited Common Element. Exterior parking shall be on a first-come, first-served basis. The Board of Directors of the Association shall assign one parking space and one storage area to each Unit. Once assigned to a Unit, the assigned space and locker may not be reassigned to another Unit without the consent of the Owner of the Unit to which they were previously assigned. Notwithstanding the foregoing, if an occupant of a Unit is in need of a handicapped parking space and such a space has been previously assigned to another Unit, but no occupant of said Unit is handicapped such as to need a handicapped space, the Association may reassign the space without the consent of the Owner of the Unit to which it was previously assigned. If an assigned storage area is adjacent to an assigned parking space, the storage area shall be reassigned with the parking space.

6.4 Satellite Dish. No satellite dish antenna of any type may be placed upon any of the Common Elements or Limited Common Elements without complying with this paragraph. The Unit Owner shall place the satellite dish in such a location as to minimize its obstruction and offensiveness to other Unit Owners, either by location or by use of screening appropriate to the design, decoration and landscaping of the Condominium. The Condominium Association shall have the right to designate the location of any satellite dish, provided the location and/or screening does not unreasonably delay or prevent installation, maintenance or use, or unreasonably increase the cost of same, or preclude reception of an acceptable quality signal. The installation shall not affect the structural soundness or integrity of any Building. The Unit Owner shall bear all costs associated with the installation of the satellite dish and with concealing the satellite dish from public view, and shall repair any damage to the Common Elements or to the Limited Common Elements caused by the installation. Satellite dishes shall not exceed one (1) meter in diameter. The intention of this paragraph is to harmonize aesthetics with the Unit Owner's right to receive satellite signals to the extent possible. Any disputes under this paragraph shall be resolved by binding arbitration. To the extent not prohibited by law, the

Association may prohibit antennas if access to equivalent or better signals is provided to the Unit occupants by means other than individual satellite dishes.

7. Percentage of Ownership in Common Elements

Each Unit Owner shall own an undivided interest in the Common Elements and Limited Common Elements as a tenant in common with all other Unit Owners and, except as otherwise limited in this Declaration, shall have the right to use and occupy the Common Elements and Limited Common Elements for all purposes incident to the use and occupancy of the Unit as a place of residence, and such other incidental uses permitted by this Declaration, which right shall be appurtenant to and run with the Unit. Each Unit Owner shall have an undivided interest in the Common Elements and Limited Common Elements, with the percentage interest being calculated by a fraction, the numerator of which shall be the square footage in the subject Unit, and the denominator of which shall be the total square footage of all Units in the Condominium. The initial percentage interest of each Unit (subject to adjustment in the event of expansion of the Condominium) is provided in Exhibit B.

In the event of partial or complete destruction, a partition action, or payment of insurance proceeds as a result of partial or complete destruction, any surpluses or expenses shall be shared among the Unit Owners in accordance with the percentage of the Unit ownership of the Common Elements as set forth above.

8. Residential Purpose

The Units are intended for, and restricted exclusively to, residential use as governed by the terms and conditions contained herein and the By-Laws and Rules of the Association.

Notwithstanding the foregoing, the Declarant reserves the right, at its option and in its sole discretion, to use and occupy various Units, selected by the Declarant, as "model" Units and sales offices, the holding of open houses, the erecting of signs, and the designation of reserved parking spaces to be used in connection with Declarant's sales activities, until such time as all Units have been sold, or until such earlier time as may be determined by the Declarant.

The Condominium is restricted in occupancy to maintain a level of not less than eighty-five percent (85%) of the Units occupied by at least one person who is 55 or older.

9. Association of Unit Owners

9.1 Duties and Obligations. All Unit Owners shall be entitled and required to be a member of the Association of Unit Owners (hereinafter "the Association"), which shall be responsible for carrying out the purposes of this Declaration, including the exclusive management and control of the Common Elements and facilities. The affairs of the Association shall be managed by a Board of Directors (the "Board of Directors") consisting of such number of persons as provided in the By-Laws of the Association. The Association will be incorporated

as a non-profit corporation under the Laws of the State of Wisconsin. Each Unit Owner and the occupants of the Units shall abide by and be subject to all of the rules, regulations, duties and obligations of this Declaration and the By-Laws and rules and regulations of the Association, including the sharing of common expenses as described therein.

9.2 Voting Rights. The Association shall have two classes of voting membership as follows:

(1) Class A – Class A members shall be all Unit Owners, with the initial exception of the Declarant, and shall have one vote for each Unit owned.

(2) Class B – Class B members shall be the Declarant and shall be entitled to three (3) votes for each Unit owned. The Class B membership shall cease and be converted to Class A membership when the total votes outstanding in Class A membership equal or exceed the total votes outstanding in Class B membership, or a date not exceeding three (3) years (or ten (10) years in the event of expansion of the Condominium) from conveyance of the first Unit to any person other than Declarant, whichever first occurs.

There can be no split voting. If only one of multiple Owners of a Unit is present at a meeting, the Owner present is entitled to cast the vote allocated to that Unit. If more than one of the multiple Owners is present, and any one of them purports to cast the vote allocated to that Unit on any issue, without protest being made promptly by any other Owners of that Unit to the person presiding over the meeting, it shall be conclusively presumed that such voting Owner had the authority to cast the vote. In the event of such a protest, if such dispute is not resolved by the multiple Owners prior to the vote being completed, said Unit shall not be entitled to cast a vote on that issue.

Each Owner of a Unit in Mission Lakes Condominium shall be deemed by acceptance of any deed to any Unit to agree, approve and consent to the above voting rights and the classes of voting membership.

The respective rights and qualifications of the two classes of members and the election of directors shall be as set forth in the By-Laws of the Association.

9.3 Association Personnel. The Association may obtain and pay for the services of any person or entity to manage its affairs to the extent it deems advisable and may hire such other personnel as it shall determine to be necessary or advisable for the proper operation of the Condominium. The Association may contract for common services and utilities as may be required for each Unit.

9.4 Condominium Documentation. The Association shall be required to make available to Unit Owners, lenders, and the holders and insurers of the first mortgage on any Unit, current copies of the Declaration, By-Laws and other rules governing the Condominium, and other books, records and financial statements of the Association. The Association shall be required to make available to prospective purchasers current copies of the Declaration, By-Laws,

and other rules governing the Condominium, and the most recent annual financial statement, if such is prepared. Upon written request from any of the agencies or corporations which have an interest or prospective interest in the Condominium, the Association shall be required to prepare and furnish within a reasonable time a financial statement of the Association for the immediately preceding fiscal year.

9.5 Initial Working Capital and Reserve Fund. At the time of the first conveyance of a Unit from the Declarant, the purchaser of such Unit shall pay to the Homeowners Association a one-time contribution equal to twice the monthly Homeowners Association assessment in effect at the time of sale for the Unit acquired. One-half of the contribution shall be placed into a reserve for future repairs and replacements, and the other half shall provide the Association with initial working capital to be used for the expenses of the Association. Amounts paid pursuant hereto are not to be considered as an advance payment of the monthly assessment. The Condominium shall not establish a statutory reserve account. At such time after control of the Condominium is not longer in the Declarant under §703.15(2)(c), the Association may, but shall not be required to, establish a statutory reserve account.

10. Repairs and Maintenance

10.1 Common Elements. The Association shall be responsible for the management and control of the Common Elements and facilities, and Limited Common Elements, as follows:

10.1(a) The Association shall cause the Common Elements and facilities, and Limited Common Elements, to be kept in good, clean, attractive and sanitary condition, order and repair.

10.1(b) Without in any way limiting the foregoing, this shall include all repair and maintenance of the East and West Buildings, the Community Center, exterior walls, roofs, parking (both underground and surface), private roadways, water, sanitary and storm sewer mains and laterals, walks, drives and landscaping.

10.1(c) The Condominium Association shall undertake such measures as may be necessary to comply with a storm water management plan which has been approved by the Town of Oconomowoc and Waukesha County.

10.1(d) The Association shall maintain a fire hydrant located in the Common Elements, including the water supply to the same to the extent located on the property of the Condominium, and clearing snow from the hydrant.

10.1(e) The Association shall share with the Town of Oconomowoc Fire Department the responsibility for monitoring of the lake water pump apparatus for the fire prevention system. Maintenance of the system, however, shall be the responsibility of the Town of Oconomowoc Fire Department.

10.1(f) All expenses of the Association, except as otherwise set forth in this Declaration and/or By-Laws, shall be charges to the Unit Owners as a common expense.

10.2 Boathouse and Lakeshore Use Restrictions. The following restrictions shall apply to the area in the general vicinity of the boathouse and the area adjacent to the shore:

10.2(a) No personal patio, lawn or other exterior furniture may be used at, or near, the boathouse. Owners and their guests are restricted to use of such exterior furniture as may be provided by the Association. In off-season periods, all such furniture must be stored inside the boathouse. The layout of patio furniture on the roof of the boathouse shall be in compliance with the layout dated June 3, 2005, an approved copy available in file SCU-1332A, Waukesha County Department of Parks and Land Use-Planning and Zoning Division office. The layout may only be changed by Planning and Zoning Division staff approval.

10.2(b) The Association may provide watercraft for use by Owners, subject to a maximum of (1) pontoon boat, a maximum of 17 ft. in length, one (1) fishing boat, a maximum of 14 ft. in length, both with electric motors and canoes/kayaks. No other personal boats or other watercraft shall be stored on the property at any time. This condition may only be changed by amending the existing Site Plan/Plan of Operation approval (PO-04-OCOT-26) by the Town and County Plan Commissions.

10.3 Individual Units and Limited Common Elements. Each Unit Owner shall be responsible for keeping the interior of the Owner's Unit and all of its equipment, fixtures and appurtenances in good order, condition and repair and in a clean and sanitary condition, and shall be responsible for decorating, painting and varnishing which may at any time be necessary to maintain the good appearance and condition of the Owner's Unit. Without in any way limiting the foregoing, in addition to decorating and keeping the interior of the Unit in good repair, each Unit Owner shall be responsible for the replacement of windows (including washing and replacement of broken glass), screens, doors, lighting fixtures, refrigerators, air-conditioning equipment, furnaces or heating equipment, dishwashers, disposal, laundry equipment such as washers and dryers, ranges, or other equipment which may be in, or connect with, the Unit. The replacement of the fixtures shall be of comparable quality to that of the original Unit and shall be approved by the Association in the case of fixtures exposed in whole or in part to the exterior of the Unit. Each Unit Owner shall keep the Limited Common Elements appurtenant to his or her Unit, as defined in Section 6 hereof and as described in Exhibit "C", in a good, clean, sanitary and attractive condition. In addition, the Association shall regulate the use of the Limited Common Elements to ensure proper and attractive conditions.

10.4 Prohibition Against Structural Changes by Owner. A Unit Owner shall not, without first obtaining the written consent of the Association, make or permit to be made any structural alterations, changes or improvements to his or her Unit, or to the exterior of any Building, or to any Common or Limited Common Elements. A Unit Owner shall not perform, or allow to be performed, any act or work which would impair the structural soundness or integrity

of any Building, or the safety of the property, or impair any easement or hereditament, without the prior written consent of the Association.

10.5 Entry for Repairs. The Association shall have an irrevocable right and easement to enter any Unit at reasonable times and under reasonable conditions when necessary to make repairs to Common Elements when the repairs appear reasonably necessary for public safety or to prevent damage to other portions of the Condominium. The Association shall make a reasonable effort to give prior notice to the Owner(s) of the Unit to be entered (except in cases involving manifest danger to public safety or property), and with as little inconvenience to the Owner(s) as practicable, and any damage caused thereby shall be repaired by the Association and be treated as a common expense. No entry by the Association for the purposes specified in this paragraph may be considered a trespass.

10.6 Delegation of Maintenance of Common and/or Limited Common Elements. Notwithstanding any other provision of this Declaration, the Association, by resolution adopted by the affirmative vote of the majority of all votes (not merely the majority vote of the members present at a meeting at which a quorum is present), and/or by By-Law, is hereby expressly granted the power to delegate to Unit Owners some or all of the routine maintenance of Common Elements and/or Limited Common Elements, and/or some or all of the maintenance, repair and/or replacement responsibilities of Limited Common Elements, and the expense of such delegated responsibilities and of any repair and/or replacement occasioned by the failure of the Unit Owner to properly perform such delegated responsibilities shall be the responsibility of the Unit Owner. The Association, through either the Board or the Members, may establish specific maintenance requirements for said delegated maintenance responsibilities in its Rules and Regulations.

10.7 Assumption of Unit Maintenance by Association. Notwithstanding any other provision of this Declaration, the Association, by resolution adopted by the affirmative vote of the majority of all votes (not merely the majority vote of the members present at a meeting at which a quorum is present), and/or by By-Law, is hereby expressly granted the power to authorize the Association to assume responsibility, in whole or in part, for the maintenance, repair and/or replacement of some or all of those portions of the Units (such as windows, window frames, exterior doors, garage doors, etc.) which affect the exterior appearance of Condominium and to charge the expenses for same as a common expense. Any such resolution may be amended, modified and/or rescinded at any time by the affirmative vote of the majority of all members (not merely the majority vote of the members present at a meeting at which a quorum is present), or by By-Law, provided, however, if work has been completed as to some, but not all, of the Units, work on the remaining Units shall be completed and paid for as a common expense pursuant to the original resolution of By-Law so as to put all Units in a comparable state of repair as a common expense.

11. Unit Owner's Rights with Respect to Interiors

Each Unit Owner shall have the exclusive right to paint, repaint, tile, panel, paper or otherwise refurnish and decorate the interior surfaces of the walls, ceilings, floors and doors

forming the boundaries of the Owner's Unit, and all walls, ceilings, floors and doors within such boundaries, and to erect partition walls of a non-structural nature, provided that such Unit Owner shall take no action which in any way will materially change any common walls.

12. Restriction on Use and Occupancy

Each Unit shall be occupied and used only for single family private dwelling purposes as provided in the By-Laws of the Association. No trade shall be carried on anywhere within the Condominium, except as otherwise provided herein. All leases or rental agreements shall be in writing. The Declarant may lease a Unit on such terms and conditions as it desires, in its sole discretion, provided, however, no Unit may be leased or rented by Declarant for a period of less than thirty (30) days. Unit Owners, other than Declarant, may lease or sublease a Unit, subject to the following restrictions:

- (a) No Unit may be leased, or subleased, for an initial term of less than six (6) months.
- (b) No Unit may be leased or subleased without a written lease or sublease.
- (c) A copy of any lease or sublease shall be furnished to the Board of Directors or Secretary of the Association, together with the tenant's name and telephone number, within ten (10) days after its execution.
- (d) The Unit Owner shall notify the Association of the Unit Owner's forwarding address and telephone number where the Owner can be reached.
- (e) Any person occupying a Unit with the authority of an Owner shall comply with all the restrictions, covenants and conditions imposed herein and by the By-Laws of the Association and a default thereunder shall constitute a default under the lease or sublease.
- (f) Rental of a Unit shall be subject to the age restrictions provided for herein. Prior to rental of a Unit, the Owner of the same must comply with the requirements of notice to and approval from the Association, as required under Section 13 hereof, to assure maintenance of the required percentage of Units occupied by persons 55 years or older.

Any lease or sublease shall provide that the Board of Directors shall have the power to terminate the lease or sublease, or to bring summary proceedings to evict the tenant in the name of the lessor thereunder upon forty-five (45) days prior written notice to the Unit Owner in the event of a default in the performance by tenant under the lease or sublease.

13. Occupancy Restrictions Based on Age.

Not less than eighty-five percent (85%) of the Units shall be occupied by at least one (1) person who is fifty-five (55) years of age or older. Not more than fifteen percent (15%) of the Units shall be occupied exclusively by persons under the age of fifty-five (55).

In order to maintain the age requirements of the Unit occupants, prior to renting or selling a Unit, or otherwise transferring occupancy of a Unit, the Unit Owner (other than the Declarant) shall submit a written request to the Association indicating the Unit Owner's intent to rent, sell or otherwise transfer occupancy. The Association shall then determine the current percentage of Units which are occupied by at least one person who is at least fifty-five (55) years of age. For purposes of determining this percentage, Units for which a consent is in effect for rental, sale, or other transfer of occupancy without restriction based upon age, and unsold Units owned by Declarant, shall be deemed not to be occupied by at least one person fifty-five (55) years of age or older, regardless of the actual current occupancy of such Unit by a person at least fifty-five (55) years of age. If said percentage is eighty-five percent (85%) or greater (including the proposed Owner or Occupant), the Unit Owner shall be granted consent to rent, sell and/or otherwise transfer occupancy such that the Unit may be occupied without restriction based upon age. If said percentage is not in excess of eighty-five percent (85%), the Unit Owner may only rent, sell or otherwise transfer occupancy of the Unit such that it will be occupied by at least one person at least fifty-five (55) years of age or older. The Declarant shall not be required to obtain any consent from the Association prior to the rental, sale, or transfer of occupancy of Declarant's Units to persons under fifty-five (55) years of age, provided, however, that if Declarant does not obtain Association consent, Declarant shall conform its practices for the rental, sale and other transfer of occupancy by it of its Units so as meet the qualifications for occupancy of at least eighty-five percent (85%) of the Units by at least one person at least fifty-five (55) years of age.

Consent to rent, sell or otherwise transfer occupancy without restriction based upon age shall be determined on a time priority basis based upon the date and time of submission of the written request. The Declarant, until such time as Declarant has sold all of its Units (including, but not limited to, all Units, built or unbuilt), and thereafter the Board of Directors of the Association, may establish and/or change, from time to time, the time limits for such consents, such that if a Unit Owner is granted consent to rent, sell or otherwise transfer occupancy without restriction based upon age, such consent shall expire if the rental, sale or other transfer of occupancy does not take place within such time period. Any establishment or change of a time limit shall apply to consents then existing or thereafter granted. Time limits for consents for the rental of a Unit may be different than that for a sale. Variances may be granted to any time limits so established, based upon extenuating or unusual circumstances. If a time limit is in effect, a contract entered into by a Unit Owner for the rental, sale or other transfer of occupancy within the time period shall be deemed to extend the time period, as to such contract only, so as to provide for the performance of such contract. Any consent granted shall expire upon the earlier of the expiration of the established time period, or the actual transfer of occupancy of the Unit.

If the purchaser(s) or Owner(s) of a Unit seeks to hold title in a Revocable Trust, of which the current beneficiary(ies) is/are the grantor(s), the officers of the Association shall use the age of the Grantor(s) of the Trust as the basis for calculating, provided the purchasers/grantor(s) place in writing their intent to occupy the Unit.

There shall be no transfer of occupancy of any Unit unless the foregoing provisions of this section are complied with, unless the transfer of occupancy results in the Unit being

occupied by at least one person who is at least fifty-five (55) years of age.

Upon the rental, sale and/or other transfer of occupancy of any and every Unit, and at any time thereafter upon demand by the Association, a Unit Owner shall supply to the Association written evidence, in a form satisfactory to the Association, of the identity and age of either the oldest person occupying the Unit, or of at least one person occupying the Unit who is at least fifty-five (55) years of age.

14. Destruction and Reconstruction

In the event of a partial or total destruction affecting one or more of the Units of a Building or Buildings, the Association shall promptly undertake to repair or reconstruct it to a condition compatible with the remainder of the Condominium. On reconstruction the design, plan and specifications of any Building or Unit may vary from that of the original upon the approval of the Association, provided, however, that the number of square feet of any Unit may not vary more than five percent (5%) from the number of square feet for such Unit as originally constructed, and the location of the Building(s) shall be substantially the same as prior to damage or destruction.

If the Condominium is damaged to an extent more than the available insurance proceeds, the Condominium shall be subject to an action for partition upon obtaining the written consent of the Unit Owners having seventy-five percent (75%) or more of the votes. A determination as to whether or not to reconstruct and repair the damaged premises, or to subject the Condominium to an action for partition, shall be made within ninety (90) days from the date of the fire, casualty or disaster. In the case of partition, the net proceeds of sale, together with any net proceeds of insurance, shall be considered as one fund and shall be divided among all Unit Owners in proportion to the percentage interest in the Common Elements, and shall be distributed in accordance with the priority of interest in each Unit.

If the insurance proceeds are insufficient to reconstruct or repair the damaged premises, and the necessary seventy-five percent (75%) or more of the votes necessary to subject the Condominium to an action for partition are not obtained, then the damaged premises shall be reconstructed and repaired by the Association, with the insurance proceeds, and the Owners of Units shall be assessed for the deficiency in accordance with the percentage of ownership in the Common Elements.

15. Expansion of Condominium

15.1 Construction of Additional Units. Declarant expressly reserves unto itself, its successors and assigns, the right to expand the Condominium by the construction of an additional Building and additional Units and the expansion of the Condominium to include such Units ("Expansion Units"), at anytime prior to the expiration of ten (10) years after the recording of this Declaration. The general outline and location of the building in which such Expansion Units may be constructed are shown on the Condominium Plat. To the extent not prohibited by law, Declarant reserves the right to change the number, size, location and/or dimensions of the Building and Units to be constructed on the Property.

15.2 Restrictions and Conditions Applicable to Expansion. The maximum number of Units which may be added as a result of the expansion of the Condominium is thirty-nine (39), for a maximum total number of Units in the Condominium of fifty-seven (57). The Units added, and their owners, shall be subject to the restrictions, covenants and conditions of this Declaration, the By-Laws of the Association, and the rules, regulations, decisions and resolutions as may be from time to time adopted by the Association, in accordance with this Declaration and/or the By-Laws.

15.3 Change in Percentage Interest. In the event of the expansion of the Condominium and the addition of Units to the Condominium, the percentage Common Element interest, and the percentage interest for liabilities for common expenses (subject to the provisions of the Declaration relating to commencement of assessments), and the right to common surpluses appurtenant to each Unit following addition of the Expansion Units, shall be a fraction, the numerator of which shall be the square footage in the subject Unit, and the denominator of which shall be the total square footage of all Units in the Condominium, and which shall be listed in an amended Exhibit B.

15.4 Voting Rights. Following the addition of Units pursuant to expansion, the number of votes appurtenant to each Unit subject to this Declaration, including the Expansion Units, shall be one (1), subject to the votes granted to Units owned by the Declarant as provided for in Section 9(2).

15.5 Procedure for Expansion. The right of expansion created and reserved to Declarant, its successors and assigns, shall be exercised by recording one or more amendments to this Declaration, and one or more addendums to the Condominium Plat in the manner and form required by Wisconsin Statutes § 703.26. By acceptance of a deed of conveyance of a Unit from Declarant, the grantee(s) of such Unit, and each assignee or successor to such grantee, shall, in the event of expansion of the Condominium, be deemed to consent and agree to the adjustment in the percentage undivided interest in the Common Elements, and the percentage interest for liabilities for common expenses (subject to the provisions of the Declaration relating to commencement of assessments), and the right to common surpluses, and Declarant, its successors and assigns, shall have the right, power and authority to execute, deliver and record in the office of the Register of Deeds for Waukesha County, Wisconsin, on its own behalf, and on behalf of the grantee(s) and each successor in title to such Unit, such instruments, if any, as may be required to effectuate such expansion and adjustment in the percentage interest in the Common Elements, and the percentage interest for liabilities for common expenses (subject to the provisions of the Declaration relating to commencement of assessments), and the right to common surpluses. Any and all amendments to this Declaration pursuant to, or required by, such expansion of the Condominium, may be executed by Declarant, and/or its successors and/or assigns, alone.

15.6 Consent of Unit Owners. Each Unit Owner shall be deemed by acceptance of a deed to any Unit to agree, approve and consent to the aforesaid expansion, or series of expansions, or to any part thereof, and the aforesaid adjustment in and to the

percentages of the undivided interest in the Common and Limited Common Elements, and the percentage interest for liabilities for common expenses (subject to the provisions of the Declaration relating to commencement of assessments), and the rights to common surpluses. Nothing herein shall be deemed to place any obligation whatsoever on Declarant, its successors and/or assigns, with respect to accomplishment of any expansion of the Condominium, or construction of any or all of the Expansion Units, or to grant or create a right to Unit Owners under this Declaration with respect to such expansion or construction of additional Units.

16. Insurance

The Board of Directors of the Association, shall obtain and maintain broad form extended coverage insurance for the Building(s), Common Elements, and Limited Common Elements, against loss or damage by fire and other hazards for not less than full replacement value of the property insured. The Board of Directors shall review, at least annually, the insurance coverage provided by the Mission Lakes Association, Inc., to assure it meets the requirements of full insurable value. The insurance shall also cover the replacement of interior walls, heating and air conditioning units, electrical wires and conduit, plumbing pipes, and heating and air conditioning duct work in the interior and exterior walls. The insurance shall be obtained in the name of Mission Lakes Association, Inc., as trustee for the Association, and the respective mortgagees, as their interests may appear. Premiums shall be a common expense. To the extent possible, the insurance shall provide that the insurer waives its right of subrogation as to any claim against Unit Owners, the Association, and their respective servants, agents and guests, and that the insurance cannot be cancelled, invalidated or suspended on account of conduct of any one or more Unit Owners, or the Association, or their servants, agents and guests, without thirty (30) days prior written notice to the Association, giving it opportunity to cure the defect within that time.

The Association insurance shall be in an amount at least equal to the maximum insurable replacement value, with an "agreed amount" and a "condominium replacement cost" endorsement, without deduction or allowance for depreciation, which amount shall be examined periodically. Such insurance shall afford protection against loss or damage by fire and such hazards covered by a standard extended coverage endorsement 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.

The Unit Owner shall be responsible for, and shall obtain insurance coverage for, personal property and the replacement of fixtures, appliances and all other improvements and furnishings not within the Condominium's original building specifications, and not covered by the Association's insurance policy. If insurance coverage is available to combine protection for the Association and the Unit Owners' individual Units, the Board of Directors is hereby given discretionary power to negotiate and obtain such combination of insurance protection, and the cost thereof shall be a common expense. A Unit Owner is not prohibited from obtaining additional insurance coverage on his or her improvements which will duplicate any insurance provided by the Association.

In the event of partial or total destruction of a Unit or Building and it is determined to repair or reconstruct such Unit or Building in accordance with Section 14 hereof, the proceeds of such insurance shall be applied to the cost thereof and the Unit Owners and mortgagees shall not be entitled to receive payment of any portion of insurance proceeds. If it is determined not to reconstruct or repair or a Court has ordered partition of the Condominium property, then the proceeds shall be distributed to the Unit Owners and their mortgagees, if any, as their respective interests may appear in the manner provided by the Act. If there is a surplus of insurance proceeds after the Common Elements have been completely repaired or restored, the surplus shall be considered a common surplus and may, at the direction of the Board of Directors, be distributed to the Unit Owners and their mortgagees, if any, in accordance with their percentage of ownership in the Common Elements.

The Board of Directors shall assure that Mission Lakes Condominium Association, Inc., shall provide and maintain public liability insurance covering the Common Elements and the Limited Common Elements in such amounts as may be determined at the discretion of the Mission Lakes Association, Inc., from time to time, but in any event such coverage shall be for not less than \$1,000,000.00 for bodily injury, including deaths of persons, and property damage arising out of a single occurrence. The Board of Directors may also provide workmen's compensation insurance and fidelity bonds on such officers and employees and in such amounts as is determined by the Board of Directors to be necessary from time to time.

All premiums for Association insurance and other insurance obtained by the Association shall be a common expense of the Condominium, except that any increase in the rating or premium for any such insurance caused by the character of any Unit, and/or by the character of use of any Unit, shall be an expense solely for such Unit Owner. A complete insurance appraisal of each Building in the Condominium shall be made at least once every three (3) years. Unless otherwise required by applicable law, the insurance appraisal may be dispensed with if the insurance policy includes guaranteed replacement cost coverage.

17. Liability for Common Expenses; Assessments

17.1 Agreement to Pay Assessment. Declarant, for each Unit owned by it hereby covenants, and each Owner of any Unit by the acceptance of a deed therefor, whether or not it be so expressed in the deed, shall be deemed to covenant and agree with each other and with the Association to pay to the Association for the purposes provided in this Declaration, annual assessments, special assessments for capital improvements, and assessments for any other matters as provided in this Declaration. Such assessments shall be fixed, established and collected from time to time in the manner provided in this Article.

17.2 Purpose of Assessments. The assessments levied by the Association shall be used to promote the recreation, health, safety and welfare of the Members and for the improvement and maintenance of the Common Elements, and such emergency repairs as the Association may deem necessary.

17.3 Annual Assessments. The Board of Directors of the Association shall from time to time, and at least annually, prepare a budget and fix the annual assessment.

17.4 Special Assessments. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment for the purposes of: (a) defraying, in whole or in part, the costs of any acquisition, construction, reconstruction, repair or replacement of a capital improvement and/or personal property for common use; (b) offsetting shortages resulting from non-collection of annual or special assessments, or underestimation of same; and (c) unusual or unpredicted costs including, but not limited to, the cost of collecting annual or special assessments or enforcement of the provisions of this Declaration. Any such assessment shall have the assent of two-thirds (2/3) of the votes of members affected who are voting in person or by proxy at a meeting duly called for this purpose; and provided further, however, that as long as Declarant owns any unsold Unit (including but not limited to any and all Units, built or unbuilt), no such special assessment shall be enacted for the acquisition or construction of any new capital improvement, or for the acquisition of any personal property for common use, unless such special assessment is consented to, in writing, by Declarant. Written notice of any meeting called for the purpose of taking any action authorized under this Section 17.4 shall be sent to all affected members in the manner prescribed by the By-Laws, and to any mortgagee who shall request in writing such notice, not less than ten (10) days or more than sixty (60) days in advance of the meeting. The Declarant shall not be entitled to utilize the provisions of this Section 17.4 so as to cause a Special Assessment to be levied for the purpose of assessing Unit Owners for the cost of Declarant's initial Common Element improvements. Special Assessments enacted pursuant to this Section 17.4 shall not apply to any Unit for which, at the time of enactment of the Special Assessment, the obligation to pay annual assessments or monthly installments thereof has not yet commenced.

17.5 Special Assessments Against a Particular Unit. Special assessments may be made by the Board of Directors of the Association against a particular Unit Owner and the Owner's Unit for:

- (a) Costs and expenses (anticipated or incurred) for damage to the Common Elements caused by, or at the direction of, that Unit Owner or guests or tenants of the Unit Owner or other occupants of the Unit;
- (b) Costs, expenses and actual attorneys' fees incurred in, or in anticipation of, any suit, action or other proceeding to enforce the Act, the Declaration, the By-Laws, or the Rules and Regulations where there is found to be a violation thereof;
- (c) Costs and expenses (anticipated or incurred) for emergency repairs to a Unit;
- (d) Liabilities, costs and expenses incurred by the Association as a result of any temporary or permanent condition or defect in the Unit or any Limited Common Elements;
- (e) Interest due on General and Special Assessments;

(f) Forfeitures and other penalties as provided for in the By-Laws and/or Rules and Regulations levied by the Board for violations of the Condominium Documents by a Unit Owner of the tenants or guests of the Unit Owner or occupants of a Unit;

(g) Costs and expenses incurred by the Association for the maintenance, repair and/or replacement of Common Elements and facilities resulting from the failure of a Unit Owner to perform delegated maintenance.

(h) All other costs and expenses anticipated or incurred by the Association which are subject to special assessments as provided under this Declaration or the By-Laws.

17.6 Working Capital. Each purchaser of a Unit from Declarant, or its successors or assigns, shall pay to the Association, at time of conveyance of the Unit, for working capital purposes, a sum equal to one-sixth ($1/6^{\text{th}}$) of the annual assessment. As long as Declarant is in control of the Association, Declarant shall not use any of said working capital funds to defray Declarant's expenses or construction costs. The working capital contribution applies only to a sale by Declarant to an initial purchaser, and shall not be collected upon any subsequent transfer or sale of a Unit.

17.7 Rate of Assessment. The rate for both annual and Special Assessments against a Unit shall be based on that Unit's percentage interest, as provided for in Section 7 for all Units subject to assessment. The Association shall, however, assess an individual Unit for all sums due solely from that Unit as provided in Section 17.5 above.

17.8 Date of Commencement of Assessments. The annual assessments provided for herein shall be payable in monthly installments. Assessments shall commence as to each Unit on the first day of the first month following the conveyance of such Unit by the Declarant, or on the first day of the first month following the occupancy of such Unit for residential purposes, whichever occurs first, provided, however, that with respect to any Unit conveyed by Declarant prior to the issuance of an Occupancy Permit for such Unit, the assessment for such Unit shall commence on the first day of the first month following the issuance of an Occupancy Permit (temporary or final) for such Unit, or the first day of the first month following the occupancy of such Unit for residential purposes, whichever occurs first. The first purchaser of a Unit shall pay to the Association the prorated assessment from the date of closing until the end of the month of closing. In the case of rental of a Unit by the Declarant, the Declarant shall similarly pay a prorated assessment for the first month of the rental, if less than a full month. The first annual assessment for each Unit shall be adjusted and prorated according to the number of months then remaining in the assessment year. The due dates of annual assessments and the monthly installments thereof shall be established by the Board of Directors.

17.9 Lien for Assessments. All sums assessed to any Unit pursuant to this Section, together with interest thereon as provided herein, shall be secured by a lien on such Unit in favor of the Association. Such lien shall be superior to all other liens and encumbrances on such Unit, except only for:

- (a) Liens of general and special taxes; and

(f) Forfeitures and other penalties as provided for in the By-Laws and/or Rules and Regulations levied by the Board for violations of the Condominium Documents by a Unit Owner of the tenants or guests of the Unit Owner or occupants of a Unit;

(g) Costs and expenses incurred by the Association for the maintenance, repair and/or replacement of Common Elements and facilities resulting from the failure of a Unit Owner to perform delegated maintenance.

(h) All other costs and expenses anticipated or incurred by the Association which are subject to special assessments as provided under this Declaration or the By-Laws.

17.6 Working Capital. Each purchaser of a Unit from Declarant, or its successors or assigns, shall pay to the Association, at time of conveyance of the Unit, for working capital purposes, a sum equal to one-sixth ($1/6^{\text{th}}$) of the annual assessment. As long as Declarant is in control of the Association, Declarant shall not use any of said working capital funds to defray Declarant's expenses or construction costs. The working capital contribution applies only to a sale by Declarant to an initial purchaser, and shall not be collected upon any subsequent transfer or sale of a Unit.

17.7 Rate of Assessment. The rate for both annual and Special Assessments against a Unit shall be based on that Unit's percentage interest, as provided for in Section 7 for all Units subject to assessment. The Association shall, however, assess an individual Unit for all sums due solely from that Unit as provided in Section 17.5 above.

17.8 Date of Commencement of Assessments. The annual assessments provided for herein shall be payable in monthly installments. Assessments shall commence as to each Unit on the first day of the first month following the conveyance of such Unit by the Declarant, or on the first day of the first month following the occupancy of such Unit for residential purposes, whichever occurs first, provided, however, that with respect to any Unit conveyed by Declarant prior to the issuance of an Occupancy Permit for such Unit, the assessment for such Unit shall commence on the first day of the first month following the issuance of an Occupancy Permit (temporary or final) for such Unit, or the first day of the first month following the occupancy of such Unit for residential purposes, whichever occurs first. The first purchaser of a Unit shall pay to the Association the prorated assessment from the date of closing until the end of the month of closing. In the case of rental of a Unit by the Declarant, the Declarant shall similarly pay a prorated assessment for the first month of the rental, if less than a full month. The first annual assessment for each Unit shall be adjusted and prorated according to the number of months then remaining in the assessment year. The due dates of annual assessments and the monthly installments thereof shall be established by the Board of Directors.

17.9 Lien for Assessments. All sums assessed to any Unit pursuant to this Section, together with interest thereon as provided herein, shall be secured by a lien on such Unit in favor of the Association. Such lien shall be superior to all other liens and encumbrances on such Unit, except only for:

- (a) Liens of general and special taxes; and

(b) A Lien for all sums unpaid on a first mortgage, or on any mortgage to the Declarant, duly recorded in the office of the Waukesha County Register of Deeds, Wisconsin, Real Estate Records, prior to the making of such assessment, including all unpaid obligatory advances to be made pursuant to such mortgage and all amounts advanced pursuant to such mortgage and secured by the lien thereof in accordance with the terms of such instrument; and

(c) Mechanics liens filed prior to the making of the assessment; and

(d) All sums unpaid on any mortgage loan made pursuant to §45.80 Wisconsin Statutes.

All other lienors acquiring liens on any Unit after this Declaration has been recorded shall be deemed to consent that such liens shall be inferior to future liens for assessments, as provided herein, whether or not such consent be specifically set forth in the instruments creating such liens.

To evidence a lien for any sums assessed pursuant to this Declaration, the Association may prepare a written notice of lien setting forth the amount of the assessment, the date due, the amount remaining unpaid, the name of the Owner of the Unit, and a description of the Unit. Such a notice shall be signed by an Officer or agent of the Association and may be recorded in the office of the Clerk of the Circuit Court or Register of Deeds of Waukesha County, Wisconsin. No notice of lien shall be recorded until there is a delinquency in payment of the assessment. Such lien may be enforced by judicial foreclosure by the Association in the same manner in which mortgages on real property may be foreclosed in Wisconsin, or as otherwise provided by law. In any such foreclosures, the Owner shall be required to pay the costs and expenses of filing the notice of lien, of all proceedings and all reasonable attorneys' fees. All such costs and expenses shall be secured by the lien being foreclosed. The Owner shall also be required to pay to the Association any assessments against the Unit which shall become due during the period of foreclosure. The Association shall have the right and power to bid at the foreclosure sale or other legal sale and to acquire, hold, convey, lease, rent, encumber, use and otherwise deal with the Unit as the Owner thereof. A release of notice of lien shall be executed by the Association in such form as to be recordable in the Waukesha County, Wisconsin, Real Estate Records, upon payment of all sums secured by a lien which has been made the subject of a recorded notice of lien.

Any encumbrancer holding a mortgage or other lien on a Unit may pay, but shall not be required to pay, any amounts secured by the lien created by this Section, and upon such payment such encumbrancer shall be subrogated to all rights of the Association with respect to such lien, including priority.

The Association shall, upon written request, report to any encumbrancer of a Unit any unpaid assessments remaining unpaid for longer than sixty (60) days after the same shall have become due and any default in the performance by the individual Unit Borrower of any obligation under the condominium documents which is not cured within sixty (60) days;

provided, however, that such encumbrancer first shall have furnished to the Association written notice of such encumbrance.

17.10 Effect of Non-Payment; Remedies. Any assessments that are not paid when due shall be delinquent. Any assessment or installment thereof not paid within ten (10) days after the due date shall bear interest from the due date at a rate of interest which is two percent (2%) higher than the rate prescribed by the *Wisconsin Statutes* to be collected upon execution upon judgment, but not higher than the highest rate then allowed to be charged on unpaid condominium assessments. (In lieu of charging such interest, the Board may, from time to time, fix a reasonable late fee for each month or fraction thereof that such assessment is not paid.) All payments on account shall be first applied to the interest or late charges, if any, and then to the assessment payment first due. The Association may bring an action at law against any Owner personally obligated to pay the same, or foreclose the lien against the property. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Elements or abandonment of his or her Unit. A suit to recover a money judgment for unpaid assessments hereunder may be maintainable without waiving the lien securing the same. If any installment of any assessment comes delinquent, the privilege of paying such assessment in installments may, at the option of the Association, be terminated and, if such delinquent installment be of an annual assessment, the entire annual assessment for the remainder of the fiscal year, or if the delinquent installment be of a special assessment, the entire special assessment may, at the option of the Association, be declared, without further notice, due and payable and, in such event, the same shall be considered delinquent. If there is more than one Owner of any Unit, all Owners thereof shall be jointly and severally liable for all sums due the Association.

17.11 Sale or Conveyance. The sale or transfer of any Unit shall not affect the assessment lien. In a voluntary grant, the grantee shall be jointly and severally liable with the grantor for all unpaid assessments against the grantor for his or her share of the common expenses up to the time of the voluntary grant for which a statement of condominium lien is recorded, without prejudice to the rights of the grantee to recover from the grantor the amounts paid by the grantee for such assessments.

The sale or transfer of any Unit pursuant to the foreclosure of a mortgage or other lien having priority as set forth above shall extinguish the lien of such assessments (to the extent of the priority of such mortgage or other lien) as to payments which became due prior to such sale or transfer. No sale or transfer pursuant to foreclosure shall relieve such Unit from liability for any assessments that thereafter become due or from the lien therefor.

17.12 Declarant's Liability for Assessments

The Declarant, as a Unit Owner, shall not be liable for any annual or special assessments as assessed by the Association, except as provided for in this paragraph. During the period of Declarant control of the Association under §703.15(2)(c) of the *Wisconsin Statutes*, no General Assessments shall be assessed against any Unit owned by Declarant. During the period of Declarant control, however, the General Assessments payable by any Unit Owner other than

Declarant shall not exceed the amount that Unit Owner would be charged if Declarant's Units were subject to full General Assessments, based on the annual operating budget then in effect. During the period of Declarant control, Declarant shall pay the deficit if the total General Assessments payable by Unit Owners other than Declarant do not cover total Common Expenses.

18. Partition of Common Elements Prohibited

There shall be no partition of the Common Elements and Limited Common Elements through judicial proceedings or otherwise until this agreement is terminated and the property is withdrawn from its terms or from the terms of the applicable statutes regarding unit ownership or 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 contained herein shall be deemed to prohibit a voluntary or judicial partition of said single Units as between such co-owners. No Unit may be subdivided, or separated from the Condominium.

19. Conveyance to Include Interest in Common Elements and Limited Common Elements

The percentage of the undivided interest in the Common and Limited Common Elements shall not be separated from the Unit to which it appertains. No Unit Owner shall execute any deed, mortgage, lease or other instrument affecting title to such Unit without including therein both the Owner's interest in the Unit and the corresponding percentage of ownership in the Common and Limited Common Elements, it being the intention hereof to prevent any severance of such combined ownership. Any such deed, mortgage, lease or other instrument purporting to affect the one, without including also the other, shall be deemed and taken to include the interest so omitted, even though the latter is not expressly mentioned or described therein.

20. Easements, Reservations and Encroachments

20.1 Utilities. Easements are hereby declared and granted for the benefit of the Unit Owners and this Association and reserved for the benefit of the Declarant for utility purposes, including the right to install, lay, maintain, repair and replace water mains and pipes, heating ducts and piping, sewer lines, gas mains, telephone wires and equipment, master television antenna system wires and equipment, cable television equipment, and electrical conduits and wires and equipment, including power transformers, over, under, along, and on any part of the Common Elements and Limited Common Elements.

20.2 Encroachments. If, by reason of the construction, reconstruction, settlement, or shifting of any Building, or the design or construction of any Unit, any part of the Common Elements or Limited Common Elements, encroaches or shall hereafter encroach upon any part of any Unit, or if any part of any Unit encroaches or shall hereafter encroach upon any part of the Common Elements or Limited Common Elements, or if any portion of any Unit encroaches upon any part of any other Unit, valid easements for the maintenance of such

encroachment are hereby established and shall exist for the benefit of such Unit so long as all or any part of the Building containing such Unit shall remain standing. In no event, however, shall a valid easement for any encroachment be created in favor of the Unit Owner or in favor of the Owner or Owners of the Common Elements or Limited Common Elements, if such encroachments occurred due to the willful conduct of said Owner or Owners.

20.3 Rights of Ingress and Egress. Each Unit Owner shall have an unrestricted right of ingress and egress to and from his or her Unit, which shall be perpetual and pass with the Unit upon transfers of ownership.

20.4 Declarant's Easements. Declarant reserves an easement (until Declarant shall have satisfied all of its obligations under any Condominium Document and all commitments in favor of a Unit Owner) to use portions of the Common Elements and any Units owned by Declarant for construction, repair or renovation related purposes, including the storage of tools, machinery, equipment, building materials, appliances, supplies and fixtures, and the performance of work respecting the completion of the Buildings and Units comprising the Condominium. Notwithstanding anything to the contrary contained in this Declaration, the By-Laws, or the Rules and Regulations, no provision in the Condominium Documents, or amendment thereto, shall limit or restrict the Declarant's rights pursuant to this paragraph 20.4.

20.5 Common Elements Easement. The Common Elements and Limited Common Elements shall be, and hereby are, made subject to easements in favor of the Association and the Unit(s) benefited for (a) the installation, maintenance and use of pipes, wires, ducts, cables, heating and air conditioning systems, electrical conduits, telephone and other communication systems, (b) the installation, maintenance and use of lighting fixtures, electrical receptacles, panel boards and other electrical installations which are part of, or serve, any Unit, but which encroach into a part of a Common Element adjacent to such Unit, (c) driving and removing nails, screws, bolts and other attachments bounding the Unit and the Unit side surface of studs which support the drywall perimeter walls bounding the Unit, the bottom surface of joists above the Unit, or (d) the installation, maintenance and use of any lighting devices, outlets, medicine cabinets, exhaust fans, ventilation ducts, registers, grilles and similar fixtures which serve only one Unit, but which encroach into any part of any Common Elements. The foregoing easement is limited to the extent that the described work cannot be undertaken without unreasonably interfering, in any material adverse respect for any significant time period, with the common use of any part of the Common Elements, adversely affect the thermal or acoustic character of a Unit, or impair or structurally weaken a Building or a Unit. Any such work shall be performed in a good workmanlike manner, consistent with the quality of work in the rest of the Condominium.

20.6 Binding Effect. All easements and rights described herein are easements appurtenant, running with the land, and are subject to the reasonable control of the Association. All easements and rights described herein are granted and reserved to, and shall inure to the benefit of, and be binding on, the undersigned, its successors and assigns, and on all Unit Owners, purchasers and mortgagees and their heirs, executors, administrators, successors and

assigns. The Association shall have the authority to execute all documents necessary to carry out the intent of this Section 20.

21. Failure of Association to Insist on Strict Performance Not a Waiver

The failure of the Association to insist, in any one or more instances, upon the strict performance of any of the terms, covenants, conditions or restrictions of this Declaration, or to exercise any right or option herein contained, or to serve any notice or to institute any action, shall not be construed as a waiver or a relinquishment for the future of such term, covenant, condition or restriction, but such term, covenant, condition or restriction shall remain in full force and effect. The receipt by the Association of payment of any assessment from a Unit Owner, with knowledge of the breach of any covenant hereof, shall not be deemed a waiver of such breach, and no waiver by the Association of any provision hereof shall be deemed to have been made unless expressed in writing and signed by the Association.

22. Amendments to Declaration

Except as otherwise provided by the Act or this Declaration, this Declaration may be amended with the written consent of sixty-six and two-thirds percent (66⅔ %) of the Unit Owners and mortgagees. Consent of both the Unit Owner and the mortgagee is required in meeting the requisite sixty-six and two-thirds percent (66⅔ %) approval. Copies of amendments shall be certified by the President and Secretary of the Association in a form suitable for recording. A copy of the amendment shall be recorded with the Register of Deeds for Waukesha County and a copy of the amendment shall also be mailed, or personally delivered, to each Unit Owner at the address on file with the Association. The Condominium Documents may be amended only in accordance with the Act and the Condominium Documents. Notwithstanding any other provisions of this Declaration to the contrary, if any amendment is necessary in the judgment of the Board of Directors to cure any ambiguity or to correct or supplement any provisions of the Condominium Documents that are defective, missing or inconsistent with any other provisions thereof, or if such amendment is necessary to conform to the requirements of the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Federal Housing Administration, the Veterans Administration or other secondary mortgage market lenders, guarantors, or insurers with respect to condominium projects, then at any time, and from time to time, the Board of Directors may effect an appropriate corrective amendment without the approval of the Unit Owners or the holder of any lien on all or any part of the Property. Each amendment of the type described in this Section 22 shall be effective upon the recording of an appropriate instrument setting forth the amendment and its due adoption, which instrument has been executed and acknowledged by one or more officers of the Board of Directors.

23. Voluntary Termination of Condominium

Upon the written consent of all Unit Owners, all or any part of the property may be removed from the provisions of the Act by an instrument to that effect, duly recorded with the Register of Deeds for Waukesha County, provided that the holders of all liens affecting any of

the Units consent thereto or agree, in either case, by instrument duly recorded with the Register of Deeds of Waukesha County, that their liens be transferred to the percentage of the undivided interest of the Unit Owner in the property. Upon removal of any property from the Act, the property shall be deemed to be owned in common by the Unit Owners. The undivided interest in the property owned in common which appertains to each Unit Owner shall be the percentage of undivided interest previously owned by the Owner in the Common Elements.

24. Mortgage Holders

24.1 Approval of Mortgagees. Except as provided by law in the case of dissolution, condemnation or substantial loss to Units and/or Common Elements, unless at least sixty-seven percent (67 %) of the holders of first mortgages (based on one vote for each first mortgage owned), and sixty-seven percent (67%) of Unit Owners other than the Declarant have given their prior written consent, the Association and Board of Directors shall not be entitled to:

A. By act or omission, seek to abandon or terminate the Condominium regime;

B. Change the prorata interest or obligations of any Unit for the purpose of (1) levying assessments or charges or allocating distributions of hazard insurance proceeds or condemnation awards, or (2) determining the prorata share of ownership of each Unit in the Common Elements notwithstanding the foregoing, the prorata interest and obligations of Units may be adjusted in the case of an expansion of the condominium as provided for in this Declaration;

C. Partition or subdivide any Unit;

D. By act or omission, seek to abandon, partition, subdivide, encumber, sell or transfer the Common Elements (the granting of easements for public utilities or other public purposes of dedication of private streets consistent with the intended use of the Common Elements shall not be deemed a transfer within the meaning of this clause); or

E. Use hazard insurance proceeds for losses to any property of the Condominium (whether to Units or to Common Elements) for other than the repair, replacement or reconstruction of such property.

Notwithstanding anything to the contrary contained in the foregoing, in accordance with §703.28 of the Act, no portion of the Property may be removed from the provisions of the Act unless said removal is consented to by one hundred percent (100%) of the Unit Owners and one hundred percent (100%) of the holders of liens affecting any of the Units.

24.2 Priority of First Mortgagees. Except as otherwise provided by the Act, no provision of this Declaration, the By-Laws, or the Rules and Regulations, shall be construed to grant to any Unit Owner, or to any other party, any priority over any rights of holders of first mortgages pursuant to their first mortgages in case of the distribution to Unit Owners of

insurance proceeds or condemnation awards for losses to, or a taking of, Units and/or the Common Elements or any portions thereof.

25. Notices

25.1 Notices to Unit Owners. All notices and other documents required to be given by this Declaration, or by the By-Laws of the Association, shall be sufficient if given to one (1) registered Owner of a Unit regardless of the number of Owners who have an interest therein. All Unit Owners shall provide the Secretary of the Association with an address for the mailing or service of any notice or other documents, and the Secretary shall be deemed to have discharged the Secretary's duty with respect to the giving of notice by mailing it, or having it delivered personally, to such address as is on file with the Secretary.

25.2 Notices to First Lien Holders. A holder, insurer or guarantor of a first mortgage, upon written request to the Association, will be entitled to timely written notice of:

A. Any proposed amendment of the Condominium Declaration affecting a change in (1) the boundaries of any Unit or the exclusive easement rights appertaining thereto, (2) the interest in the general or Limited Common Elements appertaining to any Unit or the liability for common expenses appertaining thereto, (3) the number of votes in the Association appertaining to any Unit, or (4) the purposes to which any Unit, or the Common Elements, are restricted;

B. Any proposed termination of the Condominium regime;

C. Any condemnation loss, or any casualty loss, which affects a material portion of the Condominium or which affects any Unit on which there is a first mortgage held, insured or guaranteed by such eligible holder;

D. Any delinquency in the payment of assessments or charges owned by a Unit Owner subject to the mortgage of such eligible holder, insurer or guarantor, where such delinquency has continued for a period of sixty (60) days;

E. Any lapse, cancellation or material modification of any insurance policy maintained by the Association.

25.3. Prior Consent. Except as provided by the Act in the case of damage or destruction of all or any part of the Property, the Association shall not, unless the Mortgagees of at least seventy-five percent (75%) of the Units have given their prior written consent:

A. Change the undivided percentage interest in the Common Elements of the Condominium appurtenant to any Unit, or the manner of making assessments for common expenses based upon such percentage.

B. Partition or subdivide any Unit or Common Elements by the Condominium.

C. By act or omission seek to abandon or terminate the Condominium or encumber or convey any part of the Common Elements of the Condominium.

26. Further Matters

A. All present and future Owners of Units, tenants of such Owners, and any other occupants of Units, employees of Owners, or any other persons that in any manner use or come upon the Condominium or any part thereof shall be subject to and shall comply with the provisions of this Declaration, the Articles of Incorporation of the Association, the By-Laws of the Association, and rules and regulations adopted pursuant thereto, as those instruments may be amended from time to time. The acceptance of a deed or conveyance, or the entering into of a lease, or the entering into of occupancy of any Unit, shall constitute an acceptance of the provisions of such instruments, as they may be amended from time to time, by such Owner, tenant or occupant. The provisions contained in such instrument shall be covenants running with the land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and fully stipulated in each deed, conveyance or lease thereof. The enforcement thereof may be by such judicial proceedings as the Board of Directors of the Association may deem appropriate, as well as by the provisions of the Condominium Ownership Act.

B. The Declarant hereby reserves the right, for a period of three (3) years (or ten (10) years in the event of expansion of the Condominium) from the date hereof, to cause one or more of the Units it owns to be maintained as a model Unit and to display such model(s) and the Common Elements of the Condominium. The Declarant further reserves the right to maintain signs offering the sale of Units in the Condominium until all Units are sold.

C. If entered into before the officers elected by the Unit Owners pursuant to the By-Laws take office, any management contract, lease of recreational or parking areas or facilities, any contract or lease to which the Declarant, or any person affiliated with the Declarant, is a party and any contract or lease which is not bona fide or which was not commercially reasonable to Unit Owners, when entered into under the circumstances then prevailing, may be terminated by the Association or its Board of Directors at any time without penalty upon not less than ninety (90) days notice to the other party thereto.

27. Resident Agent

The resident agent for the Condominium shall be Mission Lakes, LLC, c/o Mr. Timothy Michelic, 810 Cardinal Lane, Hartland, WI 53029, or such other person or entity as may be designated from time to time by the Board of Directors of the Association, which designation shall be filed with the Wisconsin Department of Financial Institutions. The Association may designate successors to the Resident Agent by affirmative vote of the Unit Owners, with a

majority of the votes present or represented by proxy at a meeting of the Association at which a quorum is in attendance.

28. 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 of any gender shall include all genders.

29. Captions

The captions and section headings herein are inserted only as matters of convenience and for reference, and in no way define or limit the scope or intent of the various provisions hereof.

30. Severability

The provisions hereof shall be deemed independent and severable, and the invalidity or partial invalidity or unenforceability of any one provision or portion thereof shall not affect the validity or enforceability of the remaining portion of said provisions or of any other provision hereof.

31. Conflicts in Provisions

If there is any conflict between any provision in this Declaration and the provisions of the Condominium Plat or any provisions of the By-Laws, the provisions of this Declaration shall control. If there is any conflict between any provisions of any Condominium instruments and any provisions of any By-Laws, the provisions of the Condominium instruments shall control. If there is any conflict between any provisions of any Condominium instruments or any provisions of any By-Laws and any provisions of Wisconsin Statutes Chapter 703, the provisions of Wisconsin Statutes Chapter 703 shall control.

32. Homestead

This is not homestead property.

IN WITNESS WHEREOF, the said Declarant, Mission Lakes, LLC has caused this Declaration to be executed this 29th day of July, 2005.

Mission Lakes, LLC, Declarant

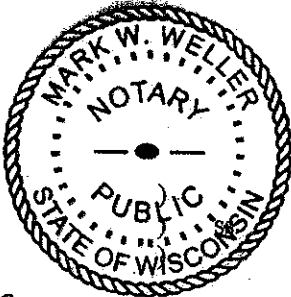


Timothy Michelic, Member

Patrick Johnson
 Patrick Johnson, Member

State of Wisconsin)
) ss.
 Waukesha County)

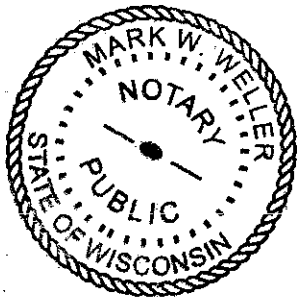
On this 29 day of July, 2005, before me personally came Timothy Michelic, to me known to be the person described in and who executed the foregoing instrument and said person acknowledged that said person executed the same freely and voluntarily, for the uses and purposes therein expressed.



[Signature]
 Notary Public, State of Wisconsin
 My commission expires: 12/10/16

State of Wisconsin
 Waukesha County

On this 29 day of July, 2004, before me personally came Patrick Johnson, to me known to be the person described in and who executed the foregoing instrument and said person acknowledged that said person executed the same freely and voluntarily, for the uses and purposes therein expressed.



[Signature]
 Notary Public, State of Wisconsin
 My commission expires: 12/10/16

This instrument was drafted by:

Attorney Mark C. Young
 State Bar No. 1010588
 Trapp & Hartman, S.C.

002023 AUG 5 9 18

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