OPERATIONS & RULES INFORMATION

DANELL HEIGHTS CONDOMINIUM ASSOCIATION, INC.

MENOMONEE FALLS, WISCONSIN

EFFECTIVE MAY 1, 2019, REVISED MAY 10, 2024

The Association has the right under the By-Laws to adopt Rules and Regulations regarding the operation of the Condominium.

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OPERATIONS & RULES INFORMATION

DANELL HEIGHTS CONDOMINIUM ASSOCIATION, INC.

Introduction

As an owner of a condominium unit in Danell Heights, you are also a member of the Danell Heights Condominium Association. We believe that our area is rather unique in this regard and have learned that some of the commonly accepted practices of other types of condominiums are not appropriate for us. The Association provides all our members the opportunity to govern many of the aspects of our community's day-to-day life by attending our Annual Meeting, serving on our various committees or even serving on the Board.

It is very important to know that this information does not supersede the governing documents of our Association which are the Declaration and the By-Laws. We urge each of you to read all the disclosure materials you have been provided and to become involved in the operation of the Association.

This document is divided into six sections. We hope this Operation & Rules Information will help give you a greater understanding of the procedures under which Danell Heights. If you have any questions, please contact a member of the Board.

SECTION 1

Quick Reference Tips

We have cited the exact By-Law reference or Operations & Rules reference next to each entry for ease of reference.

1. Notify the Association Treasurer if you are intending to sell or have just bought your condo. *(By-Laws, Article VII, Section 1)*
2. The Annual Meeting is held the second Monday of May each year. *(By-Laws, Article III, Section 1)*
3. Your quarterly condominium dues must be paid on a timely basis to avoid financial penalties. *(By-Laws, Article V, Sections 4, 5 and 6; Operations & Rules Information, Income & Expense, Section 3)*
4. Your dues are divided into three accounts: General Common Expenses Paid by the Association; Insurance Expenses Paid by the Association; and the Individual Unit Owner's Reserve Account used for the general maintenance of their unit. *(By-Laws, Article V, Section 1)*
5. You should send a copy of your paid invoices or receipts for qualifying expenses to the Association Treasurer for reimbursement not exceeding the amount in your Reserve Account. *(Operations & Rules Information, Income & Expenses, Section 3)*
6. The Individual Reserve Account is the property of the unit and transfers along with the unit when it is sold. *(Operations & Rules Information, Income & Expenses, Section 3)*
7. You must get approval from the Design Review Committee prior to any changes to the exterior of your unit. Use APA (Application for Project Approval). *(By-Laws, Article V, Section 15 (a), (b), (c) and (d))*
8. You must get approval from the Landscape Review Committee prior to any changes to the landscape of your unit. Use APA (Application for Project Approval). There is one exception: you may plant flowers, shrubs and/or ground cover within five-feet of the exterior walls of your unit. *(By-Laws, Article V, Section 15 (e), (f), (g) and (h))*
9. You may own pets within certain limitations. *(By-Laws, Article V, Section 12 (i))*
10. You are limited to the kind of vehicles that can be parked in the driveway of your unit. *(By-Laws, Article V, Section 12 (i))*
11. You are limited to type, size and duration for any signage you want to display. *(Operations & Rules Information, Use of Property, Section 5, 2)*.

SECTION 2

Governance of the Association

1. **Association's Correct Name.** Danell Heights Condominium Association, Inc.
2. **Declaration and By-Laws.** Through the Association website, each unit owner has access to the founding and operative documents of the Association: the Declaration; the restated, amended By-Laws; Operations & Rules Information.
3. **Annual Meeting of the Association.** The Annual Meeting of the Association members is held on the second Monday of May of each year. Unit owners receive advance notice of the exact time and place of the meetings. The purpose of the meeting is to elect new members of the Board of Directors. Each unit has one vote to cast. The unit owners may also transact any other business that may properly come before them.
4. **Directors.** The Association has five members on the Board of Directors who are elected at the Annual Meeting. Each is elected to a two-year term, as vacancies occur. Any unit owner may stand for election to the position of director. Meetings of the Board of Directors are usually held in one of the director's homes on a regular basis. The time and place may vary. Unit owners may attend a directors meeting by contacting the Association president for the time and place of the meeting.
5. **Officers.** The officers of the Association are the President, two Vice Presidents, Treasurer and Secretary. Their corresponding terms of office expire immediately following the Annual Meeting of the Association at which their successor is elected.
6. **Communication.** All written correspondence from you or other unit owners to the Board of Directors should be addressed to the home address of the current Secretary of the Association at the address noted in the Executive Summary. In turn the Board and the various committees provide information to you and other Association members through the Association newsletter, special written announcements, general email broadcasts and at the Annual Meeting.
7. **Committees.** The Association Board is served by two standing committees whose members need not be members of the Board:

a. The Design Review Committee is responsible to assure that design review standards are maintained in exterior components of all Association units as defined in the Association Declaration and By-Laws. They review all proposed changes to the exterior of units for approval or denial. They also conduct an annual review of the exteriors of all units to assure they meet the maintenance standards of the Association. *(See Design Review Committee Guidelines for specific Association policies.)*

b. The Landscape Enhancement Committee is responsible to assure that acceptable landscaping standards are maintained throughout Danell Heights. They review all proposed changes to the existing landscaping of individual units and determine if they are to be approved or denied. They also conduct an annual review of the landscaping of individual units and common areas to assure that they meet the standards of the Association. *(See Landscape Enhancement Committee Guidelines for specific Association policies.)*

SECTION 3

Income and Expenses

1. **Statements of Operating Income/Expenses.** Interim Financial Statements detailing the Income and Expenses through April of the current fiscal year are presented at the Annual Meeting for that year. Final Financial Statements detailing Income and Expenses are sent (via postal mail or email) to each unit owner no later than July 1 following the end of the fiscal year. Such statements are also available on the Association web site. A budget for projected Operating Income and Expenses for the upcoming year is presented at the Annual Meeting of the Association and is approved by the Board of Directors. The fiscal year of the Association begins June 1 and ends May 31.
2. **Payment of Association Dues for Assessed Expenses.** The Association bills the common expenses at the beginning of each quarter. The common expenses are payable by the unit owners for the following periods: January 1 through March 31; April 1 through June 30; July 1 through September 30; and October 1 through December 31 of each calendar year. Dues are payable no later than fifteen days following the beginning of each quarter. **If dues are not paid**

within five days following the due date, a late charge of $20 may be assessed. Any interest shall accrue, starting on the due date, at the highest annual rate permitted by law, or at 18% per annum, whichever is lower. **Note:** The By-Laws provide authorization to publish the names of any owners who are more than 30 days delinquent in payment.

3. **Quarterly Dues Assessments**. Assessments are divided into three accounts:
   A. Dues used to pay the Association's general operating expenses;
   B. Dues used to pay the Association insurance expenses; and
   C. Dues that are deposited in an individual unit owner's Reserve Account.

A. General Operating Expenses.

- Lawn care including cutting, trimming, fertilizing, weeding, seeding, aerating and spring & fall cleanup, as well as installing mulch in landscaped areas near units and trees.
- Spraying and pruning of all trees and shrubs as approved by the Board.
- Maintenance and decoration (where appropriate) of the entrance to the property.
- Repair and replacement of mail boxes and supporting posts.
- Maintenance of electrical service and sprinklers at the entrance.
- Plowing and shoveling snow on driveways and walkways. Salting slippery areas as needed.
- Removal of dead trees etc.
- Provision of other services as are deemed reasonably necessary for the desirable maintenance of the common areas by the Design Review or Landscape Maintenance Committees and approved by the Board of Directors.

B. Insurance Expenses.

- General liability and property coverage of building structures (blanket coverage).
- Officers' and directors' liability.
- Worker's compensation insurance.
- Criminal Loss insurance coverage.

C. Individual Unit Owner's Reserve Account. Owners should forward

proof of payment of individual unit owner's paid expenses to the treasurer of the Association for reimbursement from the Individual Unit Owner's Reserve Account. The amount reimbursed will not exceed the amount in the individual's account. Any additional expense will be the responsibility of the unit owner. The following is a non-inclusive list of the types of expenses that would be reimbursed:

I. Any exterior repair and painting/staining of individual buildings deemed necessary by the Board of Directors under the direction of the Design Review Committee to maintain or correct the structural and aesthetic integrity of the units within the Association.

II. Any repair, replacement, and/or maintenance to the exterior of the building including painting/staining, siding, roofing and windows initiated and undertaken by the unit owner(s) provided it is reviewed by the Design Review Committee.

III. Repair and maintenance of individual owner(s) decks/patios.

IV. The resealing of all unit owner(s) asphalt driveways every third year (beginning in 2001) and additional repair and/or resurfacing that may be required for both cement and asphalt driveways.

V. Nameplates at mailboxes designating individual units.

VI. Projects targeted at permanent and proper interior or exterior maintenance of the unit, the discretion of the treasurer.

All special assessments, when levied, are the property of the Association. No refunds will be given in the event of the transfer of a unit. Reserve funds are the property of each unit and are transferred upon sale to the new owner. The Association will provide a prospective unit purchaser with information regarding the balance of the unit's Individual Reserve Account and the expected quarterly assessment fee of the unit. The maintenance services provided by the Association are not optional. The unit owner will be responsible for his or her share of a common expense, regardless of whether or not the unit owner decides to personally perform the work.

SECTION 4

Insurance

1. **Property Personal Insurance Responsibilities.** The Association is required to obtain and maintain building insurance with extended coverage, as referred to in the By-Laws with extended coverage. The insurance shall cover the Property and shall name as insured the Association in an amount equal to not less than the replacement value of the buildings, without deduction for depreciation, with inflation guard endorsement, if available.
   If the Property is damaged in an amount equal to not less than 20% of the replacement cost of entire condominium, it is up to the Board of Directors to arrange for the prompt repair and reconstruction of the damaged portion of the Property substantially in accordance with the original plans and specifications of the unit, including any kitchen or bathroom fixtures initially installed by the declarant. The Board of Directors shall disburse any insurance proceeds to the contractors engaged in such repair and reconstruction as the work progresses. Individual unit owners are responsible for insuring all other property in and around their units.

IMPORTANT: The following is a summary of the property protected by the Association's blanket insurance policy and a list of the types of property that should be insured by unit owners' policies. **This is not an all-inclusive list.** Owners must be certain of specific coverages that should be included in their individual homeowners' policies: Individual unit owners are responsible for insuring all other property in and around their units. The following is a summary list of the property protected by the Association's blanket insurance policy and types of property that should be insured by unit owners' policies.

PLEASE NOTE: Most condominium owner's insurance policies provide or can provide some coverage for the condo dwelling in addition to the unit owner's personal property. It is strongly recommended that the unit owners review their policies with their insurance agents and obtain insurance coverage as is necessary. The Board of Directors **strongly** urges each unit owner to carefully review Article V, Sections 2 and 3 of the By-Laws which describe the insurance coverages. Each unit owner should then carefully assess his or her personal "condominium unit owner's insurance policy".

STRUCTURAL Property Elements

that are protected by the Association's blanket policy, as listed here, but not limited to —

- All buildings and approved additions, alterations, improvements and betterments which form a permanent part of the structure.
- Furnaces
- Air conditioners
- Air cleaners (attached to furnace)
- Humidifiers (attached to furnace)
- Water heaters
- Plumbing fixtures
- Duct work (and related equipment)
- Piping (and related equipment)
- Electric wiring (and related equipment)
- Permanently installed flooring
- Tile work in kitchen, entry & bath
- Permanent cabinets affixed to walls, floors or ceilings
- Windows and doors, solid or glass
- Wood trim and casings
- Kitchen and bathroom cabinets and fixtures
- Backup of sewer or drain and overflow of sump **See note on Sump to right**
- Other items or additions that are clearly regarded as part of the building and approved by the Board of Directors

CONTENTS Property Elements

that should be protected by the individual unit owners' policies, as listed here, but not limited to —

- Interior paint, wallpaper and other such wall or ceiling coverings
- Window curtains and shades
- Draperies and window treatments
- Stoves (unless an original built-in unit)
- Refrigerators
- Portable appliances and equipment
- Rugs and runners
- Furniture, table and lamps
- Pictures, artwork, decorations on walls
- Statues, knickknacks, decorative pieces in and on furniture
- Gardens and landscaping
- All other personal property
- Light fixtures on walls and ceilings
- Gazebo, deck furnishings and appliances
- Loss assessment coverage
- Backup of sewer or drain and overflow of sump to cover contents **See note on Sump below**

Important: These are only summaries of coverages, not all-inclusive lists. Owners must be certain of particular coverages carried in their individual homeowners' policies.

Note: Sump must be regularly checked and maintained. Sump must always be unobstructed and operable.

See also ***By-Laws, Article V, Section 2, Insurance.***

SECTION 5

Use of Property

The following Rules and Regulations are in addition to those found in the By-Laws Article 5, Section 12. Any questions you have regarding the use of the Property should be directed to the Association Board.

1. **General.**

A. Lawn signs

§ Definition – Lawn signs (also known as yard signs, bandit signs and placards, among other names) are small advertising signs that can be placed on a street-facing lawn or elsewhere on a property to express the support for an election candidate, or political position, by the property owner or to promote a business.

§ Definition does not include landscape decorative flags or signs.

i. Political yard signs - Political yard signs are allowed that are professionally manufactured and produced and only within a unit owner's limited common area. Signs may not be put up more than two months before the election and must be removed within 48 hours after the polls close. Only two signs are permitted at one time and signs may not exceed 24-inches wide/high by 18-inches wide/high.

ii. Business yard signs - Business signs advertising a firm/individual working on a unit are allowed only on a unit owner's limited common area from the time the work begins and must be removed within 48 hours following completion.

iii. Real estate signs - Real estate signs are permitted on the property that is for sale and must be removed by the realtor or owner no later than 48 hours following the date property title transfer.

iv. Other yard signs - Signage permitted at the entrance to Danell Heights or in the limited common area:
   a. real estate signs only on the day of open house.
   b. rummage/yard/garage sale signs only on the day of the sale.

c. Friday night social event on the day of event
d. Danell Heights events as approved by the Board of Directors

v. Front entrance - No other signage is permitted at the entrance to Danell Heights or in the frontage along Fond du Lac Avenue.

vi. Signs not allowed - No other signage is allowed in the limited common area by condo owners except for those signs as described in this section and except for special signage approved by the Board of Directors.

B. Trees and Grounds

i. All trees throughout the subdivision (except within the five-foot area), no matter when planted, are maintained by the Association. They are evaluated each spring by a certified arborist. Based on the annual survey, contracted work for the growing season is proposed and approved by the Board. A revolving yearly trimming program assures attention to all normal issues as work is done section-by-section.

ii. Tree work not deemed necessary may be done at the unit owner's expense upon Approval of the Board of Directors. This includes maintenance, repair, removal and replacement of limited common area plantings. Situations that arise deemed dangerous or necessary shall be considered by the Board on a case-by-case basis. The Vice President of Trees and Landscape shall be contacted with any questions.

iii. There is a living buffer zone between Danell Heights and North Hills Country Club or any subsequent owner, that is, the southern boundary of Danell Heights. A ten-foot easement with trees and shrubs is required by Village Ordinance. No clear cutting or continuous lawn are allowed in this area.

iv. Yard, garden and landscaping waste will be hauled away by a contracted provider during the growing season. It may not be put at the curb except within 24 hours of pickup.

v. Wild and wooded areas will not be used for any type of storage such as wood, equipment or debris from yard, garden or landscaping.

SECTION 6

Terminology Used In Association Documents

General Definitions.

"Declarant" means "Original Developer".

"Condominium" means "Property in which each unit is purchased as a piece of real estate and separately valued for property tax purposes".

"Units" means "Pieces of real estate within the Condominium which are separately valued for property tax purposes".

"Common Element" means: 1. "All of the Condominium, Danell Heights" *(Owner's Manual, Declaration, Section 4, page 3)*
2. "Property over which Association governs" (entrance and green space overlooking pond).

"Limited Common Elements" means: "Out of the entire common element, limited common elements are as follows" *(Owner's Manual, Declaration, Section 5, page 3)*;

1. Driveway extending from unit garage door to the road;
2. Land area surrounding each unit, the yard (each unit's "Yard Limited Common Element" area is identified on each unit's Plat Survey Map);
3. All walkways, lighting fixtures, trees, shrubs, and any other plants, fixtures or structures located within each unit owner's yard.

Insurance Definitions.

"Blanket basis" – A single limit of insurance for property and liability that extends to more than one building or location.

"Direct Physical Loss" – Loss whereby cause of loss is equivalent to the covered peril subject to policy exclusions.

"Replacement Cost" – The cost of replacing property without deduction for depreciation due to normal wear and tear.

"Deductible" – Portions of insured's loss in dollars paid by policy holder.

"Waiver of Subrogation" – Insurance contract that limits the insurer's right to sue a third party in the event of a claim.