DECLARATION OF RESTRICTIONS
FOR
COUNTRY CLUB HIGHLANDS

This Declaration is made this _____ day of _____, 198__, by **COUNTRY CLUB HIGHLANDS, INC.** (hereinafter called "DEVELOPER").

RECITATIONS

WHEREAS, DEVELOPER owns all those lands located in the Village of Menomonee Falls, Waukesha County, Wisconsin, described in Exhibit "A" attached hereto;

WHEREAS, **COUNTRY CLUB HIGHLANDS** is a platted subdivision consisting of forty (40) lots; and

WHEREAS, DEVELOPER desires to subject the presently platted lots within **COUNTRY CLUB HIGHLANDS**, as well as all other portions of **COUNTRY CLUB HIGHLANDS** (except dedicated streets and utilities), to the conditions, restrictions, covenants, reservations and easements hereinafter set forth, for the benefit of **COUNTRY CLUB HIGHLANDS** as a whole and for the benefit of each Lot Owner;

DECLARATION

NOW, THEREFORE, DEVELOPER hereby declares that the real estate described on the attached Exhibit A and all portions thereof (except for dedicated streets and utilities), shall be used, held, leased, transferred, sold, and conveyed subject to the conditions, restrictions, covenants, reservations and easements hereinafter set forth, which shall inure to the benefit of and shall pass with each Lot as covenants running with the land and shall apply to and bind all successors in interest, users and owners.

DEFINITIONS, PURPOSE AND USE RESTRICTIONS

1.01 DEFINITIONS

(a) "Association" shall mean the **COUNTRY CLUB HIGHLANDS HOMEOWNERS ASSOCIATION**, an unincorporated association, created under this Declaration.

(b) "Architectural Control Board," the "Board," or "ACB" shall mean the officers elected in accordance with Section 3.07 of this Declaration who shall serve as members of the

Architectural Control Board and shall operate and manage the Association as a Board of Directors.

(c) "Common Area" or "Common Areas" shall mean any area with **COUNTRY CLUB HIGHLANDS** which is not a lot or a dedicated street or other dedicated area for which the Village has assumed responsibility for maintenance and which is conveyed by DEVELOPER to the Association. This includes, but is not limited to, the area designated as Outlot #1 in Exhibit "A," the island adjacent to Fond du Lac Avenue and a designated portion of Lot #40 adjacent to Fond du Lac Avenue. This does not include areas of an Owner's Lot which cannot be built upon because of municipal or state restrictions.

(d) "Village" shall mean the Village of Menomonee Falls, a Municipal Corporation.

(e) "Developer" shall mean **COUNTRY CLUB HIGHLANDS, INC.**, a Wisconsin Corporation, as well as any successor-Developer.

(f) "Family" shall mean one or more persons related by bond, marriage or adoption who are living, sleeping, cooking and eating on the premises as a Single housekeeping unit and shall exclude any person or groups of persons where three or more are not so related or engaged as household employees.

(g) "Home" shall mean a residential building designed and used as a dwelling for one family (which shall not include any attached garage).

(h) "Lot" shall mean a platted lot within **COUNTRY CLUB HIGHLANDS** identifiable by reference to a name and lot number, regardless of whether such property is currently platted or platted at some future time. The term "Lot" does not include any Common Area.

(i) "Lot Owner," "Lot Owners" or "Co-Owners" shall mean the holder(s) of a legal or equitable ownership interest in fee simple record title to a lot, regardless of the type of tenancy or estate and shall include land contract vendees and vendors, but shall not include the holder of any leasehold interest or any mortgage or consensual lien prior to acquisition of legal or equitable title.

(j) "Property" shall include a lot and all improvements.

(k) "Section" shall mean all those provisions within a numbered heading of this Declaration.

(l) "Structure" and "improvement" shall be synonymous and shall both mean and include any and all of the following,

regardless of whether temporary or permanent in character or intended use: building, outbuilding, shed, booth, garage, carport or aboveground storage facility; tent; exterior lighting or electric fixture, antennae, tower, pole or bug control device; fence, retaining or other wall, fountain or aboveground or inground swimming or wading pool; plantings; driveway, sidewalk or walkway; pet kennels or run line; screened or other type of porch, patio or gazebo, tree house or other exterior play equipment; berms and swales; and any other type of equipment or facility for any decorative, recreational or functional purpose of any kind (including, without limitation, additions or alterations to or deletions from any of the foregoing) not located entirely within the exterior perimeter walls of the single family building constructed on the lot. Use of the phrase "structure or improvement" or any other use of such words shall not imply different meanings for such terms.

(m) **COUNTRY CLUB HIGHLANDS** shall mean the lands described on the attached Exhibit "A," excluding lands now or hereafter dedicated to the City.

(n) "Successor-Developer" shall mean any person, firm or entity which expressly assumes in writing all then remaining obligations of Developer to the Village under certain Development Agreements recorded in the Office of the Register of Deeds for Waukesha County, Wisconsin, as Document Numbers 1530696 _____, (as may be amended) relating to development of **COUNTRY CLUB HIGHLANDS** or portions thereof.

(o) "Environmental Corridor" shall mean that area so designated by the State of Wisconsin Department of Natural Resources along the Menomonee River.

1.02 GENERAL PURPOSE

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

HIGHLANDS consistent with high aesthetic standards and the purposes for which each such Lot is platted; to encourage and secure the erection of attractive residential structures with appropriate locations on the Lots; to prevent installation of improvements which may adversely affect the aesthetic appearance of a Lot or surrounding area; to ensure a proper and consistent set-back of structures and buildings for aesthetic appearance and to avoid blockage of views for other properties; to secure and maintain a proper spatial relationship of buildings, structures and other improvements; and to otherwise secure mutual enjoyment of benefits for owners and occupants of residential property within **COUNTRY CLUB HIGHLANDS.**

1.02(a) DEVELOPER:

All authority to enforce the restrictions contained in this document or to grant approval of any variances from such restrictions shall be in the sole discretion of Developer until 90% of the lots described on Exhibit "A" have been sold. Once 90% of such lots are sold the Association or the Board, as designated, shall control. All references to authority of the "Developer or the Board" or the "Developer or the Association" mean that Developer has the sole authority and responsibility until 90% of the lots are sold and that the Board or Association shall assume such authority or responsibility once 90% of the lots are sold.

1.03 SINGLE FAMILY USE: GENERAL RESTRICTIONS:

(a) Each Lot shall be used solely for residential purposes by one Family, except that business activities may be conducted in or from any Home if confined solely to the transaction of business by telephone. The term "residential purposes" shall include only those activities necessary for or normally associated with the use and enjoyment of a homesite as a place of residence and limited recreation.

(b) Only one Home may be constructed on each Lot and no garage, tent, or other improvement (except for the Home) shall be used for temporary or permanent living or sleeping for family or guests without the prior approval of the Developer or the Board.

(c) Each Lot and all front, side and rear yards shall be maintained by the Lot Owner so as to be neat in appearance when viewed from any street or other Lot and, if not properly maintained, the Association may perform yard maintenance and charge the costs thereof to the Lot Owner and levy a Special Assessment against the Lot. Developer or the Association shall

not be obligated to improve any areas of **COUNTRY CLUB HIGHLANDS** with grass or plantings or to cut grass or foliage growing in a natural environment.

(d) Any Lot that borders North Hills Country Club may be subject to green area restrictions of not more than fifteen feet (15') from the lot line that adjoins North Hills Country Club.

(e) Specific lots are subject to floodplain and environmental corridor restrictions.

(f) No Lot shall be used in whole or in part for conducting any unlawful activity or for any unlawful purpose. No noxious odors or loud noises shall be permitted to escape from any Home or Lot nor shall any activity be permitted or engaged in which constitutes a public or private nuisance.

1.04 USE AND MAINTENANCE OF COMMON AREAS

(a) All Common Areas shall be used as open spaces for the common benefit of **COUNTRY CLUB HIGHLANDS**. The manner of use shall be regulated by the Developer or the Board and may be modified at any time.

(b) Any signs, monuments, structures or entranceway landscaping constructed by Developer or the Association for the general benefit of **COUNTRY CLUB HIGHLANDS** residents shall be properly maintained by the Association. The Association shall also maintain the **COUNTRY CLUB HIGHLANDS** and any other Common Areas so as to be neat and attractive in appearance.

(c) Each Lot Owner shall be responsible for an annual assessment related to the maintenance and upkeep of Common Areas. The Lot Owners may be subject to additional assessments as determined to be necessary. Each Lot Owner shall be responsible for 1/40th of each assessment.

1.05 RESTRICTIONS ON USE OF RECREATIONAL VEHICLES

Recreational vehicles (which shall include snowmobiles, trailbikes, travel trailers and vans, motor homes and dune buggies and other off-street motorized vehicles of any kind) shall not be parked, kept or stored on any Common Area or undeveloped area of **COUNTRY CLUB HIGHLANDS** nor shall any such Recreational Vehicle be parked, kept or stored on any Lot outside an enclosed garage without the prior approval of the Board (which may be withheld on the basis of aesthetics if for no other reason). Such Recreational Vehicles shall also not be

used or operated on any Lot or otherwise within **COUNTRY CLUB HIGHLANDS**, except on dedicated streets in accordance with applicable traffic laws.

1.06 ANIMALS AND PETS

No livestock, poultry, reptile or other animal of any kind shall be raised, bred or kept on any Lot except that dogs, cats and other normal household pets (as may be approved by the Board from time to time) may be kept so long as not kept, bred or maintained for any commercial purpose or in an unreasonable number or manner. The right of any Lot Owner to keep such a pet on any Lot is subject to the condition that the pet is not allowed to unreasonably annoy any other Lot Owner and is not allowed to run at large.

1.07 GARBAGE AND REFUSE

No Lot shall be used or maintained for dumping or storage of trash, garbage, or debris of any kind, except for temporary storage in sanitary covered containers suitably screened from view from streets and adjoining Lot. There shall be no burning or burial of any garbage, trash, or debris at any time other than or burning of leaves and light brush if approved by the Developer or Board.

1.08 ENVIRONMENTAL CORRIDOR

No removal of trees, altering of natural terrain and conditions or construction of improvements shall occur within the enviromental corridor designated by the State of Wisconsin Department of Natural Resources. Restrictions in this regard shall be governed by the appropriate state statutes and administrative orders. Waiver shall be obtained from those authorities and be approved by the Developer or the Board.

CONSTRUCTION OF IMPROVEMENTS

2.01 MINIMUM LIVING AREA AND HEIGHT REQUIREMENTS: GARAGES

(a) Each Home shall have a minimum living area (exclusive of basement, attic, garage, porches, patios and storage areas):

1. of not less than 2,400 square feet for a one-story home;

1½ story

2. of not less than 2,900 square feet for a two-story home.

The Developer shall have the exclusive right to determine whether such requirements will be satisfied and any decision of the Developer shall be final and conclusive. Once 90% of the lots are sold, the Board shall assume such authority.

(b) Split level Homes may be permitted by the Developer or the Board, in its discretion, provided the exterior dimensions and appearance are compatible or expected to be compatible with other Homes in **COUNTRY CLUB HIGHLANDS.**

(c) Each Home shall have a basement with a finished floor area (exclusive of any crawl space) of not less than 60% of the area of the first floor.

(d) No Home shall exceed three stories (excluding the basement) or 40 feet in height above finished grade, whichever is less.

(e) The roofs shall be pitched to rise at least eight inches vertically for each twelve horizontal inches.

(f) An attached enclosed garage (for at least two and not more than four cars) shall be constructed at the time of construction of the Home and all exterior portions of such garage shall be completed prior to occupancy of the Home.

2.02 SUITABILITY

(a) Developer only warrants that lots are suitable for construction of homes with minimal living area described herein and makes no further warranties relating to suitability of lots for building. Developer suggests that prospective buyers have such lot inspected and tested by an expert in the field prior to construction.

(b) Developer discloses that the grade of some lots may be severe and suggest that prospective buyers have an expert in the field inspect such grade.

(c) Developer suggests, but does not require, that buyers utilize a properly licensed architect in any construction.

2.03 LOCATION AND SET-BACK

(a) No Home or garage (including eaves, steps, overhangs, and attached porches, patios and other appurtenances) shall be located on any Lot:

1. per Village Ordinance as Minimum.

Each corner Lot shall be determined by the Developer or the Board to have one rear line, one side Lot line, one front Lot line and a side street based on the proposed orientation of the Home and other improvements.

(b) Approval by the Plan Commission or Building Inspector of the City with respect to set-backs or other matters shall not be binding on the Developer or the Board in any respect.

(c) Notwithstanding the set-back requirement specified above, the orientation and precise location of each Home and garage, as well as all other improvements on the Lot, must be approved in writing by the Developer or the Board prior to any construction, it being intended that the Developer or the Board may, in its discretion, impose greater set-back requirements than those specified above in order to achieve or maintain the aesthetic appearance for **COUNTRY CLUB HIGHLANDS** or any portions thereof which the Developer or the Board deems advisable. Additionally, the approval of the exact location of the house by the Developer or the Board may be for the purpose of ensuring a proper and consistent set-back of structures and buildings and to avoid blockage and views of other properties.

(d) The Developer or the Board may permit improvements (other than the Home and garage) to be constructed, installed and located within the set-back areas described above; provided, such permission must be in writing to be effective and can only be granted after notice to all adjoining and adjacent Lot owners advising them of the proposed improvement and affording them an opportunity to be heard with respect to the proposed improvement.

2.04 ARCHITECTURAL STYLES AND BUILDING MATERIALS

Traditional styles including Colonial, Williamsburg, American Gothic, Cape Cod, French Country, Georgian, and English Country are encouraged. Modern, Contemporary, Mediterranean and Spanish styles may be restricted. All exterior building materials must be natural materials (exclusion of shutters); timbers, fieldstone, and brick are encouraged. Exterior chimneys must be stone or brick. Minimum roof pitch as stated in 2.01(e) will be required. Garage doors should be placed on side or rear elevation of homes unless written approval of the Board is obtained.

2.05 APPROVAL OF DEVELOPER OR BOARD REQUIRED FOR ALL IMPROVEMENTS

(a) No Home, garage or other structure or improvement of any kind shall be installed, erected, constructed or placed on

any Lot (or altered or changed with respect to layout, location or exterior design, appearance, color or material composition) without: (1) prior submission of detailed plans to the Developer or Board appropriate for its review and written approval; and (2) acquisition of prior written approval by the Developer or Board. Plans to be considered appropriate for review by the Developer or Board must include the following (unless the Developer or Board advises a Lot Owner in writing to the contrary): construction drawings, plans and specifications (prepared by a qualified home designer or architect if the improvement involves construction of a Home, garage or addition or change to either) showing dimensions, composition and color of exterior materials and equipment, if any; and a plot plan showing the location of the improvement with respect to set-backs from Lot lines and other buildings and improvements, finish grade elevations, topography, drives, existing plantings and other data pertinent to such review by the Developer or Board as it may reasonably request. The Developer or Board shall consider the following factors and may deny or withhold approval of any proposed improvement if, in its sole judgment, any one or more of the general purposes specified in Section 1.02 will not be satisfied; material composition and quality; exterior design, appearance and color; coordination with other existing or contemplated improvements; location with respect to topography and existing surroundings, set-backs, finished grade elevations, access, drainage and plantings; and general aesthetics. ANY LOT OWNER WHO CAUSES OR ALLOWS ANY IMPROVEMENTS TO BE CONSTRUCTED, INSTALLED, PLACED OR ALTERED ON THE LOT WITHOUT PRIOR WRITTEN APPROVAL OF THE DEVELOPER OR BOARD MAY BE REQUIRED TO REMOVE SUCH IMPROVEMENT IN ITS ENTIRETY AT THE LOT OWNER'S EXPENSE. Without intending to limit the generality of the foregoing, it is intended that the exterior color of any portion of a Home, garage or other improvement may not be changed in any significant respect without the prior written approval of the Developer or Board.

(b) Construction of an approved home must commence within 18 months of property acquisition or title to the property can be reacquired at the sale price by either the Developer or the Board.

(c) Upon approval by the Developer or Board of the plans for the proposed improvement and upon receipt of any necessary Village and other governmental approvals or permits, construction or installation of the improvement may commence and, once commenced, shall be completed as to all exterior items within twelve (12) months following either acquisition of Developer or Board approval or issuance of any required building permit by the City, whichever is later. The Developer or Board may, in its discretion, extend such completion deadline up to an additional six (6) months in the event it

finds the delay has been caused primarily by factors beyond the control of the Lot Owner and his/her contractors. For its own benefit to be sure of compliance, the Developer or Board may, at its discretion, require performance bonds from the contractors involved.

(d) In the event the Developer or Board fails to act upon proposed plans within 30 days following written acknowledgment by the Developer or Board that it has received such plans and that they are adequate for purposes of its review or in the event no suit to enjoin the erection, installation or change of the improvement or to require removal thereof has been commenced within one (1) year following final completion thereof, no right shall exist to thereafter enforce these restrictions insofar as approval by the Developer or Board is required as to such particular matter.

(e) Any approval or permission of the Developer or Board under this Section, to be binding or effective, MUST BE IN WRITING signed by an authorized representative. No oral statements, representations or approvals of the Developer or Board or any of its members or agenst shall be binding on the Developer or Board under any circumstances, regardless of any reliance thereon by any Lot Owner.

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

2.06 LANDSCAPING AND DRAINAGE

(a) Landscaping plans, including mature shrubbery, must be submitted for approval in conjunction with building plans.

(b) All landscaping shall be completed (in accordance with the plan approved by the Board) within 18 months following the issuance of the occupancy permit for the Home. For its own benefit to be sure of compliance, the Developer or Board may, at its discretion, require performance bonds from the contractors involved.

(c) To avoid a substantial increase in surface water drainage onto adjoining Lots, the landscaping plan shall provide for adequate drainage of storm and surface water toward adjoining streets and away from adjoining Lots if natural drainage on the Lot is to be or has been altered by grading or landscaping by the Lot Owner.

(d) No fence, wall, hedge, or screen planting shall be installed unless in accordance with landscaping or other plans

approved in advance by the Board under Section 2.04. Split rail fences will be encouraged. All other styles will be discouraged other than for protection of swimming pools.

(e) Front yards, including side yards on common lots, should be maintained lawns and only back and side yards may be left natural.

2.07 DRIVEWAY

Each Lot shall be improved by the Lot Owner with an asphalt or concrete driveway extending from the street to the garage within 24 months following issuance of an occupancy permit for the Home. A plot plan showing the location of the drive shall be submitted to the Developer or Board for its prior approval under Section 2.04 above.

2.08 CONSTRUCTION MATERIALS - STORAGE

No building or construction materials shall be stored on any Lot outside of the Home or garage, other than during periods of actual construction or remodeling and then only for so long as may be necessary. Excess excavated material shall not be stored on any Lot during or after construction without the prior approval of the Developer or Board, unless required for back filling, finish grading, or landscaping.

2.09 WATER SUPPLY

Each Home shall be connected to the water supply system of **COUNTRY CLUB HIGHLANDS** or public utility and no individual wells shall be used or permitted except for wells existing prior to the formation of this Acquisition.

2.10 SEWERAGE DISPOSAL

Each Home shall be connected with the Village or common sewer system and no septic tank or other individual sewerage system shall be used or permitted.

2.11 GARBAGE DISPOSAL

No incinerator or incineration system for burning garbage or debris shall be used or permitted.

2.12 WIRES, ANTENNA, AND SOLAR PANELS

(a) All utility lines and wiring for gas, electric, telephone, and cable television service to a Home, garage or other improvement shall be installed underground, unless otherwise permitted by the Developer or Board prior to installation.

(b) No roof-top, tower-mounted or other external antenna or satellite dish for television or radio reception or for other electronic transmission or reception or solar heating panels shall be erected or used without the prior written approval of the Developer or Board.

2.13 SIGNS AND MAILBOXES

(a) No sign or banner of any kind shall be placed or displayed to public view on any Lot, except: (1) one sign of not more than six square feet advertising the Property for sale; and (2) one standard sign (showing the Lot Owner's name) as may be approved by the Developer or Board for uniform use in terms of size, design, appearance and location for each Lot in **COUNTRY CLUB HIGHLANDS.**

(b) No mailbox shall be installed unless the location, size, materials and appearance are approved in writing by the Developer or Board in accordance with Section 2.04.

THE ASSOCIATION

3.01 CREATION

(a) The Developer hereby creates and establishes a non-profit unincorporated homeowner's association to be known as **"COUNTRY CLUB HIGHLANDS HOMEOWNER'S ASSOCIATION,"** with all rights, powers, privileges and obligations as provided in this Declaration.

(b) The Association shall exist during the term(s) of this Declaration and shall automatically terminate upon termination of this Declaration.

3.02 MEMBERSHIP

(a) Each Lot Owner shall automatically be a member of the Association and shall be entitled to one membership and one vote for each Lot owned, with ownership of a Lot being the sole qualification for membership. The membership in the

Association appurtenant to a lot shall be owned jointly and severally by all co-Owners of the Lot, regardless of the form of tenancy, estate, or interest in the Lot.

(b) Association membership and voting rights shall be appurtenant to each Lot and shall not be assigned, conveyed or transferred in any way except upon transfer of an ownership interest in the Lot and then only to the transferee, nor shall membership or voting rights be retained except upon retention of an ownership interest in the Lot. Any attempt to make a prohibited transfer or retention of such rights shall be null and void.

(c) Notwithstanding any provision in this Declaration to the contrary, the Developer shall be entitled to one membership and one vote for each Lot owned by the Developer.

3.03 VOTING

(a) The vote appurtenant to each Lot shall be cast as a whole (in person or by proxy) by the Lot Owner or any co-Owner.

Fractional votes will note be allowed; and if co-Owners of a Lot do not agree on how the vote shall be cast or if a fractional vote is attempted, the right to vote on the matter in question shall be forfeited by such Owners. The Association may treat any co-Owner of a Lot or the proxy of any such co-Owner as duly authorized to vote for all co-Owners of that Lot.

(b) Quorum. A quorum for voting purposes shall consist of fifty percent (50%) or more of the votes entitled to be cast.

(c) There shall be no cumulative voting for election of officers or on any other matters. All decisions and actions of the Association, except as otherwise specifically provided for in this Declaration, shall be by a majority of the votes present and entitled to be cast.

(d) A Lot Owner shall not be entitled to vote on a matter if any General or Special Assessment against the Lot is then delinquent.

(e) Proxies shall be valid only for the particular meeting or time period designated in the proxy, unless sooner revoked, and must be filed with the Secretary at or before the appointed time of the meeting.

3.04 MEMBERSHIP LIST: NOTICES

(a) The Association shall maintain a current Membership List. Each Lot Owner shall furnish the informaiton necessary for the Association to maintain such Membership List.

(b) All notices required to be given to a Lot Owner shall be deemed to have been duly given: at the time of personal delivery to the Lot Owner or the Home of the Lot Owner; or 48 hours after mailing within the State of Wisconsin by regular or certified mail to the Lot Owner's mailing address shown in the Membership List. Notice to one co-Owner of a Lot shall be deemed effective notice to all other co-Owners of such Lot.

3.05 ASSOCIATION MEETINGS

(a) Written notice of all meetings of the Association stating the time, place, and purpose for which the meeting is called shall be given by the President or Secretary to each Lot Owner not less than four (4) nor more than 30 days prior to the date of such meeting; provided, however, that notice of any meeting may be waived in writing before or after the meeting.

(b) The annual meeting of the Association shall be held in June of each year for the purpose of electing officers and transacting any other business authorized to be transacted by the Association. The Board shall select the specific date, time and place of the annual meeting for a given year and shall furnish written notice to each Lot Owner in accordance with Section 3.05(a).

(c) Special meetings of the Association shall be held whenever called by the President or two officers; however, such meetings must be called upon receipt by the President of a written request signed by Owners with one-fourth (1/4) or more of all votes entitled to be cast.

(d) A quorum for meetings necessary to conduct Association business shall consist of Lot Owners, present in person or by proxy, representing a majority of all votes entitled to be cast.

(e) The act of a majority of the votes at any meeting at which a quorum is present shall be the act of the Association, unless a greater percentage is required under this Declaration.

(f) If a quorum is not present at a meeting, no business of the Association shall be transacted; however, the majority of votes present (in person or by proxy) may adjourn the meeting from time to time without further notice if such adjourned meeting at which a quorum is present is held within

15 days of the meeting originally noticed. If a quorum is present at such an adjourned meeting, any business may be transacted which might have been transacted at the meeting as originally noticed.

3.06 POWERS AND RESPONSIBILITIES OF THE ASSOCIATION

(a) Without limitation, the Association shall have the following powers in addition to any others which may be necessary or incidental to performance of any duties or powers of the Association specified in this Declaration:

1. to levy and enforce payment of General and Special Assessments on the Lots and against Lot Owners;

2. to enforce this Declaration;

3. to purchase, sell and convey Lots (including the improvements thereon) incident to foreclosure of a lien for any assessment and to acquire real estate as additional Common Area;

4. to enter and execute contracts, deeds, mortgages, and documents on behalf of the Association which relate to any Common Area or improvements therefor;

5. to incur indebtedness on behalf of the Association and to execute drafts and other negotiable instruments;

6. to employ the services of any person, firm, or corporation to maintain the Common Areas or to construct, install, repair or rebuild improvements thereon;

7. to acquire, sell, transfer or exchange goods, equipment and other personal property or fixtures in the name of the Association for the operation of the Association;

8. to commence, prosecute, defend or be a party to any suit, hearing or proceeding (whether administrative, legislative or judicial) involving the enforcement of this Declaration or otherwise involving the exercise of any powers, duties or obligations of the Association;

9. to adopt Rules and Regulations for the management operation, use and enjoyment of the Common Areas, including fines or penalties which may be enforceable by Special Assessment against any Lot Onwer or his/her family or guests violating such Rules or Regulations; and

10. to exercise all other powers necessary to maintain the Common Areas and operate the Association for the mutual use and enjoyment of all Lot Owners.

(b) The Presient, together with one other officer of the Association, is empowered to negotiate, execute and enter contracts, agreements and other undertakings or documents of any kind on behalf of the Association necessary or incidental to exercise of any powers or obligations of the Association or of the Board under this Declaration.

3.07 ARCHITECTURAL CONTROL BOARD

(a) All Officers of the Association then in office shall be members of the Architectural Control Board and no other person may be a member of the Board. Each member of the Board shall serve and hold office until a successor is elected or appointed to such office.

(b) The Board shall initially consist of the person(s) appointed by Developer as President, Secretary, and Treasurer of the Association to hold office until successors are appointed by Developer or elected by the Association. Except for officers appointed by Developer, a person must be a Lot Owner or co-Owner of a Lot in order to be eligible to serve as an officer and member of the Board.

(c) Any officer and member of the Board (other than an officer appointed by Developer) may be removed from office with or without cause at any regular or special meeting of the Association by a majority vote of all Lot Owners and a successor may then be elected at that meeting to fill the vacancy thus created or at a special meeting thereafter called for that purpose. Any officer appointed by Developer may be removed at any time by Developer and a successor may then be appointed by Developer.

(d) Vacancies in any officer position and on the Board (caused other than by removal under Section 3.07(c)) above and newly created officer positions resulting from an increase in the number of officers shall be filled by a majority vote of the officers then in office and each person so elected shall

serve until a successor is either appointed by Developer or elected at the next annual meeitng of the Association.

(e) An annual meeting of the Board shall be held immediately after the annual meeting of the Association. No notice of the annual meeting of the Board shall be required.

(f) Regular meetings of the Board shall be held at such times and places as the Board determines by resolution to be appropriate and no notice of regular meetings shall thereafater be required.

(g) Special meetings of the Board may be called by any officer on three (3) days prior notice to each officer, given orally or in writing.

(h) Before, at, or after any meeting of the Board, any officer may (in writing) waive notice of such meeting and such waiver shall be deemed equivalent to the giving of notice.

(i) For all meetings of the Board, a quorum necessary to transact business shall consist of a majority of the officers and the act of such majority shall be the act of the Board. If there is less than a quorum present at any meeting of the Board, no business shall be transacted; however, the majority of those present may adjourn the meeting from time to time without further notice if such adjourned meeting at which a quorum is present is held within 15 days of the meeting originally scheduled. If a quorum is present at an adjourned meeting, any business may be transacted which might have been transacted at the meeting as originally noticed.

(j) Any action of the Board authorized under this Declaration may be taken upon the unanimous consent of all officers without a meeting.

(k) The Board may require that some or all officers and/or employees of the Association handling or responsible for Association funds furnish adequate fidelity bonds, the premiums for which shall be paid for by the Association as a common expense.

3.08 OFFICERS

(a) The Officers of the Association shall be:

(1) a President, who shall: be the chief executive officer of the Association and a member of the Board; be responsible for the proper execution of the business and affairs of the Association (subject

to the control of the Board); preside at all meetings of the Association and the Board; have the authority to appoint various committees; have all the general powers and duties usually vested in the Office of President, as well as such other powers and duties as may be prescribed from time to time by resolution of the Association.

(2) a Secretary, who shall: be a member of the Board; keep the minutes of all meetings of the Board and of the Association; have charge of all the Association's books and records; maintain the Membership List and keep it current; have charge of delivering all notices and approvals on behalf of the Board and the Association; and, in general, perform all duties incident to the office of Secretary, together with such other powers and duties as may be prescribed from time to time by resolution of the Association.

(3) a Treasurer, who shall: be a member of the Board; be responsible for the Association's funds and assets; keep complete and accurate accounts of all receipts and disbursements, financial records, and books of accounts; deposit all monies in the name and to the credit of the Association in depositories as may from time to time be designated by the Board; and exercise such other powers and duties as may be prescribed from time to time by resolution of the Association.

(4) one or more Vice-Presidents (not to exceed four at any one time), the number of which shall be determined by resolution of the Association; however, it is not required that the Association have one or more Vice-Presidents. A Vice-President, in addition to serving on the Board, shall have such other powers, duties and restrictions as may be prescribed from time to time by resolution of the Association.

(b) All officers shall be elected annually by the Association if not subject to appointment by Developer. Each officer shall hold office until a successor is duly elected or until death, resignation, or removal, whichever first occurs. No person may hold two or more offices at any one time, except that officers appointed by Developer may hold any number of offices.

3.09 MANAGEMENT OF ASSOCIATION BY THE BOARD

(a) The Association and its business, activities and affairs shall be managed by the Board (which shall consist of

all the offcers of the Association). The Board shall exercise and perform, in addition to the powers, duties and obligations specified in this Declaration for the Board all powers, duties and obligations of the Association (except to the extent this Declaration may otherwise expressly require the prior vote of the Association on a particular matter). Notwithstanding any other provision of this Declaration to the contrary, Developer shall be entitled to appoint all officers of the Association until such time as 90 percent (90%) of all present and future platted Lots in **COUNTRY CLUB HIGHLANDS** have been sold and fee simple title conveyed by Developer (at which time, all officers of the Association shall be elected by the members of the Association). When five (5) lots are conveyed, a minimum of one property owner will be appointed by Developer to the Board and, when 10 lots have been conveyed, a minimum of two (2) property owners will be appointed by the Developer to the Board.

(b) The Board may appoint committees consisting of one or more Lot Owners to make recommendations to the Board or the Association on any matter.

(c) No person shall receive any payment for services rendered as an officer of the Association or as a member of any committee unless specifically authorized by prior resolution of the Association. The Board may reimburse out-of-pocket expenses incurred by an officer or committee member in the performance of his/her duties.

(d) No member of any board or committee or officer of the Association shall be liable to any Lot Owner or to any other party, including the Association, for any loss or damage suffered or claimed on account of any act, omission, error or negligence of such board or committee member or officer, provide such person acted in good faith, without willful or intentional misconduct.

(e) All decisions of the Board on any matter (including, without limitation, decisions under Section 2.04) shall be enforceable against any Lot Owner if made in a good faith exercise of the judgment or discretion of its members so long as such decision is not clearly in conflict with the express provisions of this Declaration. Any Lot Owner or other person seeking to avoid, set aside or challenge any such decision of the Board shall have the burden of proof to establish that such standards were not met at the time the decision was made.

3.11 COMMON EXPENSES AND ASSESSMENTS AGAINST LOTS AND LOT OWNERS

(a) The Board shall pay or arrange for payment for all costs, expenses and liabilities incurred by the Association out

of the proceeds of assessments which shall be made against the Lot Owners and their Lots.

(b) "Special Assessments" may be made and levied by the Board against a particular Lot Owner and his/her or their Lot (without levying against other Lots) for:

(1) costs and expenses (anticipated or incurred) for repair of damage to Common Areas caused by or at the direction of the Lot Owner or the family or guests of the Lot Owner;

(2) costs, expenses and actual attorney's fees incurred in, or in anticipation of, any suit, action or other proceeding to enforce this Declaration against the Lot Owner;

(3) interest due on General or Special Assessments; and

(4) all other costs and expenses anticipated or incurred by the Association which are subject to Special Assessments as provided under this Declaration.

(c) "General Assessments" may be made and levied by the Board equally against each Lot Owner and his/her or their Lot for the following "common expense" which may be anticipated, incurred or paid by the Association for:

(1) maintenance, repairs, upkeep or operation of Common Areas and any additional Common Areas (such as any contiguous real estate) as may be acquired by the Association;

(2) any insurance maintained by the Association;

(3) taxes, assessments and charges of any kind made or levied by any governmental authority against the Association or upon any property of the Association;

(4) all costs and expenses for the operation and administration of the Association, including legal, accounting and management fees and other costs incident to the exercise of any of its powers or obligations;

(5) costs and expenses for additional improvements to Common Areas beyond those installed by Developer;

(6) all items subject to Special Assessment which have not been collected from a Lot Owner at the time payment of such item is due, provided that upon collection of the Special Assessment from that Lot Owner, all other Lot Owners shall receive an appropriate adjustment, reimbursement or credit on future General Assessments, as the Board may determine, for payments made under this paragraph;

(7) all damages, costs, expenses and attorney fees incurred in, or in anticipation of, any suit or proceeding (whether administrative, legislative or judicial) which are not otherwise collected by Special Assessment;

(8) costs and expenses of services, if any, made available to all Lots and/or for any Common Areas; and

(9) all other costs and expenses declared to be common expenses under this Declaration.

The General Assessments for all common expenses shall be levied equally against each Lot.

(d) The Association shall maintain separate books and records for General and Special Assessment accounts of the Lot Owners, as may be necessary, provided that all funds received from either assessment may be co-mingled and thereafter disbursed to pay any costs or expenses incurred by the Association which would be subject to General or Special Assessment.

(e) Developer shall be responsible for all assessments levied against any platted Lot prior to a sale of such Lot by Developer. However, Developer shall not be responsible for any General or Special Assessments which may be levied for improvements, capital expenditures, reserves, or replacement funds of any kind. The Board may at any time levy assessments for such purposes against the Lot Owners (other than Developer) and against all Lots, including those owned by Developer, except that such Assessments against any Lot(s) owned by Developer shall not be due or otherwise collectible until

Developer conveys title to such Lot and then only from the Developer's successors in interest, with the lien therefor to be effective as of the date of transfer of title.

(f) The Board shall determine the estimated expenses of the Association and prepare an annual operating budget in order to determine the amount of the annual General Assessments necessary to meet the estimated common expenses of the Association for the ensuing year and shall furnish a copy to each Lot Owner or one of the Co-Owners of the Lot.

3.11 PAYMENT OF ASSESSMENTS

(a) Each Lot Owner shall promptly pay, when due, all General and Special Assessments levied by the Board against such Owner and his, her or their Lot, together with all costs, expenses and reasonable attorney fees incurred by the Association in collection of any delinquent assessment(s). All assessments shall become due as the Board may determine appropriate (in a lump sum or in installments with or without interest). Time is of the essence with respect to all payments.

(b) All co-Owners of a Lot shall be jointly and severally liable for all General and Special Assessments levied against the Lot, regardless of the type of tenancy, estate or interest in the Lot (whether as joint tenants, tenants-in-common, land contract purchaser(s) or seller(s), or otherwise).

3.12 DELINQUENT ASSESSMENTS: INTEREST, LIEN AND COLLECTION

(a) All General and Special Assessments which are not paid when due: shall bear interest at 12 percent (12%) per annum or at such other maximum rate as may then be permitted by law until the assessment is paid in full; shall constitute a lien on the Lot; and shall be collectible and enforceable by the Board (in its own name or the name of the Association) by suit against the Lot Owner, by foreclosure of the lien, and/or in any other manner or method provided under this Declaration or laws of the State of Wisconsin. The lien granted hereunder shall also cover and include all interest accruing on delinquent assessments, plus costs, expenses and attorney's fees for collection.

(b) The Association (through the Board) shall have the exclusive right and power to collect or enforce collection of all General and Special Assessments levied by the Board and shall further have the exclusive right to bring any and all actions and proceedings for the collection thereof and/or the enforcement of liens arising therefrom. The Association may

bring an action at law against any Lot Owner personally to collect such assessments and/or to foreclose the lien for such assessments against the Lot (in the same manner and method as an action to foreclose a real estate mortgage). The Board shall have the right at any time to notify all Lot Owners within **COUNTRY CLUB HIGHLANDS** of the delinquency of any Lot Owner.

3.13 RULES AND REGULATIONS

(a) The Association may from time to time adopt or change rules or regulations (hereafter "Rules or Regulations") governing the operation, maintenance and use of the Common Areas by the Lot Owners and their respective families and guests. Such Rules or Regulations shall be designed to facilitate and encourage the peaceful use and enjoyment of the Common Areas by the Lot Owners and their respective families, without unduly interfering with the peaceful use and enjoyment of the surrounding Lots. All Lot Owners, lessees, licensees, invitees, other occupants, and guests of any Lot in **COUNTRY CLUB HIGHLANDS** shall abide by all such Rules and Regulations.

(b) A violation of any Rule or Regulation shall be a violation of this Declaration and may be enforced in the same manner as any other term or provision of the Declaration or as otherwise may be designated in the Rule or Regulation, including without limitation the imposition of forfeitures, penalties, or other charges against the Lot Owner, which shall be collectible by Special Assessment against the Lot and Lot Owner.

(c) Rules and Regulations shall be enforced by the Board but may not be enacted, amended, or repealed by the Board.

3.14 LOT OWNER'S LACK OF AUTHORITY TO BIND ASSOCIATION

No Lot Owner (other than the officers of the Association) shall have any authority to act for the Association or the other Lot Owners, as agent or otherwise, nor to bind the Association or the other Lot Owners to contracts, negotiate instruments or other obligations or undertakings of any kind.

3.15 SERVICE OF PROCESS

Service of process upon the Association for all matters shall be made upon the president of the Association or such legal counsel as the Association may designate to receive service of process by recording such designation with the Register of Deeds for Waukesha County, Wisconsin.

3.16 ENFORCEMENT OF DECLARATION: NO REVERSION OF TITLE

(a) The Association (through the Board) shall have the exclusive right to enforce, by proceedings at Law or in equity, all the terms, conditions, and provisions of this Declaration and any Rules or Regulations adopted by the Association, except that any Lot Owner may proceed, at such Owner's expense and subject to the limitations of Section 2.03(c), to enforce any such terms, conditions or provisions (other than for collection of assessments against Owners of other Lots) if the Association fails to take such action within 60 days following a written request by such Lot Owner for the Association to do so. Any Lot Owner violating any of the terms, conditions or provisions of this Declaration or any Rules or Regulations shall pay all costs, expenses and actual attorney's fees incurred by the Association or by a prosecuting Owner in the successful enforcement thereof. Neither the Association nor the Board shall be subject to any suit or claim by any Lot Owner for failure of the Association or the Board to take any action requested by such Lot Owner against another Lot Owner.

(b) Each remedy set forth in this Declaration and/or in the Rules or Regulations shall be in addition to all other rights and remedies available at law or in equity. All such remedies shall be cumulative and the election of one shall not constitute a waiver of any other. Any forbearance or failure of the Association or the Board to exercise any such right or remedy for any violation shall not be a waiver of such right or remedy under any circumstances (except as provided in Section 2.03(c)) unless a written waiver is obtained from the Board.

(c) Under no circumstances shall any violation of this Delcaration or of any Rule or Regulation result in any reverter or reversion of title to any Lot.

MISCELLANEOUS

4.01 RESERVATION BY DEVELOPER OF RIGHT TO GRANT EASEMENTS

Developer hereby reserves the right to grant and convey easements to the VILLATE and/or to any public or private utility company upon, over, through or across those portions of any Lot in **COUNTRY CLUB HIGHLANDS** within ten (10) feet of any lot line for purposes of allowing the City or utility company to furnish gas, electric, water, sewer, cable television or other utility service to any Lot(s) or through any portions of **COUNTRY CLUB HIGHLANDS** or for purposes of facilitating drainage of storm or surface water within or through **COUNTRY CLUB HIGHLANDS**. Such easements may be granted by Developer, in its own name and without the consent or approval of any Lot

Owner, until such time as Developer has conveyed legal title to all Lots platted or to be platted in **COUNTRY CLUB HIGHLANDS** to persons other than a successor/developer.

4.02 SEVERABILITY

The invalidity or unenforceability of any term, condition or provision of this Declaration shall in no way affect the validity or enforceability of any other term, condition, or provision of this Declaration, all of which shall remain in full force and effect.

4.03 COVENANTS RUN WITH LAND

All terms, conditions and provisions of this Declaration (and as may be amended) shall constitute covenants running with the land.

4.04 AMENDMENTS TO DECLARATION

This Declaration may be amended by recording in the Office of the Register of Deeds for Waukesha County, Wisconsin, a document to that effect executed by the Owners of at least 75% of all Lots in **COUNTRY CLUB HIGHLANDS** and their mortgagees, with all signatures duly notarized. Such amendment shall become effective only upon recording.

4.05 TERM OF DECLARATION

This Declaration (and any amendments) shall be binding for a period of 20 years (from the date the Declaration is recorded) upon all Lot Owners and any other persons claiming under or through the Developer. Upon the expiration date of such initial 20-year period, this Declaration shall be automatically renewed for a successive period of ten (10) years and thereafter for successive periods of ten (10) years upon the expiration date of the prior renewal period, unless there is recorded an instrument, (executed by the Owners of at least 75% of all Lots in **COUNTRY CLUB HIGHLANDS** and their mortgagees) terminating this Declaration, in which event this Declaration shall terminate upon the recording of such instrument of termination or expiration of the initial 20-year term, whichever occurs later.

4.06 DISCLAIMER

Notwithstanding any other provision(s) of this Declaration, Developer is under no obligation to any Lot Owner to develop or plat at any time any portion(s) of **COUNTRY CLUB HIGHLANDS** not already platted as of the date of recording this Declaration. If Developer fails to cause all such unplatted portions of **COUNTRY CLUB HIGHLANDS** to be duly platted withoin five (5) years from the date of recording of this Declaration, Developer's exclusive right to appoint the officers of the Association shall terminate.

4.07 INTERPRETATION

These Declarations shall be construed and interpreted in favor of restricting the use of each Lot consistent with the purposes herof and any ambiguity shall be resolved against any Lot Owner who installs any structure or engages in any activity not clearly authorized under these Declarations or approved in writing by the Board.

IN WITNESS WHEREOF, this Declaration of Restrictions is executed by **COUNTRY CLUB HIGHLANDS, INC.**, as Developer, as of the date first written above.

COUNTRY CLUB HIGHLANDS, INC.

By:_____
Donald S. Arenson, Agent

By:_____
Nick Takton, President

ATTEST:

_____
Roger Kriete, Secretary

This instrument was drafted by Denis J. Regan, Attorney at Law.

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