(b) Class B. Class B members shall be the declarant and shall be entitled to one (1) vote for each Unit (up to 2 votes) owned or to be built by Declarant.

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

(c) Rights of Declarant. Notwithstanding any other provisions herein contained, but except as provided by Section 703.15(d) of the Act, Declarant, its successors and assigns, shall have the right, at its option, to exercise the powers and responsibilities otherwise assigned by this Declaration, the Act or the By-Laws of the Association, until ten (10) years from the date the first condominium unit is conveyed by Declarant to any person other than Declarant or thirty (30) days after the conveyance of seventy-five percent (75%) of the Units, whichever is earlier. All present and future owners, mortgagees, lessees and occupants of units in the condominium shall be deemed, by acceptance or any deed to or mortgage on any unit or by entering into a Land Contract or Lease affecting a unit or by the act of occupancy of a unit, to agree, approve and consent to the right of Declarant to so control the Association of unit owners.

Section 3. UNIT VALUE FOR VOTING: The interest of each Unit shall be 1/6 and shall serve as a basis in determining the voting interest of each Unit on matters for determination by Unit Owners and as to other matters described in the Wisconsin Unit Ownership Act.

Section 4. AMPLIFICATION: The provisions of this article may be amplified by the By-Laws of the Association; provided, however, that no such amplification shall substantially alter or amend any of the rights or obligations of the Owners set forth herein.

ARTICLE VII

RIGHTS AND OBLIGATIONS OF THE ASSOCIATION

Section 1. THE COMMON ELEMENTS: The Association, subject to the rights and duties of the Owners set forth in this Declaration, shall be responsible for the exclusive management and control of the Common Elements and all improvements thereon (including equipment related thereto), and shall keep the same in good, clean, attractive and sanitary condition, order and repair.

Section 2. SERVICES: The Association may obtain and pay for the services of any person or entity to manage its affairs, or any part thereof, to the extent it deems advisable, as well as such other personnel as the Association shall determine to be necessary or desirable for the proper operation of the Common Elements, whether such personnel are furnished or employed directly by the Association or by any person or entity with whom or which it contracts. The Association may obtain and pay for legal and accounting services necessary or desirable in connection with the operation of the Common Elements or the

enforcement of this Declaration. The Association may arrange with others to furnish water, trash collection and other common services to each Unit.

Section 3. PERSONAL PROPERTY FOR COMMON USES: The Association may acquire and hold for the use and benefit of all of the Owners tangible and intangible personal property and may dispose of the same by sale or otherwise, and the beneficial interest in any such property shall be deemed to be owned by the Owners in the same proportion as their respective interest in the Common Elements. Such interest shall not be transferable except with the transfer of a Unit. A transfer of a Unit shall transfer to the transferee ownership of the transferror's beneficial interest in such property without any reference thereto. The transfer of title to a Unit under foreclosure shall entitle the purchaser to the interest in such personal property associated with the foreclosure Unit.

Section 4. RULES AND REGULATIONS: The Association may make reasonable rules and regulations governing the use of the Units and of the Common Elements, which rules and regulations shall be consistent with the rights and duties established in this Declaration.

Section 5. IMPLIED RIGHTS: The Association may exercise any other right or privilege given to it expressly by this Declaration or by law, and every other right or privilege reasonably to be implied from the existence of any right or privilege given to it herein or reasonably necessary to effectuate any right or privilege.

Section 6. PERSONAL LIABILITY: NO DIRECTOR or OFFICER of the ASSOCIATION shall be personally liable to any UNIT 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 Officer or Director acting in such capacity, provided such person acted in good faith, without willful or intentional misconduct.

ARTICLE VIII

COVENANT FOR ASSESSMENTS

Section 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 purpose 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.

Section 2. PURPOSE AND COMPUTATION OF ASSESSMENTS:

(a) The assessments levied by the Association shall be used exclusively for the improvement and maintenance of the Common Elements, and such emergency repairs as the Association may deem necessary.

(b) All funds for the payment of common expenses and for the creation of reserves for the payment of future common expenses shall be obtained by equal assessments against the Owner of each Unit. Subsequent to the first conveyance of a Unit by the Declarant to a purchaser, Declarant's obligation for assessments shall be as follows:

(i) For each completed Unit owned by Declarant, Declarant shall pay monthly assessments in the Association on the same basis as any other Unit Owner.

(ii) For such period of time as there are uncompleted Units in the Condominium owned by Declarant, Declarant shall have the option of either paying monthly assessments to the Association for each uncompleted Unit owned by Declarant on the same basis as any other Unit Owner; or paying to the Association the difference between the aggregate amount of the monthly assessments assessed against all owners of completed Units (including Declarant) and the actual monthly expenses incurred by the Association; provided, however, that Declarant may make payments into the reserve accounts established by the Association for each of its uncompleted Units which is under construction on the same basis as all other Unit Owners.

(c) For purposes of Declarant's obligations for assessments, "completed Unit" shall be a Unit for which the Village of Menomonee Falls has issued an occupancy permit (as distinguished from a Unit for which an occupancy permit is issuable). "Uncompleted Unit" shall mean a Unit which is under actual construction and/or for which an occupancy permit has not been issued if actual construction has concluded. Until such time as a Unit is completed, Declarant, and not the Association, shall be responsible for all insurance premiums and other costs related to such Unit.

Section 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.

Section 4. SPECIAL ASSESSMENT FOR CAPITAL IMPROVEMENTS: In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purposes of: (a) defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Elements including fixtures and personal property related thereto; (b) offsetting shortages resulting from non-collection of the annual assessment or underestimation; and (c) unusual or unpredicted costs such as cost of collecting annual assessment or enforcement of the provisions of the Declaration; provided, however, that any such assessment shall have the assent of two-thirds (2/3) of the votes of Owners affected who are voting in person or by proxy at a meeting duly called for this purpose. The cost of the initial Common Element improvements is excluded from the special assessments authorized in this section, such cost to be borne by Declarant.

Section 5. SPECIAL ASSESSMENT AGAINST A PARTICULAR UNIT: Special assessments may be made by the Board against a particular Unit Owner and his 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 or 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 the storage area appurtenant to the Unit;

(e) Interest due on General and Special Assessments;

(f) Forfeitures and other penalties levied by the Board for violations of the Condominium Documents by a Unit Owner or the tenants or guests of the Unit Owners or occupants of a Unit.

(g) 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.

Section 6. NOTICE OF MEETINGS: Written notice of any meeting called for the purpose of taking any action authorized under Section 4 shall be sent to all affected Members and any mortgagee who shall request such notice in writing not less than ten (10) days in advance of the meeting. The presence, at such meeting, of Members or of proxies entitled to cast fifty percent (50%) of all the votes affected shall constitute a quorum.

Section 7. UNIFORM RATE OF ASSESSMENT: Both annual and special assessments must be fixed at a uniform rate for all Units; provided, however, the Association shall assess an individual Unit for all sums due solely from that Unit as provided in Section 5 of this Article.

Section 8. DATE OF COMMENCEMENT OF ANNUAL ASSESSMENTS: The annual assessments provided for herein shall be payable in monthly installments and shall commence on the first day of the first month following the conveyance of the first Unit by the Declarant. Such assessments shall commence as to each Unit on the first day of the first month following the issuance of an occupancy permit for such Unit, provided, however, that the Declarant may pay a reduced assessment for Units prior to the issuance of an occupancy permit as set forth in Article VIII, Section 2(b)(ii) hereof. The first annual assessment shall be adjusted according to the number of months then remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each Unit at

least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Unit have been paid.

Section 9. LIEN FOR ASSESSMENTS: All sums assessed to any Unit pursuant to this Article, 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 WaukeshaCounty, Wisconsin, real estate records, prior to the making of such assessment, including all unpaid obligatory advance 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;

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

(d) All sums unpaid on any mortgage loan made pursuant to Section 45.80 Wis. Stats.

To evidence a lien for sums assessed pursuant to this Article, 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 the Association and may be recorded in the Office of the Clerk of the Circuit Court or Register of Deeds of WaukeshaCounty, 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. 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 attorney's 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 WaukeshaCounty, 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 thirty (30) 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 thirty (30) days; provided, however, that such encumbrancer first shall have furnished to the Association written notice of such encumbrance.

Section 10. EFFECT OF NONPAYMENT OF ASSESSMENTS: REMEDIES OF THE ASSOCIATION: Any assessments which 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 Wis. Stats. to be collected upon execution upon judgment. (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 charge, if any, and then to the assessment payment first due. The Association may bring an action at law against the 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 Unit. A suit to recover a money judgment for unpaid assessments hereunder may be maintainable without foreclosing or waving the lien securing the same. If any installment of any assessment becomes delinquent, the privilege of paying such assessment in installments shall 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, shall be considered at once, without further notice, due and payable and shall be considered delinquent.

Section 11. SUBORDINATION OF THE LIEN TO MORTGAGES: The lien of the assessments provided for herein shall be subordinate to the liens described in Section 9 (a), (b), (c) and (d) above. Sale or transfer of any Unit shall not affect the assessment lien unless said sale or transfer shall be pursuant to a mortgage foreclosure which shall extinguish the lien of such assessments as to payments which become due prior to such sale or transfer and such unpaid assessments shall be deemed to be common expenses collectible from all of the Owners excluding the acquirer, his successors and assigns. No sale or transfer shall relieve such Unit from liability for any assessments thereafter becoming due or from the lien thereof.

Section 12. ADDITIONAL RIGHTS OF LENDERS:

(a) As to the holder of any mortgage or land contract vendor or insurer or guarantor of any mortgage (the "Lender") of a Unit which has notified the Association in writing delivered or mailed by certified mail to the place for service of process stated in this Declaration that it desires to receive notice of the following matters:

(i) The Board of Directors shall give the Lender written notice by mail of the call of any meeting of the membership or the Board of Directors of the Association to be held for the purpose of considering any proposed amendment to this Declaration, the Articles or the By-Laws;

(ii) The Board of Directors shall give the Lender by mail a copy of the notice of default which is given to any Unit owner on any failure to comply with or violation of any of the provisions of this Declaration, the Articles, the By-Laws and rules and regulations promulgated thereunder, and any amendments thereto, simultaneously with the giving of required notice of any Unit owner which shall be not later than within 30 days of such failure;

(iii) The Board of Directors shall notify the Lender of any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association;

(iv) The Board of Directors shall notify the Lender of physical damage to structure, fixtures or equipment of a Unit in an amount exceeding $10,000 when such damage is known to the Board of Directors and shall notify all Lenders if Common Elements of the Condominium are damaged in an amount exceeding $20,000. The Board shall also notify the Lender in writing of any condemnation proceedings concerning the Condominium; and

(v) The Board of Directors shall permit the Lender to examine during normal business hours books and records of the Association (including current copies of this Declaration, Association By-Laws, and all rules and regulations promulgated thereunder) and upon request shall furnish the Lender annual reports and such other financial data (including audited financial statements) as it sends to Unit Owners.

(b) Unless two-thirds of the number of holders of first mortgages on Units (based on one vote for each mortgage held) and all Unit Owners affected have given their prior written approval, or unless the Association obtains such higher proportion of consent as may be required by the Wisconsin Condominium Ownership Act, the Association shall not:

(i) Change the undivided percentage interest in the Common Elements of the Condominium appertaining to each unit;

(ii) Partition or subdivide any Unit of the Condominium;

(iii) By act or omission, seek to partition, subdivide, encumber, sell or transfer the Common Elements, except that the transfer of the water system to a public or quasi-public body or the

granting of easements for public utilities or for other public purposes consistent with the intended use of the Common Elements by the Condominium shall not be deemed a transfer within the meaning of this clause; or

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

(c) Unless all holders of first mortgages on Units shall have given their prior written approval, the Association shall not by act or omission seek to abandon the condominium status of the Condominium except as provided herein.

ARTICLE IX

ARCHITECTURAL CONTROL

Section 1. ARCHITECTURAL CONTROL COMMITTEE AUTHORITY: No exterior additions or alterations, including painting or decorating, to the buildings, porch, additional fences, or changes in existing fences, hedges, walls, walkways and other structures or addition of air conditioning equipment shall be commenced, erected or maintained except such as are installed or approved by the Declarant in connection with the initial preparation of the building, until the plans and specifications showing the nature, kind, shape, height, materials, location, color and approximate cost of same shall have been submitted to and approved in writing as to harmony of external design and location to the Board of Directors of the Association, an Architectural Control Committee appointed by the Board of Director as set forth in the By-Laws or by a representative or representatives designated by the Board of Directors. In the event the Board of Directors, or its designated representatives, or an Architectural Control Committee fails to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted to it, and if no suit to enjoin the making of such additions, alterations or changes has been commenced within sixty (60) days of application, such approval shall be deemed to have been given. If no application has been made to the Board of Directors, or its designated representatives, or an Architectural Control Committee, then a suit to enjoin or remove such additions, alterations or changes may be instituted at any time. Neither the members of the Board of Directors, its designated representatives nor an Architectural Control Committee shall be entitled to compensation to themselves for services performed pursuant to this paragraph, but compensation may be allowed to independent professional advisors retained by them.

Section 2. ANTENNAE: Exterior antennae shall not be placed on the building without the approval of the Architectural Control Committee or its designated representatives.

Section 3. DECLARANT CONTROL: During the period of Declarant control, Declarant shall act as the Architectural Control Committee unless he delegates such function to the Board of Directors.

ARTICLE X

PARTY WALLS

Section 1. GENERAL RULES OF LAW TO APPLY: Each wall which is built as a part of the original construction of the building is placed solely on the interior of each Unit being a part of said Unit. If there are any party walls or walls placed on the dividing line between Units, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

Section 2. SHARING OF REPAIR AND MAINTENANCE: The cost of reasonable repair and maintenance of a party wall shall be shared by the Owners who make use of the wall in proportion to such use.

Section 3. RIGHT TO CONTRIBUTION RUNS WITH LAND: The right of an Owner to contribution from any other Owner under this Article shall be appurtenant to the land and shall pass to such Owner's successors in title.

Section 4. ENCROACHMENTS: Some of the Units may be aesthetically and functionally designed with drains, air conditioning equipment and other structures that encroach or overhang adjoining Units. The Owner of each Unit hereby takes title subject to a perpetual easement for any such overhang or encroachment and each encroaching or overhanging Unit or other structure, drain, or air conditioning equipment may be repaired, rebuilt or replaced in such a fashion as to permit these overhangs and encroachments to be reestablished but not enlarged without consent of the servient Owner and the Association.

Section 5. BINDING EFFECT: 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 "Articles"), and the By-Laws and rules and regulations of the Association, as these 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 occupancy of any Unit shall constitute an acceptance by such Owner, tenant or occupant of the provisions of such instruments, as they may be amended from time to time. The provisions contained in such instruments 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 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 Wisconsin Condominium Ownership Act.

Section 6. RULES AND REGULATIONS: Rules and regulations (in addition to the By-Laws) concerning the use of the Units and the common and limited common elements, including provisions concerning the keeping of pets, may be promulgated and amended by the Board of Directors of the Association. Copies of such rules and regulations shall be furnished by the Board of Directors of the Association to each Unit owner prior to their effective date.

Section 7. DEDICATION FOR UTILITIES: The Declarant hereby reserves for the Association acting by and in the discretion of its Board of Directors the right to grant and/or dedicate to the Village of Menomonee Falls, Wisconsin, the County of Washington, Wisconsin or public or semi-public utility companies, easements and rights-of-way (and any and all improvements contained therein) for the erection, construction and maintenance of all poles, wires, pipes and conduits for the transmission of electricity, gas, water, telephone and for other purposes, for sewers, storm water drains, gas mains, water pipes and mains, and similar service, and for performing any public or quasi-public utility function that the Village of Menomonee Falls or WaukeshaCounty shall require or that the Board of Directors may deem fit and proper for the improvement and benefit of the Condominium. Such easements and rights-of-way shall be confined, so far as possible, in underground pipes or other conduits, with the necessary rights of ingress and egress and with the rights to do whatever may be necessary to carry out the purposes for which the easement is created.

Section 8. CONSTRUCTION OF TERMS: All terms used in this Declaration shall have the same meaning as used or defined in the Wisconsin Condominium Ownership Act unless the context of this Declaration requires or specifically provides otherwise.

ARTICLE XI

INSURANCE

Section 1. OBLIGATION OF ASSOCIATION: The Association, for the benefit of all Unit Owners, shall insure the Property against loss or damage by fire and such other hazards as the Association may deem desirable, for the right of each Unit Owner to also insure his own Unit for his own benefit. The premiums for such insurance on the Property shall be deemed common expenses; provided, however, that in charging the same to the Unit Owners, consideration may be given to the higher premium rates on some Units than on others. Such insurance coverage shall be written in the name of, losses under shall be adjusted by, and the proceeds of such insurance shall be payable to, the Association as trustee for the Unit Owners or Unit Owner. The Association may engage the services of any bank or trust company authorized to do trust business in Wisconsin to act as trustee, agent, or depositary on behalf of the Association for the purpose of receiving and disbursing the insurance proceeds resulting from any loss, upon such terms and the Association shall determine consistent with the provision of this Declaration. The fees of such corporate trustee shall be common expenses. In the event of any loss is excess of $50,000.00 in the aggregate, the Association shall engage a corporate trustee as aforesaid, or in the event of any loss resulting in the destruction of the major portion of one or more Units, the Association shall engage a corporate trustee as aforesaid upon the written demand of the mortgagee or Owner of any Unit so destroyed.

Section 2. COMBINED INSURANCE: If insurance coverage is available to combine protection for the Association with the Unit Owner's individual Unit, the Board of Directors is hereby given discretionary power to negotiate such combination of insurance protection on an equitable cost sharing basis under which the Unit Owner would be assessed individually for the amount of insurance which he directs

the Board of Directors to including in such policies for his additional protection. Copies of all such policies shall be provided to each mortgagee. Nothing contained in this paragraph shall be deemed to prohibit any Unit Owner, at his own expense, to provide any additional insurance coverage on his improvements or on his Unit which will not duplicate any insurance provided by the Association or Unit Owner.

Section 3. INSURANCE PROCEEDS: The proceeds of such insurance shall be applied by the Association or by the trustee on behalf of the Association for the repair or reconstruction of the Common Elements and Unit or Units; and the rights of the mortgagee of any Unit under any standard mortgage clause endorsement to such policies shall, notwithstanding anything to the contrary therein contained, at all times be subject to the provision herein with respect to the application of insurance proceeds to reconstruction of the Unit or Units. Payment by an insurance company to the Association or to such trustee of the proceeds of any policy, and the receipt of release from the Association of the company's liability under such policy, shall constitute a full discharge of such insurance company, and such company shall be under no obligation to inquire into the terms of any trust under which such proceeds may be held pursuant thereto, or to take notice of any standard mortgage clause endorsement inconsistent with the provisions hereof, or to see to the application of any payments of the proceeds of any policy by the Association or the corporate trustee.

Section 4. DESTRUCTION AND RECONSTRUCTION:

(a) In the event of a partial or total destruction of one or more Units, they shall be rebuilt and repaired as soon as practicable and substantially to the same design, plan and specifications as originally built, unless within thirty (30) days after such partial or total destruction, all of the Owners of Units and two-thirds (2/3) of the holders of first mortgages subject to this Declaration agree not to repair or rebuild. On reconstruction the design, plan and specification of any building or Unit may vary from that of the original upon approval of the Association; provided, however, that the number of square feet of any Unit may not vary by more than five percent (5%) from the number of square feet for such Unit as originally constructed, and the location of the Unit shall be substantially the same as prior to the damage or destruction.

(b) In the event the Condominium is destroyed or damaged in an amount in excess of 20% of the replacement cost of the entire Condominium, and insurance proceeds, if any, constitute less than 80% of the cost of completing repair or reconstruction, action by the Association by vote of 75% or more of all Unit Owners taken within 90 days after such damage or destruction shall be necessary to determine not to repair or reconstruct the Condominium. Damage or destruction to a lesser extent, and damage or destruction to a greater extent but for which insurance proceeds are equal to or greater than 80% of the cost of completing repair or reconstruction, shall be repaired and reconstructed pursuant to arrangement by the Board of Directors of the Association.

Section 5. PARTITION: The Association shall have the right to levy assessments against the Units involved in the event that the proceeds of any insurance collected are insufficient to pay the estimated or actual costs of repair or reconstruction; provided, however, that in the event of damage to an extent more than the available insurance, this Condominium shall be subject to an action for partition, upon obtaining the written consent of the Unit Owners having no less than seventy-five percent (75%) of the votes. In the event 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 their liability for assessments and shall be distributed in accordance with the percentage interests in each Unit.

Section 6. OTHER INSURANCE: The Association shall maintain, as a common expense, the following insurance coverages:

(a) Public liability insurance covering the Association and the Board and members of the Association against liability for damages or personal injuries sustained by any person, firm or corporation arising out of or resulting in whole or in part from the condition, use or operation of any Common Elements or from any activity of the Association, with limits of not less than $500,000/person and $1,000,000/occurrence for bodily injury or death and not less than $250,000/occurrence for property damage, including a waiver of subrogation rights against any member, Officer or Director of the Association;

(b) Workmen's Compensation insurance to the extent necessary to comply with applicable law;

(c) Indemnity, faithful performance, fidelity and other bonds, as may be required by the Board, to carry out the Association functions and to in sure the Association against any loss from malfeasance or dishonesty of any employee or other person charged with management or possession of Association funds or other property;

(d) Any other insurance coverage or additional protection which the Board may deem necessary or advisable, including without limitation comprehensive liability insurance.

ARTICLE XII

NOTICES

All notice 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 registered Owner of a Unit regardless of the number of Owners who have an interest therein. Notice and other documents to be served upon Declarant or the Association shall be personally served upon the Registered Agent specified in Article XVI, Section 7 hereof, or mailed by certified mail, return receipt requested to said Registered Agent as specified in Article XVI, Section 7 hereof. All Owners shall provide the Secretary of the Association with the address for the mailing or service of any notice or other documents and the Secretary shall be deemed to

have discharged his duty with respect to giving of such notice by mailing it or having it delivered personally to such address as is on file with him. If the Unit Owners fail to provide such address, the Secretary shall be deemed to have discharged his duty with respect to the giving of such notice by mailing it or having it delivered personally to the Unit.

ARTICLE XIII

EXCULPATION OF ASSOCIATION LIABILITY

In the event any Unit Owner shall suffer damages to the contents, improvements or betterments of his Unit, as a result of water damages caused by the bursting of any plumbing or heating pipes, no liability therefor shall attach to the Association and the cost for such repairs shall accrue to such individual Unit Owner.

ARTICLE XIV

DECLARANT'S RIGHTS

Until such time as the Declarant has sold all of the Units in the condominium the Declarant shall have the right to use any unsold Units and the Common Areas as may be necessary to expedite the sale of Units, including, but not limited to, the maintaining of sales office, the holding of open house and the erecting of signs.

ARTICLE XV

EXPANDING CONDOMINIUM

Section 1. ANNEXATION OF CONOMINIUM PROPERTY: None. This condominium project is not expandable.

ARTICLE XVI

GENERAL PROVISIONS

Section 1. ENFORCEMENT: The Association, or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, and reservations, now or hereafter imposed by the provisions of this Declaration. Failure to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 2. SEVERABILITY: If any provision, or any part thereof, of this Declaration or the application thereof to any person or circumstances shall, to any extent, be invalid or unenforceable, the remainder of this Declaration, or the application of such provision, or any part thereof, to persons or circumstances other than those to which it is held invalid or unenforceable, shall not be affected thereby, and each provision or any part thereof, of this Declaration shall be valid, and be enforced to the fullest extent.

Section 3. FAILURE OF ASSOCIATION TO INSIST ON STRICT PERFORMANCE NOT WAIVER: The failure of the Association to insist, in any one or more instance, upon the strict performance of any of the terms, covenants, condition 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 thereof, shall not be deemed as 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.

Section 4. TERMINATION: This Declaration may be terminated only by the unanimous consent of all of the Owners of all Units and all of the parties holding mortgages, liens or other encumbrances against any of said Units, in which event the termination of the Declaration shall be by such plan as may be then adopted by said Owners and parties holding any mortgages, liens or other encumbrances. The instruments necessary for such termination shall be recorded in WaukeshaCounty, Wisconsin.

Section 5. PERPETUITIES AND RESTRAINTS ALIENATIONS: If any of the privileges, covenants or rights created by this Declaration would otherwise be unlawful or void for violation of: 1) the rule against perpetuities or some analogous statutory provisions; 2) the rule restricting restraints on alienation, or 3) any other statutory or common law rules imposing time limits, then such provisions shall continue only until twenty one (21) years after the death of the now living lawful descendants of William Clinton, President of the United States of America.

Section 6. AMENDMENTS: Except as hereinafter limited and provided, this Declaration may be amended by an instrument signed by the Declarant alone at any time prior to the sale of twenty-five (25%) percent of the Units and thereafter signed by not less than sixty-seven (67%) percent of the Unit Owners and Mortgagees having a secured interest in the property subject to this Declaration; provided, however, that such amendment shall not substantially alter any of the rights or obligations of the Owners and/or members.

No Amendment to this Declaration shall be adopted which would operate to affect the validity or priority of any mortgage or which would alter, amend or modify, in any manner whatsoever, the rights, powers and privileges granted and reserved herein, in favor of any mortgagee or in favor of the Declarant without the consent of all such mortgagees or the Declarant, as the case may be.

Any Amendment to this Declaration shall be recorded with the Register of Deeds for WaukeshaCounty, Wisconsin, and a copy of same shall be sent to the Condominium Owner's Association.

Section 7. REGISTERED AGENT FOR SERVICE OF PROCESS: The initial Registered Agent for service of process and the address for said Registered Agent is:

Donald S. Arenson
N78 W14597 Appleton Avenue
Menomonee Falls, WI 53051

Section 8. 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.

Section 9. CAPTIONS: The Captions and Article headings herein are intended only as matters of convenience and for reference and in no way define or limit the scope or intent of the various provisions hereof.

Section 10. RIGHT OF FIRST REFUSAL: The Association shall have no right of first refusal or option to purchase any right, title, share or interest in any Unit, common area, element or fixture, or any property which is subject to this Declaration.

ARTICLE XVII

GRIEVANCE PROCEDURE

Section 1. COMPLAINT. The Board of Directors or any Unit Owner may file a written complaint with the Secretary of the Association against another Unit Owner for violation of the Wisconsin Condominium Ownership Act, this Declaration, the By-Laws and any rules and regulations promulgated hereunder. Upon receipt of a complaint, the Secretary shall furnish a written notice of the alleged violation, the penalties therefor and the hearing procedure to the Unit Owner complained of by personal delivery or by certified mail, return receipt requested. The Unit Owner complained of may within fifteen (15) days of delivery of or mailing of the notice file a written answer with the Secretary admitting or denying the allegations in the notice. If, within the time period allowed, the Unit Owner complained of denies the allegations of the notice, the Secretary shall schedule a hearing before a Grievance Committee created by the Board of Directors pursuant to Article XVII, Section 2 hereof, to be held not less than 14 nor more than 30 days after delivery or mailing of a notice of hearing to the parties.

Section 2. MAILING. Upon the delivery or mailing of the notice of hearing, the Board of Directors of the Association shall appoint a Grievance Committee. The Grievance Committee shall consist of three Unit Owners who are not members of the Board of Directors, relatives of the Unit Owner complaining or complained of, witnesses at the hearing or persons otherwise interested in the hearing.

Section 3. HEARING. The hearing shall be conducted by the Grievance Committee. The Board of Directors shall represent the complaining Unit Owner. The parties and the Grievance Committee shall be entitled to representation at the hearing by counsel and shall be entitled to examine and cross-examine witnesses. When

summoned by the Grievance Committee to do so, it shall be the obligation of each Unit Owner to appear and testify at the hearing and to produce records and dates relevant to the subject matter of the hearing. The hearing shall be informal and conformity to legal rules of evidence shall not be required. Within seven (7) days after the conclusion of the hearing, the Grievance Committee shall file a written decision with the Secretary which shall be binding upon the Unit Owners.

Section 4. DETERMINATION. Upon a determination by the Grievance Committee that a violation has occurred, the Board of Directors may, without limiting any other rights set forth in the By-Laws, restrict the right of the defaulting Unit to the use of portions of the Common Elements and/or impose a fine against the defaulting Unit Owner in the amount of $50.00 for the first violation and $250.00 for subsequent violations of the same offense, which if not paid within three days shall bear interest at the rate of 18.0% per annum. When imposed, such fine shall constitute a special assessment against the Unit Owner and if unpaid may be foreclosed against the Owner's Unit.

Dated this _____ day of _____, 1996.

NORTH HILLS PARTNERSHIP, a Wisconsin Limited Partnership

By:_____
Donald S. Arenson, General Partner

Signature of Donald S. Arenson authenticated this _____ day of _____, 1996.

_____
Richard A. Rechlicz, Attorney
Member State Bar of Wisconsin
State Bar 1016926

THIS INSTRUMENT WAS DRAFTED BY:

LADEWIG AND RECHLICZ
Richard A. Rechlicz, Esq.
N88 W15125 Main Street
Menomonee Falls, WI 53051

EXHIBIT A

LEGAL DESCRIPTION

Tax Key No: MNFV

For reference purposes, the addresses of the units as set forth in Exhibit B, Page A-____, are as follows:

Unit 1: _____; Menomonee Falls, WI 53051

Unit 2: _____; Menomonee Falls, WI 53051

Unit 3: _____; Menomonee Falls, WI 53051

Unit 4: _____; Menomonee Falls, WI 53051

Unit 5: _____; Menomonee Falls, WI 53051

Unit 6: _____; Menomonee Falls, WI 53051