DECLARATION OF PROTECTIVE COVENANTS AND RESTRICTIONS FOR HIGHLAND HILLS ESTATES

Highland Hills Estates, Inc. is the developer of Highland Hills Estates, a Subdivision located in the Town of Sheboygan Falls, Sheboygan County, Wisconsin. Highland Hills Estates, Inc., hereinafter referred to as the "developer", places these protective and restrictive covenants on all of the lots located in Highland Hills Estates Subdivision for the benefit and enhancement of the subdivision, for the preservation and enhancement of property values, the future enjoyment of the home owners and to prevent the erection of poorly designed and/or constructed improvements.

For the benefit of all residents, we are limiting building, tree cutting and other land uses to those approved by the Architectural Review Committee, hereinafter referred to as the "ARC". This Declaration is being recorded and the ARC is being established to maintain a high quality and attractive subdivision. The ARC shall consist of any officer of Highland Hills Estates, Inc. or any agent of Highland Hills Estates, Inc. designated in writing to act on its behalf. The ARC will review building designs, exterior color, siding and landscaping plans using the guidelines listed below.

To accomplish the above stated objectives, developer places the following Guidelines and Covenants and Restrictions on this property.

GUIDELINES

Buildings – All building plans shall meet certain criteria and be submitted to the ARC for approval. Each lot is unique and certain designs may be better suited for specific lots. Natural materials (wood, brick or stone) enhance the aesthetic quality of the home's exterior. The ARC will require, in whole or as an accent, some type of natural material to be used in the construction of the home's exterior. All home designs shall be at least 1,700 square feet for single story ranch homes and 2,100 square feet for two story homes. Other designs (tri-level, bi-level, story and a half) will be judged on their specific design quality and the ARC will determine if they compliment the surrounding properties. The square footage shall not include the garage, decks or patios. Garages and storage buildings shall be attached to the home and attached garages shall be a minimum of two (2) car. No detached building of any sort, such as storage, shed or any other structures, are allowed on the lot. Such structures, if erected without approval of the ARC, will be removed either by the Town of Sheboygan Falls or the developer at the lot owner's expense. The approved home and garage shall be located on the lot in such a manner as to compliment neighboring properties. The developer reserves the right to waive the square foot minimum requirement and grant approval if a plan exhibits superior architectural design, if a plan incorporates a three (3) car garage and the lot setback is restrictive or if the buildable setback of a particular lot requires a slightly smaller home. All homes shall be designed and occupied as single family dwellings.

RESTRICTIONS

1 – ARCHITECTURAL REVIEW – No building, fence or any other improvement shall be erected, placed or altered until the complete plans and specifications thereof and a complete site plan have been approved by the ARC. The ARC's approval or disapproval shall be based upon, but not necessarily restricted to, consideration of quality of workmanship and materials, harmony of external design with the site and the existing structures on the lot and/or suitability of proposed structures or improvement with respect to the topography and trees or other natural characteristics of the affected lot or adjacent lots and improvements thereon.

2 – LAWNS AND LANDSCAPING – All lawns shall be seeded or sodded within twelve (12) months from the completion of the home. Trees enhance the aesthetic quality of a subdivision. All landowners shall plant no less than three (3) trees; those trees shall be of no less than ten (10) feet in height. Location of these trees and species may be part of the ARC approval.

3 – PARKING – Overnight parking of vehicles on the subdivision road is prohibited for the Homeowner and immediate family that reside in the home. Plans should be made to adequately handle the parking needs for the residents. There may be special occasions where guests may need to use the street and that shall be permitted for no more than one consecutive night. However, homeowners are encouraged to keep all vehicles off the street. Absolutely no parking of commercial vehicles (i.e. trucks, trailers, semi-trailers) shall be permitted.

4 – RECREATIONAL VEHICLES – Campers, RV's, boats, snowmobiles, trailers, ice shanties, unlicensed vehicles or rusted unsightly vehicles shall be kept and stored in the garage or off site. No parking of these vehicles on any lot will be permitted. The only exception to this restriction is a recreational vehicle may be parked in the driveway for the purpose of loading or unloading. The vehicle may remain overnight on the day prior to departing and overnight on the day returning from a vacation.

5 – FENCES – Fences in the building setback are prohibited. Fences in general are discouraged. Natural plantings, shrubs, hedges and trees are more esthetically pleasing. A fence is an improvement to the property and, as such, would fall under the control of the ARC. If a fence is approved, it must be constructed of a natural material; no chain-link fence will be allowed.

6 – SWIMMING POOLS – Free standing, detached, above-ground swimming pools are prohibited. In-ground pools are encouraged. The ARC reserves the right to approve a pool on lots with walkout or exposed basements that require the pool to be slightly raised above ground level to conform to the topography of the land. The pool shall be integrated into the design of the home and attached deck and shall be built with a majority of the pool in-ground. Great care should be taken to create an esthetically pleasing pool. Any pool plan must be submitted to the ARC for approval and the decision of the ARC shall be final. A fence surrounding will be required and/or permitted as required by code, but it shall be constructed of a natural material, not chain-link.

7 – AIR CONDITIONER and TRASH CANS – All air conditioning units and trash cans shall be kept from sight and screened with shrubs or a low natural fence. The location of the air conditioning unit shall be toward the back of the house away from the neighboring properties. Garbage shall be place at the roadside on the day of pickup, not the night before, to prevent animals and birds from creating a mess in the subdivision.

8 – PETS – No animals other than ordinary household pets shall be permitted. Homeowners may have a small dog kennel attached to the house or garage. The kennel shall be for the purpose of allowing the dog outside during the day, not overnight. The kennel shall be made of a natural material or similar material to the home's exterior. The back of the kennel may be chain-link to provide the animal a view, but the sides facing the neighbors shall be constructed to compliment the home. No dogs shall be left unattended or permitted to bark, thereby causing a nuisance to the neighbors. Barking dogs will not be permitted and will be dealt with in accordance to the local ordinances. A kennel is subject to ARC review prior to construction.

9 – EXTERIOR LIGHTING – Exterior lighting shall be soft and indirect. No light shall be located in such a way as to be a nuisance to a neighboring property.

10 – SIGNS – No sign of any kind shall be erected or maintained upon the roadway fronting on any lot or upon any lot within Highland Hills Estates other than a sign identifying the residential inhabitants of the dwelling of each lot or an advertising sign advertising the property for sale during such time as the lot and dwelling are actually for sale. The large sign at the entrance advertising available lots in the subdivision shall remain until all lots are sold in Highland Hills Estates.

11 – TREES – No tree in excess of eight (8) inches in diameter at five (5) feet in height above the ground, that are within the setback area, shall be removed by any lot owner without prior approval of the ARC.

12 – ARCHITECTURAL CONTROL COMMITTEE (ARC) – The ARC shall initially be composed of any or all officers of Highland Hills Estates, Inc. or any agent authorized in writing to act on its behalf. After all lots in Highland Hills Estates have been sold, the lot owners shall have the right to elect a panel of three (3) people to act as the ARC. Each member of the Committee shall hold office for a term of three (3) years and until their successor is elected. For voting purposes, each lot as platted shall cast one vote regardless of the form of ownership thereof.

13 – APPROVALS – Approval or disapproval of plans submitted to the ARC shall be made in writing. If the ARC fails to approve or disapprove any plans submitted to it within thirty (30) days, that(those) plan(s) shall be deemed to have been approved.

14 – TERM – These covenants and restrictions are to run with the land and are to be binding on all parties and owners of such lands and any parties holding under them for a period of twenty (20) years from the date these covenants are recorded. The covenants and restrictions may be extended for three successive periods of five (5) years each by the recording of an agreement to extend signed by a majority of then owners of all lots within nine

(9) months prior to the expiration of the initial twenty (20) year period or the respective extension(s) thereof. This declaration may be amended at any time by written instrument executed, so as to be recordable, by owners of not less than 75% of the lots subject to this Declaration.

15 – ENFORCEMENT – Enforcement shall by proceedings at law or in equity against any person or persons violating or attempting to violate any covenant, either to restrain violation or to recover damages. Such action may be brought by the ARC or by any lot owner or group of lot owners. A lot owner deemed to be in violation shall be liable for any costs or attorney fees the developer incurs as a result of enforcing the covenants.

16 – INVALIDATION – Invalidation of any of these covenants by virtue of judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

17 – RESTRICTIONS ON FURTHER SUBDIVISION(s) – No lot shall be further subdivided so as to form additional building lots within the platted area of Highland Hills Estates. Two or more adjoining lots or a whole lot and a portion of an adjoining lot may be consolidated as one lot; thereafter, the resultant combined lot shall be deemed to have one vote for any voting purpose(s) herein.

18 – LIABILITY TO LOT OWNERS – Lot owners shall be held responsible for compliance to the site drainage plan and shall held accountable for any construction projects on their lot. Damage that adversely affects engineered drainage systems or affects the retention areas created by the developer in this subdivision, whether directly or done by a contractor under the hire of the lot owner, will result in the lot owner, AT THEIR SOLE EXPENSE, repairing those systems and/or areas back to their original condition.

19 – CONSTRUCTION DEADLINES – Construction of the home shall begin no later than twenty-four (24) months from the date the lot is purchased (recording date of the purchase deed). The exterior of the home shall be completed within six (6) months of commencement of construction and the home shall be completed and occupied within twelve (12) months from the date construction work begins.

20 – DISPUTES – Any dispute(s) between developer and any lot owner(s) concerning infrastructure and/or grade/topography of the lot(s) which arise(s) before or during construction and which require(s) mitigation shall be brought to the attention of the developer immediately and any modifications to plans previously approved by the ARC or mitigation at additional cost to the lot owner(s) shall not be implemented without written approval from and consent of the developer.

Dated this 14th day of October, 2008.

HIGHLAND HILLS ESTATES, INC.

BY: Wayne F. Wedepohl AND: Ramesh Kapur

Wayne F. Wedepohl, President — Ramesh Kapur, Secretary

State of Wisconsin, County of Sheboygan) ss

Personally came before me, a Notary Public, this 14th day of October, 2008, the above named Wayne F. Wedepohl and Ramesh Kapur, known to me to be the President and Secretary, respectively, of Highland Hills Estates, Inc. who executed and acknowledged the foregoing instrument for the purposes set forth therein as an authorized act of said corporation.

Scott M. Schreiber

Notary Public, State of Wisconsin
My Commission (expires) 10/23/2011
OR (is permanent)

SCOTT M. SCHREIBER NOTARY PUBLIC STATE OF WI