MARINER IV CONDOMINIUM HOMES

DECLARATION OF CONDOMINIUM

Emmertsen Heights & Associates, a General Partnership ("Declarant"), hereby declares that the real estate described in Section 1 of this declaration is owned by the Declarant and is subject to the Wisconsin Condominium Ownership Act ("Act"). The real estate and all the buildings and other improvements located on the real estate shall be known and described as Mariner IV Condominium Homes ("Condominium"). The Condominium's address shall be 7041 Mariner Drive and 1021 Prairie Drive, Racine Wisconsin 53406. Mariner IV Condominium Homes Association, Inc. ("Association") is a Wisconsin Corporation organized under the Wisconsin Nonstock Corporation Law to serve as an association of unit owners under the Act.

1. Description of Land.

The land which is the subject of this declaration and upon which the buildings and improvements are and will be located is in the Town of Mt. Pleasant, Racine County, Wisconsin, and is more particularly described as "Phase One" in the Condominium Plat attached to this declaration as Exhibit A.

2. Description of Buildings.

Two (2) buildings, containing eight (8) units each, for a total of 16 units, are in the process of construction or will be constructed with the locations shown on the plat of survey for Phase One in Exhibit A. The Condominium dwelling units in the building are called "units", and their boundaries are described in Section 3 of this declaration.

Each building shall contain 8 units, of 2 different types. Of the units, lower units are Type L, and upper units are Type U units, all as described in Section 3 of this declaration. Each building has two levels of living space. The buildings are constructed principally of concrete block foundations and concrete footings, wood frame, brick, aluminum, wood or wood product exteriors, wood and concrete floors. The roofs are fiberglass shingle. Each unit is connected to the municipal water system and has an individual hot water heater and individual heating and air conditioning systems. All utilities for each unit will be separately metered, except for sewer service for which the municipality makes a fixed charge per unit, and water service which will be charged to the Association. Attached garages providing for one or more garages per unit will also be constructed. No garage space may be sold except to a unit owner.

3. Description of Units.

A. Each unit has a number, and the approximate area, location, number of rooms and immediate common area to which it has access are shown on the survey and

floor plan included in Exhibit A. Working drawings and general specifications for the units are on file at the office of WOCOT & Associates, Inc., the contractor, 10616 Highway K, Franksville, Wisconsin 53126.

B. The boundaries of each unit, including any garage space belonging to the unit, shall consist of that part of the cubic area of the building enclosed as follows:

(1) Horizontal Boundaries

(a) The upper boundaries of the unit shall be the plane of the undecorated finished ceiling including the first layer of drywall and extended to an intersection with the vertical boundaries; and

(b) The lower boundaries of the unit shall be the plane of the undecorated finished floor extended to an intersection with the vertical boundaries.

(2) Vertical Boundaries

(a) The vertical boundaries of the unit shall be the plane of the undecorated finished interior of the perimeter walls including the first layer of drywall and extending to intersections with each other and with the upper and lower boundaries.

C. Each unit shall include the inner surfaces of the finished walls, ceilings, floors, fireplaces, and fireplace chimneys. Windows, mouldings, window frames and doors (including all glass in doors, but excluding the exterior surface of all garage doors), smoke detectors, and dryer vents shall be included as part of a unit.

D. All Type L units contain a living room, dining area, kitchen, hall, utility room, two bedrooms and one and three-quarters baths, all on one floor. The Type U units contain an additional bedroom, family room and den. The approximate number of square feet in each unit is: Type L, 1150 square feet, and Type U, 1608 square feet.

E. The structural portions of each building, all fire alarms and the exterior surface of the garage door shall be common elements except as stated in Section 3 C of this declaration. Utility lines and plumbing equipment located outside of the units shall be repaired and maintained by and at the expense of the Association. The heating and air conditioning system and water heater for each unit shall be considered part of the unit and repaired and maintained by and at the expense of the unit owner.

F. Each unit shall include one space in an attached garage belonging to the unit as conveyed to the unit owner by the Declarant and any additional space which may be purchased by the unit owner. The location of the attached garage for the building is shown on Exhibit A.

G. If any portion of the common or limited common elements shall encroach upon any unit, or if any unit shall encroach upon any other unit or upon a portion of the common or limited common elements as a result of the construction, reconstruction or repair of the building, or as a result of settling or shifting of the building, a valid easement for the encroachment and for its maintenance shall exist so long as the building stands. The existing physical boundaries of a unit or common elements constructed or reconstructed in substantial conformity with the Condominium plat shall be conclusively presumed to be the boundaries of the unit, regardless of the shifting, settlement or lateral movement of the building and regardless of minor variations between the physical boundaries described in this declaration or shown on the Condominium plat and the existing physical boundaries of any such unit or common element.

4. Description of Common Elements.

The common elements shall include, but not be limited to the following:

A. Land within the Condominium;

B. Walls, ceilings, and floors other than specifically included in each unit;

C. Components of plumbing, heating, electrical, telephonic or cable television systems serving more than one unit, and fire alarm systems;

D. Walks, driveways, parking areas, fences, sewer and water main easements;

E. All other parts of the Condominium, necessary or convenient to its existence, maintenance and safety, or normally in common use.

5. Description of Limited Common Elements.

The following common elements are permanently assigned to and limited to the use of units as follows:

A. The "limited common elements"

(1) The patio or balconies, including adjacent storage area, which are adjacent to the unit as indicated on the drawings contained in Exhibit A;

(2) Outdoor parking space adjacent to the garage or garages which have been assigned to the unit and bearing the same

number as the garage space with a suffix "SP" as shown in the drawings contained in the attached Exhibit A.

6. Unit Value for Common Element Ownership and Voting.

Each unit and its owner shall have a 1/16 undivided interest in common with all other units and unit owners in the common and limited common elements, subject to modification in the event of expansion of the Condominium as provided under Section 11 of this declaration. The Declarant recognizes that there are variances in the units which relate to value; however, after careful consideration of the factors relevant to maintenance, replacement and value, the Declarant believes that the foregoing formula of ownership and voting is fair and equitable as well as the most efficient for purposes of administration.

7. Residential Use. amended 5/21/05 see attached

All units are intended for and shall be restricted to use by the owner, the owner's family, lessees, invitees and frequenters, for residential purposes only. The building containing the unit is intended for and restricted to use for residential purposes only.

8. Service of Process.

The resident agent for the Condominium shall be Washington Properties, Inc. Service of process shall be made upon the Declarant at 6939 Mariner Drive, Racine, Wisconsin 53406, as to matters provided for in the Act until all units have been sold, conveyed and paid for or until the first meeting of the unit owners, at which time the Association may designate a successor by vote of a simple majority of a quorum present at any meeting of the Association.

9. Damage or Destruction.

In the event the Condominium is destroyed or damaged in an amount in excess of $10,000.00 and insurance proceeds less an amount not exceeding $10,000.00 are insufficient to complete repair and reconstruction, action by the Association by a vote of a majority of unit owners, as defined in the by-laws, taken within 90 days after the damage or destruction, shall be necessary to determine to repair or reconstruct the Condominium as more fully described in Section 3, Article 5 of the by-laws. Damage or destruction to a lesser extent, and to a greater extent if insurance proceeds (less an amount not exceeding $10,000.00) are sufficient to complete repair and reconstruction, shall be repaired and reconstructed pursuant to arrangement by the Board of Directors of the Association as provided in that Section of the by-laws.

10. Further Matters.

A. All present and future owners of units, tenants of those owners and any other occupants of units, employees of owners, or any other persons who in any manner use or come upon the Condominium or any part of the Condominium shall be subject to and shall comply with the provisions of this declaration, the Articles of Incorporation of the Association ("Articles") and the by-laws and rules and regulations adopted pursuant to those instruments, as those instruments may be amended from time to time. The acceptance of a deed or conveyance, or the entering into of a lease, or the entering into occupancy of any unit shall constitute an acceptance by the owner, tenant or occupant of the provisions of those instruments, as they may be amended from time to time. The provisions contained in the instruments shall be covenants running with the land and shall bind any person having at any time any interest or estate in the unit, as though the provisions were recited and fully stipulated in each deed, conveyance or lease. The enforcement may be by such judicial proceedings as the Board of Directors of the Association may deem appropriate as well as by provisions of the Act.

B. The Declarant reserves the right for a period of 10 years from the date of this declaration to cause one or more of the units it owns to be maintained as a model unit and office and to display any models and the common elements of the Condominium for purposes of selling units in the Condominium or in other projects of the Declarant, together with appropriate signage located in the common elements identifying the Declarant and its agents and locating and giving any information regarding any model unit and office.

C. Rules and regulations (in addition to the by-laws) concerning the use of the units and the common and limited common elements, including provisions limiting keeping of animals and other pets, may be established and amended by the Board of Directors of the Association. Copies of these rules and regulations shall be furnished by the Board of Directors of the Association to each unit owner prior to the effective date of the rules and regulations.

D. The Declarant hereby reserves for the Association acting by and in the discretion of its Board of Directors, the right to grant to itself, to the Town of Mt. Pleasant, Wisconsin, or to public or semipublic utility companies, easements and rights-of-way 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 Board of Directors may deem fit and proper for the improvements and benefit of the Condominium. These easements and rights-of-way shall be confined, so far as possible, in underground pipes or conduits, with the necessary rights of ingress and egress and the rights to do whatever may be necessary to carry out the purposes for which this easement is created.

E. The Declarant further reserves, for Declarant and Declarant's successors and assigns, access to and the right to connect to any such roads and underground pipes or other conduits for the improvement and benefit of "Expansion Area" as defined in Section 11 B of this declaration. Any such connection shall be at the expense of the Declarant. The rights created under this paragraph shall terminate if not exercised within 7 years from the date of this declaration.

11. Amendment of Declaration.

A. This declaration may be amended with the written consent of at least 75% of the unit owners and 75% of the mortgagees and land contract vendors having interests in the units in the Condominium.

B. This declaration may also be amended by the Declarant alone to change or alter the percentage of ownership in the common or limited common elements where the Declarant alters the percentage in accordance with this section.

Declarant owns or has the right to acquire certain land ("Expansion Area") described in Exhibit A attached to this declaration. Declarant has constructed or plans to construct 2 buildings on Phase One described in Exhibit A and presently intends to construct 4 additional buildings upon the Expansion Area in one or more stages with a maximum of 48 units in the 6 buildings. The general design of the buildings shall be substantially similar to those included in this declaration but may, at the option of the Declarant, include basements, and provide for one bedroom and three bedroom units. The buildings may provide for use of the garage space for a family room or hobby shop, provided that the unit owner complies with all zoning ordinances and building codes and makes no structural changes for those uses without the prior written approval of the Board of Directors. The buildings shall be located upon the Expansion Area generally as shown on the plat of the Expansion Area in Exhibit A. Declarant reserves the right to change the design, location and number of buildings and units to be constructed on the Expansion Area so long as the maximum number of units on the Expansion Area does not exceed 32.

Without making any representation in this declaration that Declarant or any other person can or will undertake the construction and notwithstanding the provisions of Section 11 A of this declaration, Declarant reserves the absolute and unqualified right for itself and its successors and assigns on behalf of each unit owner of the Condominium to amend this declaration at any time and from time to time within 7 years from the date of this declaration to add to the Condominium all or any part of the Expansion Area, if any. In the event of any such addition, each unit owner shall have an undivided interest in common with all other units and unit owners in the common and limited common elements equal to the number one (1) divided by the total number of units after completion of the part of the Expansion Area added to the Condominium. Declarant may assign in whole or in part, absolutely or for purposes of security, by a written assignment for that purpose, all powers of amendment. The unit owners, by acceptance of a Condominium deed to a unit, appoint Declarant and Declarant's successors and assigns as

attorney in fact with irrevocable power coupled with an interest to execute and deliver an amendment in accordance with the provisions stated in this Section 11 B.

C. This declaration may also be amended by Declarant to interchange the types of units prior to the actual conveyance of any such unit and to change location of parking space serving a building prior to the initial conveyance of any unit in the building. The unit owners, by acceptance of a Condominium deed to a unit, consent to the interchange of type units and the relocation of parking space as provided in this Section 11 C and appoint Declarant and Declarant's successors and assigns as attorney in fact with irrevocable power coupled with an interest to execute and deliver an amendment in accordance with these provisions.

12. Additional Rights of Lenders.

A. As to the holder of any mortgage and as to any land contract vendor ("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 Section 8 of this declaration that it desires to receive notice of the following matters:

(1) The Board of Directors of the Association 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;

(2) The Board of Directors of the Association 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 or the bylaws and rules and regulations, at the time of notice to any unit owner; and

(3) The Board of Directors of the Association shall notify the lender of physical damage to structure, fixtures or equipment of a unit in an amount exceeding $2,500 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 $10,000 or if the common elements become the subject of condemnation or eminent domain proceedings.

B. Unless all lenders have given their prior written approval, the Association shall not:

(1) Change the undivided percentage interest in the common elements of the Condominium relating to the unit;

(2) Partition or subdivide any unit or abandon, partition, subdivide, encumber, or convey the common elements of the Condominium (granting of easements for public utilities excepted);

(3) By act or omission seek to abandon the Condominium status of the Condominium except as provided in Section 9 of this declaration in case of substantial damage to or destruction of the Condominium; or

(4) Use hazard insurance proceeds for losses to the Condominium property for other than the repair of the property, except as authorized by law.

C. A lender who comes into possession of a unit pursuant to the remedies provided in the mortgage or land contract, a foreclosure of the mortgage or land contract, or a deed (or assignment) in lieu of foreclosure, shall take the unit free of any claims for unpaid assessments or charges in favor of the Association against the unit which accrued prior to the time the lender came into possession of the unit.

D. Notwithstanding Section 11 of this declaration, this Section 12 shall not be amended unless all lenders have given their prior written approval.

Signed May 23, 19 90.

EMMERTSEN HEIGHTS & ASSOCIATES,
a General Partner

Donald E. Orth, Partner

Bruce D. Wiegmann, Partner

Allen C. Orth, Partner

Stephen L. Schorsch, as Trustee of the Stephen L. Schorsch Trust dated June 10, 1974

STATE OF WISCONSIN)
)SS.
COUNTY OF RACINE)

Personally came before me this 23 day of May, 1990, the above-named Donald E. Orth, partner of Emmertsen Heights & Associates, a general partnership, to me known to be such person who executed the foregoing instrument and acknowledged the same.

Notary Public, State of Wisconsin
My commission expires: 2/10/91

STATE OF WISCONSIN)
) SS
COUNTY OF RACINE)

Personally came before me this 23 day of May, 1990, the above-named Bruce D. Wiegmann, partner of Emmertsen Heights & Associates, a general partnership, to me known to be such person who executed the foregoing instrument and acknowledged the same.

Jayne M. Sadowski
Notary Public, State of Wisconsin
My commission expires: 2/10/91

STATE OF WISCONSIN)
) SS
COUNTY OF RACINE)

Personally came before me this 23 day of May, 1990, the above-named Allen C. Orth, partner of Emmertsen Heights & Associates, a general partnership, to me known to be such person who executed the foregoing instrument and acknowledged the same.

Jayne M. Sadowski
Notary Public, State of Wisconsin
My commission expires: 2/10/91

STATE OF WISCONSIN)
) SS
COUNTY OF RACINE)

Personally came before me this 23 day of May, 1990, the above-named Stephen L. Schorsch, as Trustee of the Stephen L. Schorsch Trust dated June 10, 1974, partner of Emmertsen Heights & Associates, a general partnership, to me known to be such person(s) who executed the foregoing instrument and acknowledged the same.

Jayne M. Sadowski
Notary Public, State of Wisconsin
My commission expires: 2/10/91

This instrument was drafted by
Robert R. Henzl