FIRST AMENDMENT TO DECLARATION OF RESTRICTIONS AND HOMEOWNERS ASSOCIATION FOR WESTCHESTER LAKES SUBDIVISION

This First Amendment to the Declaration of Restrictions and Homeowners' Association for Westchester Lakes Subdivision is made and entered into as of the 9th day of January, 1990, by Republic Development, Inc., a Wisconsin corporation, hereafter called "Developer" pursuant to and in accordance with the Declaration of Restrictions and Homeowners' Association dated October 16, 1989, and recorded in the office of the Register of Deeds for Ozaukee County, Wisconsin, November 13, 1989 in Volume 658, Pages 719 to 741, hereafter called the "Declaration".

RECITATIONS

0.1 WHEREAS, the Declaration subjects the platted lots and outlots within the Subdivision to the conditions, restrictions, covenants, reservations and easements set forth therein for the mutual benefit of the Lot Owners; and

0.2 WHEREAS, Article 4.04 of the Declaration provides that the Declaration may be amended by recording in the Office of the Register of Deeds for Ozaukee County, Wisconsin, a document executed by the owners of at least 75% of all lots in the Subdivision, and their mortgagees, such amendment to be effective upon recording; and

0.3 WHEREAS, None of the lots have been sold and are all presently owned by the Developer; and

AMENDMENT

NOW, THEREFORE, the Declaration is amended to read as follows (with changes and additions being underlined in the section heading and/or body of the paragraph for easy reference only):

Section 2.01 is amended as follows:

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

(1) of not less than 2,500 square feet for a one-story home;

(2) of not less than 2,500 square feet for a two-story home.

The Board shall have the exclusive right to determine whether such requirements will be satisfied and any decision of the Board shall be final and conclusive.

Except as amended and modified, all of the provisions of the Declaration shall continue and remain in full force and effect.

Dated at Milwaukee, Wisconsin this 9th day of January, 1990.

Developer and Owner of all lots

REPUBLIC DEVELOPMENT, INC.

By: _____
Dennis M. Bush
President

By: _____
Robert L. Desmond
Vice President

STATE OF WISCONSIN)
) SS.
OZAUKEE COUNTY)

Personally came before me this 9th day of January, 1990, the above-named Dennis M. Bush and Robert L. Desmond, as President and Vice President of Republic Development, Inc., to me known to be the persons who executed the foregoing instrument and acknowledged the same.

_____
Notary Public, State of Wisconsin
My Commission Expires: 10/17/93

RECORDED

1990 JAN 17 AM 10:30

_____
REGISTER OF DEEDS
OZAUKEE COUNTY, WI

Return to: Wisconsin Title Service
PO Box 618
Waukesha WI 53187-0618
Attn: Mark Ciborowski $6.00

DECLARATION OF RESTRICTIONS AND HOMEOWNERS ASSOCIATION FOR WESTCHESTER LAKES SUBDIVISION

This Declaration is made this 16 day of October, 1989 by Republic Development, Inc. (hereinafter called "Developer").

RECITATIONS

WHEREAS, Developer owns all those lands located in the City of Mequon, Ozaukee County, Wisconsin, described on Exhibit A attached hereto (the "Subdivision");

WHEREAS, upon approval of the final plat for Westchester Lake. Subdivision, the Subdivision will be a platted subdivision consisting of 93 lots; and

WHEREAS, Developer desires to subject the lots as platted within the Subdivision, as well as all other portions of the Subdivision, as expanded from time to time (except dedicated streets and utilities), to the conditions, restrictions, covenants, reservations and easements hereinafter set forth, for the benefit of the Subdivision 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 & USE RESTRICTIONS

1.01 DEFINITIONS.

a) "Association" shall mean the Westchester Lakes Homeowners Association, a nonprofit, nonstock homeowner's association, created under this Declaration.

b) "Architectural Control Board," the "Board," or "ACB" shall mean the officers of the Association appointed or 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 outlot or other area within the Subdivision which is not a Lot as identified in this Declaration or on the subdivision plat, and includes, without limitation, all

such areas conveyed by the Developer to the Association and any dedicated street or other dedicated area for which the City has not assumed responsibility for maintenance, it being understood that boulevard islands may be dedicated to the City but maintained by and at the expense of the Association.

d) "Limited Common Area" or "Limited Common Areas" shall mean any outlot or other area within the Subdivision, as identified in this Declaration or on the Subdivision Plat as reserved for the exclusive use of one or more but less than all of the Lot Owners.

e) "City" shall mean the City of Mequon, a municipal corporation.

f) "Developer" shall mean Republic Development, Inc., a Wisconsin corporation, as well as any successor-Developer.

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

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

i) "Lot" shall mean a platted lot within the Subdivision identifiable by reference to a lot number, regardless of whether such property is currently platted or platted at some future time. The term "Lot" does not include any outlot or other Common Area.

j) "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.

k) "Property" shall include a Lot and all improvements.

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

m) "Structure" and "improvement" shall be synonomous 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, car-port, or above ground storage facility; tenant; exterior lighting or electric fixture, antennae, tower, pole, or bug control device; fence, retaining or other wall, fountain or above-ground or in-ground 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 including skateboard ramps; burms 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 and ensealed entirely below ground level, unless 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.

n) "Subdivision" shall mean the lands described on the attached Exhibit A, excluding lands now or hereafter dedicated to the City, and including such contiguous parcels of real estate as may be acquired by Developer from time to time and declared by Developer to be a part of Westchester Lakes Subdivision under an instrument executed by Developer and recorded in the office of the Register of Deeds of Ozaukee County, Wisconsin

o) "successor-Developer" shall mean any person, firm or entity which expressly assumes in writing all then remaining obligations of Developer to the City under certain Development Agreements recorded in the office of the Register of Deeds for Ozaukee County, Wisconsin, as Document Nos. 421875 ~~and _____~~ (as may be amended) relating to development of the Subdivision or portions thereof.

1.02 GENERAL PURPOSE.

The general purpose of this Declaration is to help assure that the Subdivision 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 and Limited Common Areas within the Subdivision; 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 the Subdivision 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 Lot; to prevent installation of improvements which may adversely affect the aesthetic appearance of a lot or surrounding area; 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 the Subdivision.

1.03 SINGLE FAMILY USE: GENERAL RESTRICTION.

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 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 may, but shall not be obligated to improve any areas of the Subdivision with grass or plantings or to cut grass or foliage growing in a natural environment.

d) 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 space for the common benefit of the Subdivision and not for recreational or other activities by any Lot Owner unless previously approved by the Board (which approval, if given, may be revoked at any time). Outlots are common areas.

b) Any signs, monuments or structures constructed by Developer or the Association on any Common Areas shall be properly maintained by the Association. The Association shall also maintain all other Common Areas so as to be neat and attractive in appearance. No Lot Owner shall erect any Structure or improvement in the Common Areas.

1.05 USE AND MAINTENANCE OF LIMITED COMMON AREAS.

a) The Plat of Westchester Lakes creates Outlot 5 which abuts portions of lots 48 through 93 inclusive. Outlot 5 is for the exclusive use and enjoyment of the Lot Owners of lots 48 through 93, their respective families and guests (hereinafter, the "Limited Common Area Lot Owners").

b) All of the Limited Common Element Lot Owners shall have a mutual easement of use and enjoyment over and across Outlot 5 and such easements shall be appurtenant to and shall pass with the title to the Limited Common Element Lots.

c) The Association shall administer, manage, operate, control, maintain and repair Outlot 5. The costs for the maintenance and repair of Outlot 5 shall be the responsibility of the Limited Common Area Lot Owners and the Association may separately assess those lot owners for such costs and maintenance. The Association may, from time to time, adopt or change rules or regulations governing the operation, maintenance and use of Outlot 5. Such rules or regulations shall be designed to facilitate and encourage the

peaceful use and enjoyment of Outlot 5 by the Limited Common Area Lot Owners, without unduly interfering with the peaceful use and enjoyment of the other Lots and Common Areas of the Subdivision. All of the Limited Common Area Lot Owners, their families and guests shall abide by all such rules and regulations.

1.06 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) nor trucks shall not be parked, kept or stored on any Common Area or undeveloped area of the Subdivision, nor shall any such Recreational Vehicle or truck 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 not be used or operated on any Lot or otherwise within the Subdivision except on dedicated streets in accordance with applicable traffic laws.

1.07 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.

1.08 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 Lots. There shall be no burning or burial of any garbage, trash, or debris at any time, other than for burning of leaves and light brush if approved by the Board.

1.09 DEVELOPER LANDSCAPING; EASEMENTS; MAINTENANCE BY LOT OWNERS.

In order to preserve the natural amenities of the Subdivision and to provide for the enhancement of property values for the benefit of the Subdivision as a whole and for the benefit of each Lot Owner, Developer has created a master landscape plan as shown on the Plat of Westchester Lakes Subdivision and in the plans and specifications of Westchester Lakes Landscape Plan by Ewald Toldt Design Landscape dated 10-16-89 (hereafter "Developer Landscaping"). The Developer Landscaping may include various hedge and screen plantings, berms, trees, shrubbery and related landscaping which are to be constructed by the Developer on certain Lots in the Subdivision. The master landscape plan also includes the construction of improvements and landscaping for the entranceways to the Subdivision as shown on the plat of Westchester Lakes Subdivision and in the plans and specifications of Westchester Lakes Landscape Plan by Ewald Toldt Design Landscape, dated 10-16-89, as revised and amended by the final landscape plans (hereafter the "Entry Landscaping").

(a) This Declaration hereby grants an easement upon, across, over and through all of the Lots and Common Areas and Limited Common Areas of the Subdivision, for the purpose of allowing Developer and its agents ingress and egress in order to accomplish the construction of any of the improvements or facilities involved in the Developer Landscaping and Entry Landscaping. This easement shall terminate upon the Developer's delivery of a certificate of completion to the Association, indicating that all work on the Developer Landscaping and Entry Landscaping has been completed.

(b) Each Lot Owner affected by the Developer Landscaping shall be responsible for maintaining and repairing the Developer Landscaping. Such responsibility shall include, but is not limited to, the seeding, watering and mowing of all lawns, the pruning, cutting and replacement of all trees and shrubbery so as to maintain the Developer Landscaping in an attractive condition consistent with the original design of Developer Landscaping.

In the event a Lot Owner is unable or unwilling to maintain or repair the Developer Landscaping, the Association and its agents shall have the right to enter upon said Lot to correct, repair, maintain and restore the Developer Landscaping. An irrevocable right and easement is hereby granted for the benefit of the Association to enter onto Lots to obtain ingress and egress necessary to maintain and make repairs to the Developer Landscaping. The Association shall thereafter have the right to levy a Special Assessment against the Lot Owner involved for the costs of such maintenance and repairs performed by the Association, pursuant to the provisions of Section 3.10 hereof.

(c) The Association shall be responsible for maintaining and repairing the Entry Landscaping and boulevard island areas dedicated to the City. Such responsibility shall include, but is not limited to, the seeding, watering and mowing of all lawns, the pruning, cutting and replacement of all trees and shrubbery so as to maintain the Entry Landscaping in an attractive condition consistent with the original design of the Entry Landscaping. An irrevocable right and easement is hereby granted for the benefit of the Association to enter onto Lots to obtain ingress and egress necessary to maintain and make repairs to the Entry Landscaping. The costs of such maintenance and repairs will be levied by the Association equally against all Lot Owners, other than the Developer, as a General Assessment pursuant to Section 3.10 hereof.

(d) Binding Effect. All easements and rights described herein are easements appurtenant, running with the land and are subject to the reasonable control of the Association. All easements and rights described herein are granted and reserved to, and shall inure to the benefit of and be binding on, the Lot Owners, purchasers, mortgagees, lessees and occupants and their heirs, personal representatives, successors and assigns.

CONSTRUCTION OF IMPROVEMENTS

2.01 MINIMUM LIVING AREA & HEIGHT REQUIREMENTS: GARAGES.

a) Each Home shall have a minimum living area (exclusive of basement, attic, garage, porches, patios, and storage areas) of not less than 2,300 square feet.

The Board shall have the exclusive right to determine whether such requirements will be satisfied and any decision of the Board shall be final and conclusive.

b) 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.

c) No Home shall exceed two and one-half stories (excluding the basement).

d) An attached enclosed garage (for at least two and not more than three 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 LOCATION & 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) closer than 50 feet to the front Lot line at any point;

2) closer than 50 feet to any side street line at any point;

3) closer than 20 feet to the side Lot line adjoining another Lot at any point; or

4) closer than 50 feet to the rear Lot line at any point.

Each corner Lot shall be determined by the Board to have one rear Lot line, one side Lot line, one front Lot line and a side street line 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 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 Board prior to any construction, it being intended that 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 the Subdivision or any portions thereof which the Board deems advisable.

d) 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.

e) No tree may be cut down or removed from a lot unless approved for removal by the Board.

2.03 APPROVAL OF ARCHITECTURAL CONTROL 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 Board appropriate for its review and approval; and (2) acquisition of prior written approval by the Board. Plans, to be considered appropriate for review by the Board, must include the following (unless the 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, together with paint color samples and brick color samples, and equipment, if any; a plot plan showing the location of the improvement with respect to set-backs from lot lines and other buildings and improvements, finished grade elevations, topography, drives, existing plantings and other data pertinent to such review by the Board as it may reasonably request; and a landscape plan prepared by a landscape architect. The 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 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 Board.

(b) Notwithstanding the foregoing provisions and limitations of Section 2.03(a), each Home shall include the following minimum specifications: (1) exteriors of all natural building materials, such as stone, brick or wood; (2) full masonry chimney with brick or stone exterior veneer; (3) finish roof construction of cedar shake shingles, tiles or other natural material approved by the Board; asphalt shingles may be permitted upon prior Board approval; and (4) front yard lamp post (with photoelectric cell) and mailbox post approved by the Board. The lamp post and mailbox post shall be purchased from the Association.

c) Upon approval by the Board of the plans for the proposed improvement and upon receipt of any necessary City 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 months following either acquisition of Board approval or

issuance of any required building permit by the City, whichever is later. The Board may, in its discretion, extend such completion deadline up to an additional six 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.

d) In the event the Board fails to act upon proposed plans within 30 days following written acknowledgment by the 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 year following final completion thereof, no right shall exist to thereafter enforce these restrictions insofar as approval by the Board is required as to such particular matter.

e) Any approval or permission of the Board under this Section, to be binding or effective, must be in writing signed by the President or Secretary of the Association. No oral statements, representations or approvals of the Board of any of its members or agents shall be binding on the 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 Board.

2.04 LANDSCAPING & DRAINAGE.

a) Within 6 months following issuance of an occupancy permit for a Home, a complete landscaping plan for the entire Lot shall be submitted to the Board for its approval under Section 2.03 above. In its discretion, the Board may reject or modify the landscaping plans for overall compatibility with the Developer Landscaping and Entry Landscaping described in section 1.09 above. All landscaping shall be completed (in accordance with the plan approved by the Board) within 12 months following the issuance of the occupancy permit for the Home.

b) 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.

c) 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 2.03.

d) Each Lot Owner is responsible for compliance with Master Grade Plan as established by the City of Mequon.

2.05 DRIVEWAY.

Each Lot shall be improved by the Lot Owner with an asphalt, concrete or paving stone driveway extending from the street to the garage within 12 months following issuance of an occupancy permit for the Home. A plot plan showing the location of the drive shall be submitted to the Board for its prior approval under Section 2.03 above.

2.06 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 Board, unless required for backfilling, finish grading, or landscaping.

2.07 WATER SUPPLY.

Each Home shall be connected to the water supply system as established in the Declaration of Water Trust or to the water supply system of the City or public utility and no individual wells shall be used or permitted.

2.08 SEWERAGE DISPOSAL.

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

2.09 GARBAGE DISPOSAL.

Each Home shall be equipped with a garbage disposal connected to the sanitary sewer. No incinerator or incineration system for burning garbage or debris shall be used or permitted.

2.10 WIRES AND ANTENNA.

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 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 shall be erected or used without the prior written approval of the Board.

2.11 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 6 square feet advertising the Property for sale; and (2) one standard sign (showing the Lot

Owner's name) as may be approved by the Board for uniform use in terms of size, design, appearance and location for each Lot in the Subdivision; and (3) such signs as the Developer or Board may approve for placement on those Lots affected by the Entry Landscaping for the purpose of advertising Westchester Lakes Subdivision.

b) No mailbox shall be installed unless the location, size, materials and appearance are approved in writing by the Board in accordance with Section 2.03.

THE ASSOCIATION

3.01 CREATION OF ASSOCIATION.

a) The Developer hereby creates and establishes a non-profit incorporated homeowner's association to be known as "Westchester Lakes 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 of 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 not 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 information 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 5 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-third 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 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 assessments 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 and Limited 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 and Limited Common Areas, including fines or penalties which may be enforceable by Special Assessment against any Lot Owner 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 Limited Common Areas and operate the Association for the mutual use and enjoyment of all Lot Owners.

b) The President, 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 meeting 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 thereafer 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; assess and collect all General and Special Assessments made 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 officers 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 80 percent of all present and future platted Lots in the Subdivision 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).

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, provided 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 2.03) 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.

3.10 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. The Board may, at any time, levy assessments for such purposes against the Lot Owners and their Lots, other than the Developer and Lots owned by the Developer. The Developer shall not be responsible at any time for any assessments, General, Special or otherwise.

b) "Special Assessments" may be made and levied by the Board against a particular Lot Owner (other than the Developer) 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 attorneys 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 (other than the Developer) and his, her or their Lot for the following "common expenses" which may be anticipated, incurred or paid by the Association for:

1) maintenance, repairs, upkeep or operation of Common Areas, Limited 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;

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 not owned by the Developer.

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 commingled and thereafter disbursed to pay any costs or expenses incurred by the Association which would be subject to General or Special Assessment.

e) 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; INITIAL MONTHLY ASSESSMENT.

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).

c) Notwithstanding any other contrary provisions of this Declaration, a General Assessment equal to $60.00 for each Lot shall be due and payable quarterly, on March 31, June 30, Septemoer 30 and December 31 of

each year, by each Lot Owner, other than the Developer, commencing with the first quarterly payment date following acquisition of the Lot by the Lot Owner. Upon closing of the purchase of a Lot by a Lot Owner, an amount shall be due and payable to the Association representing the General Assessment for the quarter in which the Lot is purchased, prorated to the date of closing. A late fee of $10.00 shall be assessed against each Lot Owner for each month or part of a month such Lot Owner shall be delinquent in the payment of the quarterly payment. The amount of the General Assessment, as well as the due dates for payment thereof may be adjusted from time to time as determined by the Board, but shall not be adjusted until all of the Lots of the Subdivision have been sold by the Developer.

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 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 the Subdivision 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 and Limited 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 the Subdivision 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, negotiable 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 Ozaukee 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 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 Declaration 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 City and/or to any public or private utility company upon, over, through or across those portions of any Lot in the Subdivision within 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 the Subdivision or for purposes of facilitating drainage of storm or surface water within or through the Subdivision. 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 the Subdivision 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 Ozaukee County, Wisconsin, a document to that effect executed by the owners of at least 67 percent of all Lots in the Subdivision, and their mortgagees, with all signatures duly notarized. Such amendment shall become effective only upon recording. Notwithstanding the foregoing provisions of this Section 4.04, Developer may amend this Declaration without the consent of any of the Lot Owners solely to effect an expansion of Westchester Lakes Subdivision to include contiguous parcels of real estate as may be acquired by Developer from time to time.

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 percent of all Lots in the Subdivision and their mortagees) 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 the Subdivision not already platted as of the date of recording this Declaration. If Developer fails to cause all such unplatted portions of the Subdivision to be duly platted within 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 hereof 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 HEREOF, this Declaration of Restrictions is executed by Republic Development, Inc., as Developer, as of the date first written above.

REPUBLIC DEVELOPMENT, INC., a Wisconsin corporation

By: _____
Dennis M. Bush, President

By: _____
Robert Desmond, Vice President

STATE OF WISCONSIN)
) SS.
Milwaukee COUNTY)

Personally came before me, this 16th day of October, 1989, the above named Dennis M. Bush and Robert Desmond, to me known to be the President and Vice President, respectively, of Republic Development Inc., who executed the foregoing instrument and acknowledged the same on behalf of said corporation.

_____
Notary Public, State of Wisconsin
My Commission Expires: April 18, 1993

This Instrument Was Drafted By And Should Be Returned Following Recording To:

Attorney John G. Gehringer
Frisch Dudek, Ltd.
825 North Jefferson Street
Milwaukee, Wisconsin 53202-6495
696Q

RECORDED
1989 NOV 13 AM 10:40
Ronald A. Voigt
REGISTER OF DEEDS
OZAUKEE COUNTY, WI

$48.00

EXHIBIT A
LEGAL DESCRIPTION

BEING A SUBDIVISION OF PARCEL TWO (2) OF CERTIFIED SURVEY MAP NO. 737, RECORDED AUGUST 18, 1975 IN VOLUME 3 OF CERTIFIED SURVEY MAPS ON PAGES 138 AND 139, AS DOCUMENT NO. 273755, BEING A PART OF THE NORTHWEST ONE-QUARTER (1/4) OF SECTION TWENTY-TWO (22), TOWNSHIP NINE (9) NORTH, RANGE TWENTY-ONE (21) EAST, IN THE CITY OF MEQUON, AND LANDS ALL BEING A PART OF THE NORTHWEST ONE-QUARTER (1/4), NORTHEAST ONE-QUARTER (1/4), SOUTHWEST ONE-QUARTER (1/4) AND THE SOUTHEAST ONE-QUARTER (1/4) OF THE NORTHWEST ONE-QUARTER (1/4) OF SECTION TWENTY-TWO (22), TOWNSHIP NINE (9) NORTH, RANGE TWENTY-ONE (21) EAST, IN THE CITY OF MEQUON, OZAUKEE COUNTY, WISCONSIN, WHICH IS BOUNDED AND DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF THE NORTHWEST 1/4 OF SECTION 22; THENCE NORTH 89° 59' 26" EAST ALONG THE NORTH LINE OF SAID 1/4 SECTION 419.00 FEET TO A POINT, SAID POINT BEING THE POINT OF BEGINNING OF THE LANDS HEREIN TO BE DESCRIBED; CONTINUING THENCE NORTH 89° 59' 26" EAST 623.04 FEET TO A POINT; THENCE SOUTH 00° 19' 34" EAST 325.00 FEET TO A POINT; THENCE NORTH 89° 59' 26" EAST 602.20 FEET TO A POINT ON THE WEST LINE OF SPRING DALE ESTATES, BEING A SUBDIVISION OF A PART OF THE NORTHWEST 1/4 OF SECTION 22, TOWNSHIP 9 NORTH, RANGE 21 EAST, IN THE CITY OF MEQUON, OZAUKEE COUNTY, WISCONSIN; THENCE SOUTH 00° 19' 34" EAST ALONG THE WEST LINE OF SPRING DALE ESTATES 993.00 FEET TO THE SOUTHWEST CORNER OF SAID SUBDIVISION; THENCE NORTH 89° 49' 00" EAST 988.57 FEET TO THE SOUTHEAST CORNER OF SAID SPRING DALE ESTATES; THENCE SOUTH 00° 19' 48" EAST 1330.19 FEET TO THE SOUTHEAST CORNER OF SAID 1/4 SECTION; THENCE NORTH 89° 58' 13" WEST ALONG THE SOUTH LINE OF SAID 1/4 SECTION 2257.90 FEET TO A POINT; THENCE NORTH 00° 04' 00" WEST AND PARALLEL TO THE WEST LINE OF SAID 1/4 SECTION 330.45 FEET TO A POINT ON THE NORTH LINE OF THE SOUTH 20 ACRES OF THE SOUTH 1/2 OF SAID 1/4 SECTION; THENCE NORTH 89° 58' 13" WEST 387.00 FEET TO A POINT ON THE WEST LINE OF SAID 1/4 SECTION; THENCE NORTH 00° 04' 00" WEST ALONG WEST LINE OF SAID 1/4 SECTION 989.93 FEET TO A POINT; THENCE NORTH 89° 49' 00" EAST 264.00 FEET TO A POINT; THENCE NORTH 00° 04' 00" WEST 376.15 FEET TO A POINT; THENCE SOUTH 89° 49' 00" WEST 264.00 FEET TO A POINT ON THE WEST LINE OF SAID 1/4 SECTION; THENCE NORTH 00° 04' 00" WEST ALONG THE WEST LINE OF SAID 1/4 SECTION 310.20 FEET TO A POINT; THENCE NORTH 89° 59' 26" EAST 419.00 FEET TO A POINT; THENCE NORTH 00° 04' 00" WEST 636.64 FEET TO THE POINT OF BEGINNING. EXCEPTING THOSE PORTIONS DEDICATED FOR PUBLIC STREET PURPOSES.

NOTE: Following approval of the final plat for Westchester Lakes Subdivision the legal description will be as follows:

Lots One (1) through Ninety-three (93) inclusive, of WESTCHESTER LAKES SUBDIVISION, in the City of Mequon, Ozaukee County, Wisconsin.

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DECLARATION OF WATER TRUST FOR WESTCHESTER LAKES SUBDIVISION

This Declaration is made this 1st day of October, 1989, by Republic Development, Inc. (hereinafter called "Developer").

RECITATIONS

WHEREAS, Developer owns those lands located in the City of Mequon, Ozaukee County, Wisconsin, described on Exhibit A attached hereto (hereinafter called "Subdivision");

WHEREAS, the Subdivision is a platted subdivision consisting of 93 lots;

WHEREAS, Developer intends to provide a water system including two wells, pumps, tanks and mains for domestic water use to service the lots in the Subdivision, as expanded from time to time, and has caused to be drilled on 2 wells of the Subdivision, as located on the final plat and has installed in the streets of the Subdivision water mains and laterals extended to the lot lines of the lots in the Subdivision;

WHEREAS, Developer, in connection with the platting of the Subdivision, has reserved and hereby does reserve an easement for the purpose of the right to construct, maintain and repair the well upon the lot(s) described in the final plat of Westchester Lakes Subdivision, together with an easement for the purpose of constructing, maintaining, and repairing the distribution facilities and distribution system consisting of well pump, storage tanks, controls, pump house, fire hydrants, water mains, valves and related equipment (hereinafter collectively referred to as the "Water System");

WHEREAS, Developer intends to convey to various purchasers lots in the Subdivision and all future platted lots within the Subdivision, as expanded from time to time, in accordance with and subject to the provisions of this Declaration of Trust to provide for the maintenance, repair, operation and service of the Water System for the benefit of present and future lot owners; and

WHEREAS, the Developer has subjected the platted lots within the Subdivision, as well as other portions of the Subdivision to the Declaration of Restrictions dated 10-16-89 and recorded in the office of the Register of Deeds for Ozaukee County, Wisconsin, in Reel 658, Image 719 to 741, as Document No. 423249, it being expressly understood that the provisions of the Declaration of Restrictions are incorporated herein;

DECLARATION

NOW, THEREFORE, the Developer grants, transfers and conveys to the Trustees (hereinafter defined) and their successors in office, the right to manage and operate the Water System and the easements to construct, maintain, repair and replace the Water System for the purpose of providing water service

to the lots in the Subdivision and all future platted lots within the Subdivision, as expanded from time to time as provided for in the Declaration of Restrictions, as well as all other portions of the Subdivision (except dedicated streets and utilities).

1.01 Definitions.

(a) The definitions of terms as set forth in Section 1.01 of the Declaration of Restrictions shall control for the purposes of this Declaration.

(b) "Lot Owner" shall, for the purposes of this Declaration, mean the holder(s) of legal title to a lot within the Subdivision, as expanded from time to time, except in the case of a land contract Lot Owner shall mean only the land contract vendee(s).

(c) "Trustees" shall mean the President, Secretary and Treasurer of the Association appointed or elected in accordance with Section 3.08 of the Declaration of Restrictions who shall serve as Trustees of this Water Trust and administer this Trust for the benefit of the Lot Owners.

2.01 Trustees: Selection and Vacancies.

(a) The Trustees shall initially consist of the persons 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 a Trustee.

(b) Any Trustee (other than a Trustee 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 Trustee appointed by Developer may be removed at any time by Developer and a successor may then be appointed by Developer.

(c) Vacancies in Trustee positions (caused other than by removal under Section 2.01(b) above) shall be filled by a majority vote of the Trustees then in office and each person so elected shall serve until a successor is either appointed by Developer or elected at the next annual meeting of the Association.

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

(e) Regular meetings of the Trustees shall be held at such times and places as the Trustees determine by resolution to be appropriate and no notice of regular meetings shall thereafter be required.

(f) Special meetings of the Trustees may be called by any Trustee on three (3) days' prior notice to each Trustee, given orally or in writing.

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

(h) For all meetings of the Trustees, a quorum necessary to transact business shall consist of a majority of the Trustees and the act of such majority shall be the act of the Trustees. If there is less than a quorum present at any meeting of the Trustees, 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.

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

(j) The Trustees may require that some or all offices 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.

2.02 Powers and Duties of Trustees.

(a) The Trustees shall construct, operate and manage the Water System and shall determine the water rates and shall collect from the Lot Owners the service charges as herein provided. Payments received by the Trustees shall be used for the repair, maintenance, replacement, taxes (real and personal), insurance, auditing expense, and any and all other expenses incidental to the operation and maintenance of the Water System. The Trustees shall keep the Water System in good repair and maintenance and shall pay all taxes levied on said Water System and shall take such other actions as are necessary to operate and manage the Water System.

(b) The Trustees shall keep true and correct accounts of all income and expenses which book of accounts shall be subject to inspection by any of the Lot Owners at reasonable times after reasonable notice.

(c) The Trustees shall have the right to enter upon any portion of the Subdivision for the purpose of inspection, repairs, upkeep and any other purpose which may be incidental or necessary to maintaining the Water System.

3.01 Connection; Use; Charges; Default.

(a) Each Lot Owner on which a home is erected shall connect to water laterals of the Water System for the purpose of supplying water to such lot in such manner as may be directed by the Trustees. The laying and

connecting to such lateral pipes from the lot line to the home shall be at the expense of the Lot Owner. After connection with the system, the Lot Owner shall be obligated to make payments as provided in this Declaration. The initial connection fee is $200.00 and shall be paid to the Trustees at closing of the purchase of a Lot.

(b) Each Lot Owner shall have the right of access to the Water System, subject to the same right as other Lot Owners and may draw water from the Water System as herein provided and each Lot Owner shall be bound by such rules and regulations relating to the use of the water from the Water System as may be promulgated by the Trustees. The City of Mequon or any successor or municipality having jurisdiction shall have the right to draw water from the Water System through the fire hydrants for the fire fighting purposes without charge to such municipality.

(c) No Lot Owner within the Subdivision shall separately provide or dig any well for supplying water upon any lot or the premises of the Subdivision.

(d) Upon connection to the water lateral, each Lot Owner shall pay to the Trustee a quarterly service charge of $60.00 for water used. Quarterly service charges shall be billed at the end of each calendar quarter and prorated depending upon the date of connection. The Trustees shall, when necessary, adjust the quarterly service charge so as to assure sufficient funds to cover all expenses of operation of the Water System and to establish an adequate reserve for replacements.

(e) In the event that any Lot Owner shall fail to pay the quarterly service charge when due, the provisions of Sections 3.11 and 3.12 of the Declaration of Restrictions shall control all such unpaid charges, shall bear interest at 12% per annum or at such other maximum rate as may then be permitted by law, until the charges are paid in full, and shall constitute a lien on the lot and shall be collectible in accordance with the provisions of Section 3.12 of the Declaration of Restrictions. In addition to the remedies granted under Section 3.12 of the Declaration of Restrictions, the Trustees may, at their option, upon five days' notice, disconnect the water service of any defaulting Lot Owner from the Water System. Such service shall be reinstated upon payment of all quarterly service charges in arrears, together with interest as specified above, and reimbursement for costs of disconnecting and reconnecting the service.

4.01 Termination.

(a) This Trust shall terminate upon the earliest to occur of any of the following events:

(i) The Water System is taken over by either a governmental authority or a public utility (regulated and controlled as to the rates and services by a duly constituted public regulatory

body or commission) for maintenance and operation. In such event, the Trustees shall transfer all interest in and to this Declaration of Water Trust to such governmental authority or such public utility, together with all right, title and interest of the Trustees in and to the Water System, and together with all appurtenances thereto.

(ii) The municipal water service is provided either by a governmental authority or by a public utility (regulated and controlled as to rates and services by a duly constituted public regulatory body or commission) though means other than the Water System. In such event, the easements granted for those parts of the Water System not in use shall cease and terminate and the assets in the hands of the Trustees shall be liquidated and disposed of according to the terms hereof.

(iii) The Water System is, in its entirety, at the option of the City of Mequon, connected to or integrated with any municipal, intermunicipal, or metropolitan system which may hereafter be established by the City of Mequon, either alone or in cooperation with other municipalities or any statutory water district. In such event, the connection and integration shall be made without the awarding of any damages or the payment of any sum in consequence thereof by the said City, water district and/or municipality and any cash reserves and proceeds realized from the disposition of assets not required to effectuate such connection and integration shall be distributed to the Lot Owners as hereinafter provided.

(b) In any such event, the Trustees shall transfer all interest in and to the mains, hydrants and other component parts of the distribution system to such governmental authority or to such public utility or to such City, water district and/or municipality and the remaining assets, consisting principally of the wells, pumps, pump house, storage tank, controls, etc., shall be sold and converted into cash.

(c) Upon Termination of this Trust, any cash reserves derived from service charges or cash derived from the sale of the Water System assets shall be divided equally among the then Lot Owners of lots improved with homes which are connected to the Water System and returned to them after payment of all Trust expenses.

5.01 Miscellaneous.

(a) Extension of Water System. This Trust shall be applicable to all lots platted at the execution of this Trust and to all lots which are hereafter platted in Westchester Lakes Subdivision, as expanded from time to time in accordance with the provisions of the Declaration of Restrictions. The geographic jurisdiction of this Trust may be expanded and service may be provided by the Water System to other areas only in connection with an expansion of Westchester Lakes Subdivision, and then only to the extent of lands described in a duly recorded instrument and declared to be a part of Westchester Lakes Subdivision.

(b) Amendments. This Agreement may be amended at any annual meeting or a special meeting called for such purpose by the affirmative vote of Lot Owners of two-thirds (2/3) of lots subject to this Declaration of Water Trust; provided, however, that any such amendment shall also be approved by the City of Mequon, and provided further, that paragraphs 6 and 18 hereof may not be amended.

(c) Effect. The foregoing Declaration of Water Trust shall be construed as covenants running with the land. This Trust shall inure to the benefit of the present Lot Owners and their respective heirs, personal representatives, successors and assigns.

Dated at Milwaukee, Wisconsin, this 16th day of October, 1989.

REPUBLIC DEVELOPMENT, INC.

By: _____
Dennis M. Bush, President

By: _____
Robert Desmond, Vice President

STATE OF WISCONSIN)
) SS.
Milwaukee COUNTY)

Personally came before me this 16th day of October, 1989, the above-named Dennis M. Bush and Robert Desmond, to me known to be the President and Vice President, respectively, of Republic Development, Inc., who executed the foregoing instrument and acknowledged the same on behalf of said corporation.

_____
Notary Public, State of Wisconsin
My Commission expires: April 18, 1993

698Q

ACCEPTANCE OF TRUST

The undersigned hereby consent to act as the Trustees designated in the foregoing Declaration of Water Trust and in accordance with the terms and conditions thereof.

Dennis M. Bush, President

Tom Zimmerman, Secretary

Rick Read, Treasurer

RECORDED

1999 NOV 13 AM 10: 40

REGISTER OF DEEDS
OZAUKEE COUNTY, WI

This instrument was drafted as to preprinted portions by and should be returned following recording to:

Attorney John G. Gehringer
FRISCH DUDEK, LTD.
825 North Jefferson Street, Suite 500
Milwaukee, Wisconsin 53202-6495
(414) 273-4000

$18.00

698Q

EXHIBIT A
LEGAL DESCRIPTION

BEING A SUBDIVISION OF PARCEL TWO (2) OF CERTIFIED SURVEY MAP NO. 737, RECORDED AUGUST 18, 1975 IN VOLUME 3 OF CERTIFIED SURVEY MAPS ON PAGES 138 AND 139, AS DOCUMENT NO. 273755, BEING A PART OF THE NORTHWEST ONE-QUARTER (1/4) OF SECTION TWENTY-TWO (22), TOWNSHIP NINE (9) NORTH, RANGE TWENTY-ONE (21) EAST, IN THE CITY OF MEQUON, AND LANDS ALL BEING A PART OF THE NORTHWEST ONE-QUARTER (1/4), NORTHEAST ONE-QUARTER (1/4), SOUTHWEST ONE-QUARTER (1/4) AND THE SOUTHEAST ONE-QUARTER (1/4) OF THE NORTHWEST ONE-QUARTER (1/4) OF SECTION TWENTY-TWO (22), TOWNSHIP NINE (9) NORTH, RANGE TWENTY-ONE (21) EAST, IN THE CITY OF MEQUON, OZAUKEE COUNTY, WISCONSIN, WHICH IS BOUNDED AND DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF THE NORTHWEST 1/4 OF SECTION 22; THENCE NORTH 89° 59' 26" EAST ALONG THE NORTH LINE OF SAID 1/4 SECTION 419.00 FEET TO A POINT, SAID POINT BEING THE POINT OF BEGINNING OF THE LANDS HEREIN TO BE DESCRIBED; CONTINUING THENCE NORTH 89° 59' 26" EAST 623.04 FEET TO A POINT; THENCE SOUTH 00° 19' 34" EAST 325.00 FEET TO A POINT; THENCE NORTH 89° 59' 26" EAST 602.20 FEET TO A POINT ON THE WEST LINE OF SPRING DALE ESTATES, BEING A SUBDIVISION OF A PART OF THE NORTHWEST 1/4 OF SECTION 22, TOWNSHIP 9 NORTH, RANGE 21 EAST, IN THE CITY OF MEQUON, OZAUKEE COUNTY, WISCONSIN; THENCE SOUTH 00° 19' 34" EAST ALONG THE WEST LINE OF SPRING DALE ESTATES 993.00 FEET TO THE SOUTHWEST CORNER OF SAID SUBDIVISION; THENCE NORTH 89° 49' 00" EAST 988.57 FEET TO THE SOUTHEAST CORNER OF SAID SPRING DALE ESTATES; THENCE SOUTH 00° 19' 48" EAST 1330.19 FEET TO THE SOUTHEAST CORNER OF SAID 1/4 SECTION; THENCE NORTH 89° 58' 13" WEST ALONG THE SOUTH LINE OF SAID 1/4 SECTION 2257.90 FEET TO A POINT; THENCE NORTH 00° 04' 00" WEST AND PARALLEL TO THE WEST LINE OF SAID 1/4 SECTION 330.45 FEET TO A POINT ON THE NORTH LINE OF THE SOUTH 20 ACRES OF THE SOUTH 1/2 OF SAID 1/4 SECTION; THENCE NORTH 89° 58' 13" WEST 387.00 FEET TO A POINT ON THE WEST LINE OF SAID 1/4 SECTION; THENCE NORTH 00° 04' 00" WEST ALONG WEST LINE OF SAID 1/4 SECTION 989.93 FEET TO A POINT; THENCE NORTH 89° 49' 00" EAST 264.00 FEET TO A POINT; THENCE NORTH 00° 04' 00" WEST 376.15 FEET TO A POINT; THENCE SOUTH 89° 49' 00" WEST 264.00 FEET TO A POINT ON THE WEST LINE OF SAID 1/4 SECTION; THENCE NORTH 00° 04' 00" WEST ALONG THE WEST LINE OF SAID 1/4 SECTION 310.20 FEET TO A POINT; THENCE NORTH 89° 59' 26" EAST 419.00 FEET TO A POINT; THENCE NORTH 00° 04' 00" WEST 636.64 FEET TO THE POINT OF BEGINNING. EXCEPTING THOSE PORTIONS DEDICATED FOR PUBLIC STREET PURPOSES.

NOTE: Following approval of the final plat for Westchester Lakes Subdivision the legal description will be as follows:

Lots One (1) through Ninety-three (93) inclusive, of WESTCHESTER LAKES SUBDIVISION, in the City of Mequon, Ozaukee County, Wisconsin.

6960

423251

ARTICLES OF INCORPORATION
OF
WESTCHESTER LAKES HOMEOWNERS ASSOCIATION, INC.

(A Nonstock, Nonprofit Corporation)

The undersigned, being an adult resident of the State of Wisconsin acting as incorporator under the Wisconsin Nonstock Corporation Law, Chapter 181 of the Wisconsin Statutes, adopts the following Articles of Incorporation:

ARTICLE I
Name

The name of the corporation shall be WESTCHESTER LAKES HOMEOWNERS ASSOCIATION, INC., which has a mailing address of c/o Republic Development, Inc., 500 West Brown Deer Road, Milwaukee, Wisconsin 53217, and which has its principal office located at 500 West Brown Deer Road, Milwaukee, Wisconsin 53217.

ARTICLE II
Period of Existence

The period of existence of the corporation shall be perpetual.

ARTICLE III
Purposes

The purposes for which this corporation is organized are as follows:

(a) To serve as an association of owners who own real estate and improvements in Westchester Lakes, a subdivision located in the City of Mequon, Ozaukee County, Wisconsin (such real estate and improvements hereafter sometimes referred to as "Westchester Lakes Subdivision"), subject to the terms and conditions of the Declaration of Restrictions and Homeowners Association for Westchester Lakes Subdivision and subsequent amendments such as are now or hereafter may be recorded in the Office of the Register of Deeds for Ozaukee County, Wisconsin (hereinafter referred to as the "Declaration");

(b) To serve as a means through which the owners may own, administer, manage, operate and control the common area and lots in accordance with the Declaration; and

(c) To engage in lawful activity within the purposes for which a nonstock, nonprofit corporation may be organized under the Wisconsin Nonstock Corporation Law, Chapter 181 of the Wisconsin Statutes, subject to the Declaration.

ARTICLE IV
Members

The corporation shall have one class of voting membership. The rights and qualifications of the members shall be as set forth in the Bylaws of the

corporation. The corporation may, as set forth in the Bylaws of the corporation, issue certificates evidencing membership in the corporation.

ARTICLE V
Powers

The corporation shall have all of the powers of a nonstock corporation as presently enumerated in the Wisconsin Nonstock Corporation Law, Chapter 181 of Wisconsin Statutes.

ARTICLE VI
Principal Office and Registered Agent

The location of the initial principal office of the corporation shall be c/o Republic Development, Inc., 500 West Brown Deer Road, Milwaukee, Wisconsin 53217, and the initial registered agent is Dennis M. Bush, whose address is 500 West Brown Deer Road, Milwaukee, Wisconsin 53217.

ARTICLE VII
Directors

The number of the directors of the corporation shall be as fixed in the Bylaws, but in no event shall be less than four (4). The manner in which directors shall be elected, appointed or removed shall be provided by the Bylaws.

The names and addresses of the directors constituting the first Board of Directors are:

Dennis M. Bush
c/o Republic Development, Inc.
500 West Brown Deer Road
Milwaukee, Wisconsin 53217

Robert Desmond
c/o Republic Development, Inc.
500 West Brown Deer Road
Milwaukee, Wisconsin 53217

Rick Read
c/o Republic Development, Inc.
500 West Brown Deer Road
Milwaukee, Wisconsin 53217

Tom Zimmerman
c/o Evergreen Homes
10344 N. Cedarburg Road
Mequon, WI 53092

ARTICLE VIII
Incorporator

The name and address of the incorporator of this corporation is:

Dennis M. Bush
c/o Republic Development, Inc.
500 West Brown Deer Road
Milwaukee, Wisconsin 53217

ARTICLE IX
Amendment

These Articles may be amended in the manner authorized by law at the time of amendment.

Executed in duplicate this 16 day of October, 1989.

Dennis M. Bush

STATE OF WISCONSIN)
) SS.
Milwaukee COUNTY)

Personally came before me this 16th day of October, 1989, the above-named Dennis M. Bush, as an individual, to me known to be the person who executed the foregoing instrument and acknowledged the same.

Notary Public, State of Wisconsin
My Commission expires: April 18, 1993

THIS INSTRUMENT WAS DRAFTED BY:

Attorney John G. Gehringer
Frisch Dudek, Ltd.
825 North Jefferson Street
Milwaukee, Wisconsin 53202-6495
(414) 273-4000
697Q

RECORDED

1989 NOV 13 AM 10: 40

REGISTER OF DEEDS
OZAUKEE COUNTY, WI

BYLAWS
OF
WESTCHESTER LAKES HOMEOWNERS ASSOCIATION, INC.

PREAMBLE

The following are hereby adopted as the Bylaws of Westchester Lakes Homeowners Association, Inc.

All present and future Owners, mortgagees, lessees and occupants of Lots and their employees and any other persons who may use the facilities of the subdivision located in the City of Mequon, Ozaukee County, Wisconsin (hereinafter "Subdivision") in any manner are and shall be subject to the Declaration and all amendments to the Declaration, the Articles of Incorporation, these Bylaws and all rules and regulations made pursuant hereto and any amendments hereto. The acceptance of a deed of conveyance or a mortgage or the entering into of a land contract or lease or the act of occupancy of a Lot shall constitute an agreement that the provisions of the Declaration, the Articles of Incorporation, and these Bylaws (and any rules and regulations made pursuant to those documents), as they may be amended from time to time, are accepted, ratified, and will be complied with.

These Bylaws shall be deemed covenants running with the land and shall be binding on the Owners, their heirs, administrators, personal representatives, successors and assigns.

ARTICLE I
NAME, ADDRESS AND PURPOSE

The name of the corporation is WESTCHESTER LAKES HOMEOWNERS ASSOCIATION, INC. (hereinafter "Association"), which is a nonstock, nonprofit corporation organized and existing under the Wisconsin Nonstock Corporation Law, Chapter 181 of the Wisconsin Statutes. The initial principal office of the corporation is c/o Republic Development, Inc., 500 West Brown Deer Road, Milwaukee, Wisconsin 53217. The purpose of the Association is to serve as the Association of Owners of the Subdivision of Westchester Lakes located in the City of Mequon, Wisconsin, subject to the terms and conditions of the Declaration of Restrictions and Homeowners Association for Westchester Lakes Subdivision, and any and all subsequent amendments thereto (hereafter the "Declaration").

ARTICLE II
DEFINITIONS

The terms used in these Bylaws shall have the same meanings set forth in Section 1.01 of the Declaration.

ARTICLE III
MEMBERSHIP, VOTING AND MEETINGS

3.1 Membership. The corporation shall have one class of voting Membership, the rights and qualifications of which are described as follows:

(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 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 the Declaration or these Bylaws to the contrary, the Developer shall be entitled to one membership and one vote for each Lot owned by the Developer.

3.2 Membership List: Notices.

(a) The Association shall maintain a current Membership List. Each Lot Owner shall furnish the information necessary for the Association to maintain such Membership List. Necessary information shall include the name and current mailing address of each Lot Owner.

(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.

(c) Upon transfer of a Lot, the Association shall, as soon as possible thereafter, be given written notice of such transfer, including the name and current mailing address of the new Owner or Owners, date of transfer, and any other information about the transfer which the Association may deem pertinent, and the Association shall make appropriate changes to the Membership List effective as of the date of transfer.

3.3 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 5 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 3.2.

(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 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 the Declaration or these Bylaws.

(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.

3.4 Powers 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 the Declaration or these Bylaws:

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

2. to enforce the Declaration or these Bylaws;

3. to purchase, sell and convey Lots (including the improvements thereon) incident to foreclosure of a lien for any assessments 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 and Limited 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 the Declaration or these Bylaws 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 and Limited Common Areas, including fines or penalties which may be enforceable by Special Assessment against any Lot Owner 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 Limited Common Areas and operate the Association for the mutual use and enjoyment of all Lot Owners.

(b) The President, 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 the Declaration or these Bylaws.

ARTICLE IV
BOARD OF DIRECTORS, ARCHITECTURAL CONTROL BOARD AND OFFICERS

4.1 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 officers of the Association). The Board shall exercise and perform, in addition to the powers, duties and obligations specified in the Declaration or these Bylaws for the Board, all powers, duties and obligations of the Association (except to the extent the Declaration or these Bylaws may otherwise expressly require the prior vote of the Association on a particular matter). Notwithstanding any other provision of the Declaration or these Bylaws to the contrary, Developer shall be entitled to appoint all officers of the Association until such time as 80 percent of all present and future platted Lots in the Subdivision 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).

(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, provided 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 2.03 of the Declaration) 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 the Declaration or these Bylaws. 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.

4.2 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, Vice-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 (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 meeting 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 thereafter 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 the Declaration or these Bylaws 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.

4.3 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; access and collect all General and Special Assessments made by the Board; and exercise such other powers and duties as may be prescribed from time to time by resolution of the Association.

4. A Vice-President, who in addition to serving on the Board, shall have such other powers, duties and responsibilities 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.

ARTICLE V
OPERATION OF THE PROPERTY

5.1 The Association. The Association, acting through the Board of Directors, shall be responsible for administration and operation of the Subdivision, in accordance with the Declaration, the Deed Restrictions, the Articles of Incorporation, the Bylaws, and the rules and regulations established hereunder.

5.2 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) in accordance with the provisions of the 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 expenses" which may be anticipated, incurred or paid by the Association in accordance with the provisions of the Declaration.

(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 commingled and thereafter disbursed to pay any costs or expenses incurred by the Association which would be subject to General or Special Assessment.

(e) Notwithstanding the provisions of Section 3.10 of the Declaration, Developer shall not be responsible for any assessments levied against any platted Lot prior to a sale of such Lot by Developer.

5.3 Payments 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).

ARTICLE VI
AMENDMENTS

6.1 Change in Bylaws. These Bylaws may be altered or repealed and new Bylaws may be adopted by the Lot Owners at any meeting called for such purpose by an affirmative vote of sixty-seven percent (67%) of all the votes entitled to be cast.

6.2 Rights of Developer. No amendment of these Bylaws shall alter or abrogate the rights of Developer as contained in these Bylaws.

ARTICLE VII
MISCELLANEOUS

7.1 Record of Ownership. Every Lot Owner shall promptly cause to be duly recorded or filed of record the deed, lease, assignment or other conveyance to him or her of such Lot or other evidence of his or her title thereto, and shall file such lease with and present such other evidence of his or her title to the Board, and the Secretary shall maintain all such information in the Membership List of the Association.

7.2 Indemnity of Officers and Directors. Every person who is or was a director or an officer of the Association (together with the heirs, executors and administrators of such person) shall be indemnified by the Association against all loss, costs, damages and expenses (including reasonable attorneys' fees) asserted against, incurred by or imposed upon him or her in connection with or resulting from any claim action, suit or proceeding, including criminal proceedings, to which he or she is made or threatened to be made a party by reason of his or her being or having been such director or officer, except as to matters as to which he or she shall be finally adjudged in such action, suit or proceeding to be liable for negligence or willful misconduct. In the event of a settlement, indemnification shall be provided only in connection with such matters covered by the settlement as to which the Association is advised by counsel that the person to be indemnified has not been guilty of negligence or willful misconduct in the performance of his or

her duty as such director or officer in relation to the matter involved. The Association, by its Board, may indemnify in like manner, or with any limitations, any employee or former employee of the Association with respect to any action taken or not taken in his or her capacity as such employee. The foregoing rights of indemnification shall be in addition to all rights to which officers, directors or employees may be entitled as a matter of law.

All liability, loss, damage, costs and expense incurred or suffered by the Association by reason or arising out of or in connection with the foregoing indemnification provisions, to the extent not covered by insurance, shall be treated and handled by the Association as common expenses; provided, however, that nothing contained in this section shall be deemed to obligate the Association to indemnify any Lot Owner who is or has been an employee, director or officer of the Association with respect to any duties or obligations assumed or liabilities incurred by him or her under and by virtue of the Declaration, the Act, the Articles and Bylaws of the Association, as a member of the Association or Lot Owner of a Lot covered thereby.

7.3 Subordination. These Bylaws are subordinate and subject to all provisions of the Declaration which shall control in case of any conflict.

7.4 Interpretation. (a) In case any provision of these Bylaws shall be held invalid, such invalidity shall not render invalid any other provision hereof which can be given effect. Nothing in these Bylaws shall be deemed or construed to authorize the Association or Board to conduct or engage in any active business for profit on behalf of any or all of the Owners.

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

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