

DOL 267843
VOL 633
PAGES 327-365
Document Number

to Declaration
AMENDMENT TO FOREST COVE
TOWNHOMES CONDOMINIUM
Document Title



367353

PAULA CHISSER
REGISTER OF DEEDS SAWYER COUNTY, WI
07/06/2010 11:35AM
REC FEE: 30.00

PAGES 3

WHERE AS THE DECLARATION OF FOREST COVE
CONDOMINIUM WAS FILED IN THE OFFICE OF THE
REGISTER OF DEEDS FOR SAWYER COUNTY, WISCONSIN
ON MAY 19, 1998 AS DOCUMENT NUMBER 267843
IN VOLUME 633 PAGES 327-365 IN THE OFFICE
OF THE REGISTER OF DEEDS FOR SAWYER COUNTY,
WISCONSIN.

Recording Area

3

Name and Return Address

FOREST COVE TOWNHOMES
C/O SHIRLEY J RIEDMANN
15536 COUNTY RD B UNIT A3
HAYWARD, WI 54843

ID PARCEL NUMBERS:

UNIT NUMBER

A1 236224000100
A2 236224000200
A3 236224000300
A4 236224000400
A5 236224000500
B1 236224000600
B2 236224000700
B3 236224000800
B4 236224000900
B5 236224001000

Parcel Identification Number (PIN)

Master

IN FOREST COVE TOWNHOMES CONDOMINIUM

This information must be completed by submitter: document title, name & return address, and PIN (if required). Other information such as the granting clause, legal description, etc., may be placed on this first page of the document or may be placed on additional pages of the document. Note: Use of this cover page adds one page to your document and \$2.00 to the recording fee. Wisconsin Statutes, 59.43(2m). WRDA HB Rev. 1/8/2004

8-55

Forest Cove Townhomes Condominium
15536 County Road B
Hayward, WI 54843

By-laws amendment: To ban renting or leasing of condominium units A1,2,3,4,5 and B1,2,3,4,5.

Quorum Present. 80% approval for amendment. Vote was - 6 Yea, 0 Nay

Date: June 28, 2010

To: Forest Cove Townhomes Condominium Homeowners

From: Shirley J. Riedmann, Secretary of the Board of Directors

Re: Minutes: Saturday, June 26, 2010, Annual Homeowners' Meeting, 12 p.m. – 2:30 p.m.

Attendees: Bill & Grace Fanning (B-3), Mike & Sue Klauke (B-5), Mike Coogan (A-5), Shirley J. Riedmann (A-3), Carlton DeWitt (A-2), Leo Beskar (B-4). Rod Draeger (B-1) – new owner as of June 30, 2010.

Not in attendance: Renee St. Louis (B-2), Mike & Yvonne Keenan (A-1), Tracy Jack Estate Representative (A-4).

Agenda

Call to Order

Meeting began at 12:45 p.m. after lunch in the Commons Area.

Review of June 27, 2009 Annual Meeting Minutes

Motion by: Leo Beskar to approve Minutes as written. Second by: Mike Coogan. Motion carried by all Homeowners present.

Financials

Mike Klauke, Treasurer, reviewed the Treasurer's Report and General Operating Expenditures for the 2009 year. After some discussion, it was agreed by the homeowners in attendance not to propose a Special Assessment for a Capital Improvement Fund. The homeowners present felt that as the need arises per building (i.e., new roofing), a Special Assessment would be considered at that time per building unit owner. The homeowners present at the meeting voted to raise the Association dues \$25 per month beginning on January 1, 2011. The dues per homeowner would increase from \$1,500 per year to \$1,800 per year, or \$900 semi-annually. The increase would be reflected on the July 1, 2011 billing notice. The additional \$300 per year, per homeowner, would help offset future operating cost increases and be held in reserve for unexpected expenses. Motion by: Leo Beskar to accept the Treasurer's Report. Second by: Carlton DeWitt. Motion carried by Homeowners present at the meeting. Motion by: Carlton DeWitt to increase dues \$25 per month beginning January 1, 2011. Second by: Mike Coogan. Motion carried by Homeowners present at the meeting.

Review of Completed Project List

The Secretary reviewed the Completed Project List from the previous year's meeting. Everything was completed as planned.

2010 Building Maintenance Projects

The homeowners agreed to have Shirley Riedmann call Greg Neff and ask him to take down a dead tree outside the Coogan's unit on the lakeside. She will also ask Greg to give the Association a bid for the dock installation and removal in spring and fall. The Dock Boys owner is no longer a local resident.

2010/2011 Officers Election

Elected for a one year term were:

- President, Bill Fanning
- Treasurer, Mike Klauke
- Secretary, Shirley Riedmann

Motion by: Carlton DeWitt to unanimously accept nominations for the current Officers. Second by: Leo Beskar. Motion to elect Officers carried by Homeowners present at the meeting.

Other Matters For Discussion

Condo rental/leasing discussion resulted in a 6 Yea - 0 Nay vote by the homeowners present at the meeting to change the Forest Cove Townhomes Condominium By-Laws to ban renting or leasing of condominium units. It was agreed that the Officers would sign the document and submit it to the County Register of Deeds for official recording. Bill Fanning, President, will deliver the document to the Courthouse for processing.

Change in Allied Waste Management Trash and Recycling pickup was reviewed and discussed. Bill and Grace Fanning will go down to the Allied Waste transfer station this week in Hayward and ask about free recycling drop off for our owners. They will also try to arrange for the pick up of our nine recycling bins. We are still awaiting word from Alyssa Headley, the local representative for Allied Waste Management, regarding our options for trash pickup.

The Homeowners Information Sheet was circulated for review and updates. Shirley will distribute with Annual Meeting Minutes.

Quick Recap

- The homeowners present at the meeting voted to raise the Association dues \$25 per month beginning on January 1, 2011. The dues per homeowner would increase from \$1,500 per year to \$1,800 per year, or \$900 semi-annually. The increase would be reflected on the July 1, 2011 billing notice.
- By-laws amendment to ban renting or leasing of condominium units.
- Shirley will update Homeowners' Information and distribute (Enclosed).

Adjournment

Meeting adjourned at 2:30 p.m.

Minutes Drafted by: Shirley J. Riedmann, Secretary, Forest Cove Townhomes Condominium, sriedmann@centurytel.net, 715 634 9281

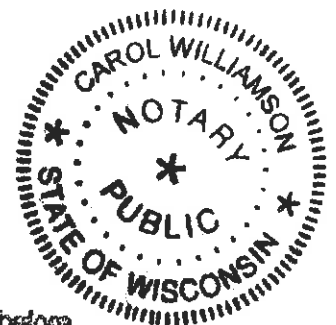
Approved and signed by Board of Directors:

President:


William A. Fanning

Secretary:


Shirley J. Riedmann



William Fanning and
Shirley Riedmann came before me this date: July 6th, 2010

Subscribed and sworn to before


Notary Public, State of Wisconsin, County of Sawyer

My Commission Expires: 5-22-2011

DOCUMENT NUMBER	EASEMENT AND MAINTENANCE AGREEMENT
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PAULA CHISSER
SAWYER COUNTY, WI
REGISTER OF DEEDS

333949

10/05/2005 9:30 AM

RECORDING FEE 19.00

Pages 5

NAME AND RETURN ADDRESS

19-
Leo A. Beskar, Attorney
RODLI, BESKAR, BOLES & KRUEGER, S.C.
219 North Main Street, P.O. Box 138
River Falls, WI 54022

236-941-27-1405; 236-224-00-0300
Parcel Identification Number

"THIS PAGE IS PART OF THIS LEGAL DOCUMENT - DO NOT REMOVE"

EASEMENT AND MAINTENANCE AGREEMENT

THIS EASEMENT AND MAINTENANCE AGREEMENT ("Agreement") is made this 29th day of September, 2005, by and between **Forest Cove Townhomes** (a Condominium) hereinafter referred to as "Forest Cove" and **Timothy J. Pack and Jane M. Pack**, husband and wife, hereinafter referred to as "Pack" and collectively as the "Parties."

RECITALS

A. Forest Cove is a condominium association as located on Lot One (1) of that Certified Survey Map as shown on Exhibit "A" attached hereto.

B. Pack is the owner of that real estate which is identified as Lot Two (2) of Certified Survey Map Document No. 5744 as shown on Exhibit "A" attached hereto.

C. The parties hereto collectively share a joint boundary that has been improved by the installation of a landscaping berm, various trees and shrubs and a split-rail fence.

D. The parties are desirous of having a joint Easement and Maintenance Agreement which it is believed will enhance the properties of both parties.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the parties agree as follows:

1. **Maintenance Easement.** Pack hereby grants to Forest Cove a perpetual maintenance easement for ingress and egress over, across and under that parcel of land bordered on the North side by the South edge of the blacktop parking lot as located on Lot One (1) and on the South side by the North edge of the blacktop roadway running East and West across Lot Two (2) of Certified Survey Map Document No. 5744, said total parcel being five feet to twenty feet in width and being used for the purpose of the maintenance of the landscaping as located on the South side of the Lot (1) and the North side of Lot Two (2) of Certified Survey Map Document No. 5744 only.

The parties mutually agree that Forest Cove shall have the first and primary obligation of maintaining said landscaping; however, if Forest Cove does not maintain said landscaping, Pack shall have the ability to do so by the giving of a thirty (30) day written notice to Forest Cove of the need to maintain.

2. Easement Restrictions. It is acknowledged by the parties hereto that this easement is given only to allow for the maintenance as required herein and that all work will be done in an orderly fashion and that the property of the parties will not be damaged by the maintenance or repairs as required. Further, the parties warrant that neither party will allow any lien to be placed against any property of the other because of work done on the landscaping. Forest Cove shall be solely responsible for all costs and expenses related to the maintenance of said above-described landscaping berm, trees, shrubs and split-rail fence.

3. Amendment. This agreement will be amended only by an agreement signed the parties hereto or their respective heirs, successors and assigns.

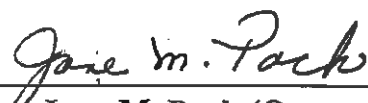
4. Runs With The Land. The benefits and burdens of this maintenance easement run with the title to the Pack property and the Forest Cove property and are binding upon the owners hereto, their heirs, successors, representatives and assigns.

5. Wisconsin Law. This agreement will be constructed and enforced in accordance with the laws of the State of Wisconsin.

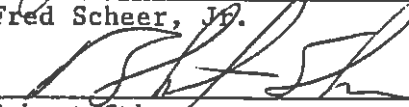
FOREST COVE TOWNHOMES (A CONDOMINIUM)

By 
Shirley J. Riedmann, Secretary


Timothy J. Pack (Owner of Lot 2)

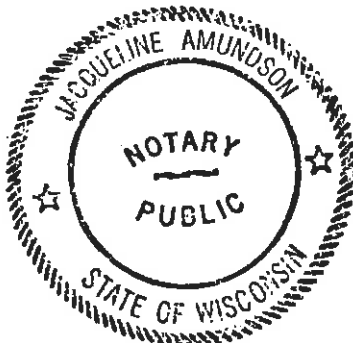

Jane M. Pack (Owner of Lot 2)

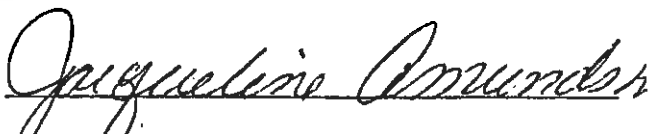
IN WITNESS WHERETO, the Declarant has caused this declaration to be
executed this 3rd day of June, 1998.


Fred Scheer, Jr.

Robert Scheer

STATE OF WISCONSIN)
)ss
SAWYER COUNTY

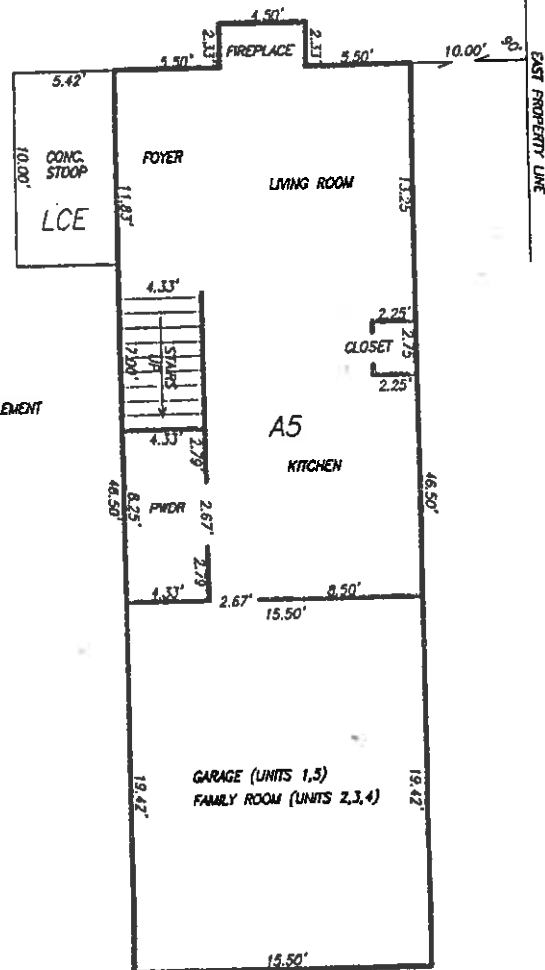
Personally came before me this 3rd day of June, 1998, the above named
Fred Scheer Jr. and Robert Scheer, to me known to be the person who executed the
foregoing instrument and acknowledge the same.




Notary Public, Sawyer County, WI.
My commission expires 11-18-01

This document drafted by
Fred Scheer, Jr.
Hayward, WI. 54843

LOT 1 OF CSM #5744 LOCATED IN THE SE1/4-NE1/4
OF SEC. 27, T. 41 N., R. 9 W., IN THE CITY OF HAYWARD,
SAWYER COUNTY, WISCONSIN.



LCE = LIMITED COMMON ELEMENT

NOTE:
ALL BUILDING "A" UNITS HAVE IDENTICAL FLOOR PLANS.
FIRST FLOOR AREA = 731 SF. PER UNIT (INCL. GARAGE/FAMILY RM.)
TOTAL AREA OF FIRST & SECOND FLOOR = 1,462 SF. PER UNIT

SCALE: 1 INCH = 5 FEET



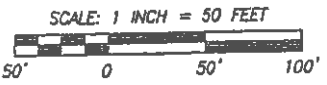
ROUTE 10, BOX 251-A (715) 634-2442
HAYWARD, WI. 54843 FAX: 634-6444 (C)

FOREST COVE TOWN HOMES

LOT 1 OF CSM #5744
LOCATED IN THE SE1/4-NE1/4
OF SEC. 27, T. 41 N., R. 9 W.,
IN THE CITY OF HAYWARD,
SAWYER COUNTY, WISCONSIN.

LINE	BEARING	DISTANCE
L1	N 00°33'10" E	34.42
L2	N 00°33'10" E	33.70
L3	S 00°33'16" W	18.33
L4	S 00°33'44" W	20.14

NOTE:
THE SHORELINE DISTANCE IS APPROXIMATE AND HAS
NOT BEEN MEASURED. IT IS FOR INFORMATIONAL
PURPOSES ONLY.



Surveyor's Certificate

I, Larry T. Nelson, registered land surveyor in the State of Wisconsin, hereby certify:

That on the order of Ed Hintz, I have surveyed and mapped FOREST COVE TOWN HOMES located on Lot 1 of CSM #5744 in the SE1/4-NE1/4 of Section 27, T. 41 N., R. 9 W., in the City of Hayward, Sawyer County, Wisconsin.

To locate the Point of Beginning, commence at the E1/4 corner of said Section 27; Thence, along the E-W1/4 line, N 88°47'50" W, 300.08 feet; Thence, leaving said 1/4 line, N 00°33'10" E, 417.39 feet to the SE corner of Lot 1 of CSM #5744; and the Point of Beginning.

Thence from said Point of Beginning by metes and bounds.

Continue N 00°33'10" E, 248.87 feet to a meander corner which is 43 feet; S 00°33'10" W from the water's edge of Lake Hayward; Thence, along a meander line near said water's edge, N 65°39'38" W, 218.55 feet to a meander corner which is 29 feet; S 00°33'44" W from said water's edge; Thence, leaving said meander line, S 00°33'44" W, 267.82 feet to the SW corner of Lot 1 of said CSM; Thence, along the south line of said Lot, S 70°21'36" E, 211.60 feet to the Point of Beginning.

Entire Parcel contains 57,450 sf.±, which is 1.32 ac.±.

Subject to all existing easements and reservations of record.

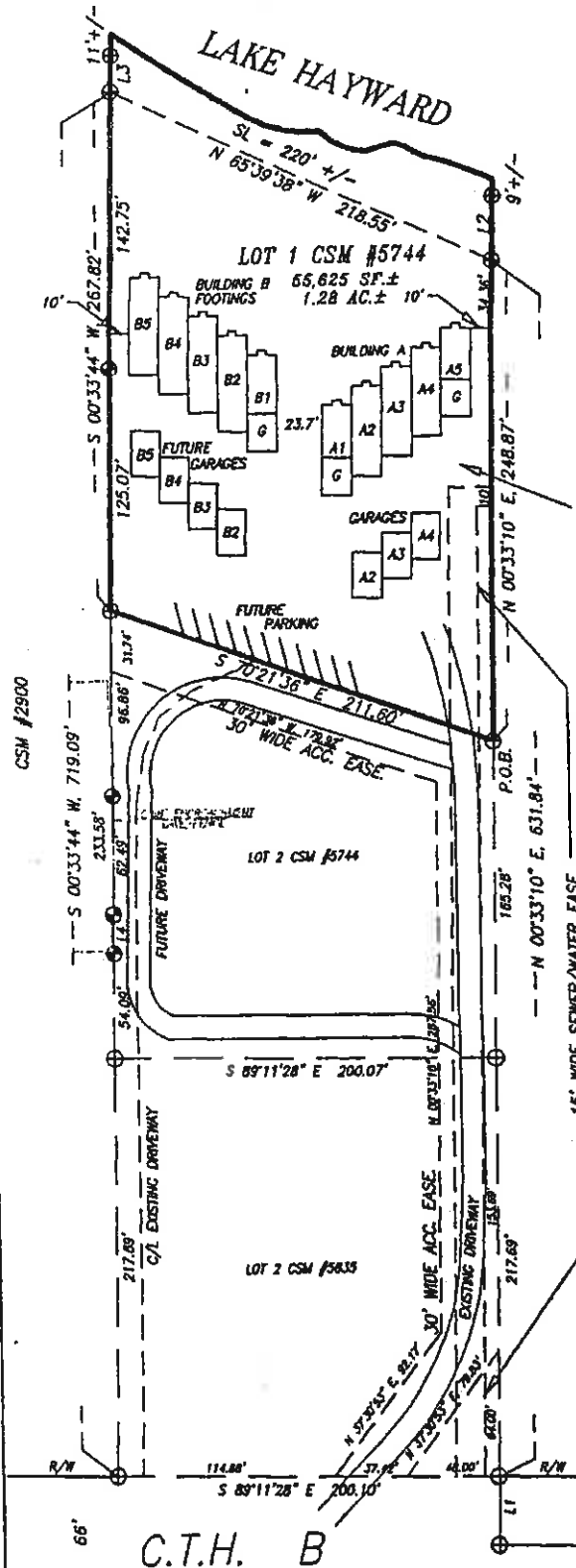
That I have fully complied with Chapter 703.00 of the Wisconsin Statutes, Chapter AE-7 of the Wisconsin Administration Code and the City of Hayward Subdivision Control Ordinance.

That this map is a true representation of that survey; and

That said survey and map are correct to the best of my knowledge and belief.

Larry T. Nelson
Wis. Reg. No. S-1276

Date



LEGEND

- ⊙ FD 3" ALUMINUM MONUMENT
- ⊙ FD 3/4" REBAR
- ⊙ FD 1" IRON PIPE

CLIENT: ED HINTZ

JOB: H068/97
SCALE: 1" = 50'
DATE: 05/12/98
BEARING REF. E-W-1/4 LINE
SEC. 27: N 88°47'50" W.

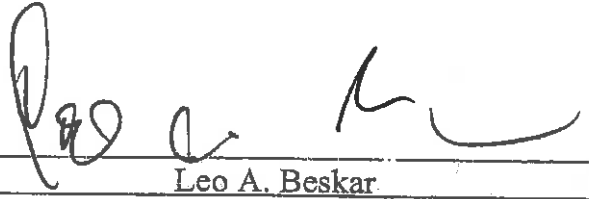
DRAFTED BY: DLU
DISK: 50
FILE: H06897.DWG
NB.S-147/PG.105
SHEET 1 OF 3

HEART OF THE NORTH SURVEYING OF HAYWARD, INC.

ROUTE 10, BOX 251-A (715) 634-2442
HAYWARD, WI. 54843 FAX: 634-6444

AUTHENTICATION

Signatures of Shirley J. Riedmann, Timothy J. Pack and Jane M. Pack
authenticated this 29 day of September, 2005.

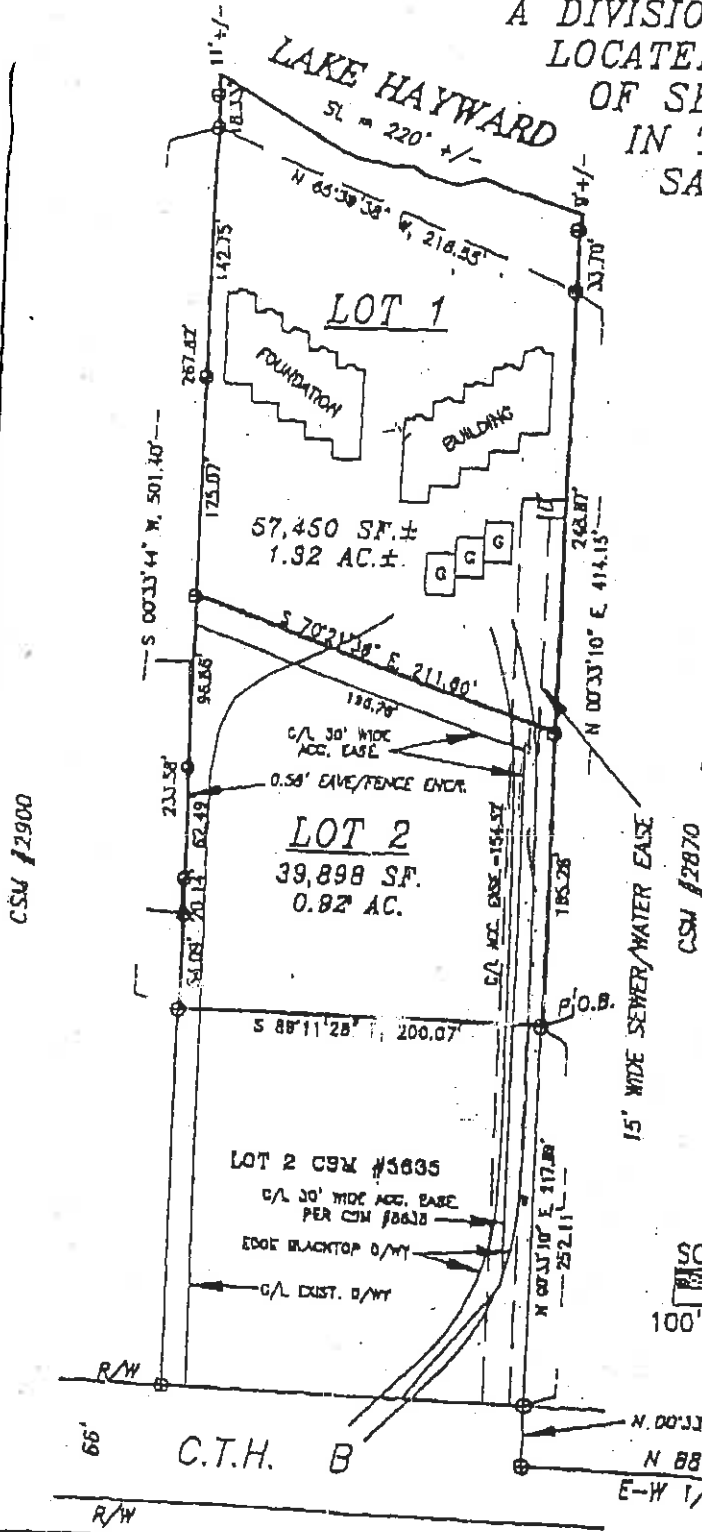

* Leo A. Beskar

TITLE: MEMBER STATE BAR OF WISCONSIN

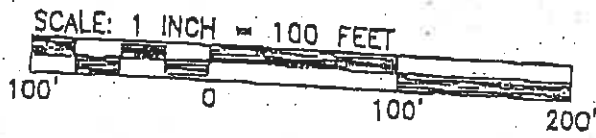
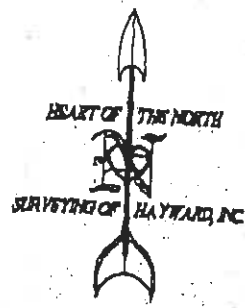
THIS DOCUMENT DRAFTED BY:
Leo A. Beskar, Attorney
RODLI, BESKAR, BOLES & KRUEGER, S.C.
219 North Main Street
P. O. Box 138
River Falls, WI 54022
(715) 425-7281

A DIVISION OF LOT 1 OF CSM #5635
 LOCATED IN THE SE1/4-NE1/4
 OF SEC. 27, T. 41 N., R. 9 W.,
 IN THE CITY OF HAYWARD,
 SAWYER COUNTY, WISCONSIN.

NOTE:
 THE SHORELINE DISTANCE IS APPROXIMATE AND HAS
 NOT BEEN MEASURED. IT IS FOR INFORMATIONAL
 PURPOSES ONLY.



LARRY T. NELSON
 3-1278
 SURVEY BY: *[Signature]*
 DATED THIS 5TH DAY OF MAY 1998.



LEGEND (⊕) FD 3" ALUMINUM MONUMENT (⊙) FD 3/4" REBAR (⊖) FD 1" IRON PIPE	CLIENT: ED. HINTZ JOB: H088/97 SCALE: 1" = 100' DATE: 05/05/98 BEARINGS REF. E-W 1/4 LINE SEC. 27, N 88°47'50" W	HEART OF THE NORTH SURVEYING OF HAYWARD, INC. 10339 N. DUFFY ROAD HAYWARD, WI. 54943-8427 (715) 634-2442 FAX: 831-6444
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Certified Survey No. 5744

EXHIBIT "A"

DISCLOSURE MATERIALS

FOREST COVE TOWNHOMES (A CONDOMINIUM)
15536 CTH B
Hayward, WI 54843

The Developer (Declarant) is FOREST COVE TOWNHOMES. The address is 15536 CTH B, Hayward, WI 54843.

THESE ARE THE LEGAL DOCUMENTS COVERING YOUR RIGHTS AND RESPONSIBILITIES AS A CONDOMINIUM OWNER. IF YOU DO NOT UNDERSTAND ANY PROVISION CONTAINED IN THEM, YOU SHOULD OBTAIN PROFESSIONAL ADVICE.

THESE DISCLOSURE MATERIALS GIVEN TO YOU AS REQUIRED BY LAW, MAY BE RELIED UPON AS CORRECT AND BINDING. ORAL STATEMENTS MAY NOT BE LEGALLY BINDING.

YOU MAY AT ANY TIME WITHIN 5 DAYS FOLLOWING RECEIPT OF THESE DOCUMENTS, OR FOLLOWING NOTICE OF ANY MATERIAL CHANGES IN THESE DOCUMENTS, CANCEL IN WRITING THE CONTRACT AND RECEIVE A FULL REFUND OF ANY DEPOSITS MADE.

INDEX

In compliance with the Disclosure Requirement of Section 703.33 Wis Stats, (1995-96), copies of thee following are herewith supplied:

1. DECLARATION OF CONDOMINIUM OWNERSHIP. The Declaration established and describes the condominium, the units and the common areas. The Declaration begins on Page A-1, Table of Contents page i, ii, iii, and iiiii.

2. BY-LAWS. The By-Laws contain rules which govern the condominium and effect the rights and responsibilities of Unit Owners. The By-Laws begin on Page B-1.

3. ARTICLES OF INCORPORATION. The operation of the condominium is governed by the Association, of which each unit is a member. Powers, duties, and the operation of an association are specified in its Article of Incorporation. The Articles of Incorporation being on Page C-1.

4. MANAGEMENT AND EMPLOYMENT CONTRACTS. Certain services are provided to the condominium through contracts with individuals or private firms. There are no such contracts affecting this condominium at this time.

5. ANNUAL OPERATING BUDGET. The Association will incur expenses for the operation of the condominium which are assessed to the Unit Owners. The operating budget is an estimate of those charges which are in addition to mortgage and utility payments (other than those which are a part of the common expense.) At this point the Association supplies a Projected Operating Budget. A more detailed and more accurate budget may be supplied as time progresses. The budget begins on Page D-1.

6. LEASES. Units in some condominiums are sold subject to one or more leases of property or facilities which are not a part of the condominium. This is not the case with this Condominium.

7. EXPANSION. The developer shall have the right to expand the development per Article XIV and in compliance with section 703 (1995-1996) Wis. State Statutes.

8. FLOOR PLAN AND MAPS. The Declarant has provided a floor plan of the Units being offered for sale and a map of the condominium which shows the location of a unit which you are considering and all facilities and common areas which are a part of the condominium. The floor plan and map begin on Page A-33.

DECLARATION OF CONDOMINIUM OWNERSHIP
OF

FOREST COVE TOWNHOMES (A CONDOMINIUM)
HAYWARD, WI 54843

TABLE OF CONTENTS

Article I	Definitions and Legal Descriptions	A-2
Section 1	Legal Description of Land	A-2
Section 2	Definitions	
(a)	"Association"	
(b)	"Owner"	
(c)	"Unit"	
(d)	"Unit Member"	
(e)	"Common Elements"	
(f)	"Limited Common Elements and Restricted Common Elements"	
(g)	"Developer"	
(h)	"Mortgage"	
(i)	"Mortgagee"	
(j)	"Majority"	
(k)	"Person"	
Article II	Property and Units – Submission to Act	A-3
Section 1	Submission of Property to the Act	
Section 2	Code Identification	
Section 3	Description of Buildings	A-4
Section 4	Boundaries of Units	
Section 5	Interpretation of Plans	A-5
Section 6	Modification of Plans	
Article III	Common Elements, Limited Common Elements And Restricted Common Elements	A-6
Section 1	Ownership of Common Elements	
Section 2	Description of Common Elements	
Section 3	Description of Limited Common Elements	A-7
Section 4	No Partition of Common Elements	
Section 5	Conveyance of Limited Common Elements	
Article IV	Conveyance of Unit, Interest Included	A-7

Article V	Other Property rights and Obligations of Owners.	A-8.
Section 1	Owner's Right to Ingress and Egress and Support Use of Rights	
Section 2	Use of Units (b) Pets	
Section 3	Use of Common Elements	A-9
Section 4	Prohibition of Damage and Certain Activities	A-10
Section 5	Subdivision of Units	
Section 6	Rules and Regulations	
Section 7	Delegation of Use	
Section 8	Construction	
Section 9	Separate Mortgages of Units	
Section 10	Separate Real Estate Taxes	A-11
Section 11	Maintenance, Repairs and Replacement	
Section 12	Common Surpluses	
Article VI	Association Membership and Voting Rights	A-12
Section 1	Membership	
Section 2	Voting	
Section 3	Unit Value of Voting	
Section 4	Amplification	
Article VII	Rights and Obligation of the Association	A-13
Section 1	The Common Elements	
Section 2	Services	
Section 3	Personal Property for Common Use	
Section 4	Rules and Regulations	A-14
Section 5	Implied Rights	A-15
Section 6	Personal Liability	
Section 7	Unit owners and interiors	A-16
Article VIII	Covenant for Assessment	A-17
Section 1	Agreement to Pay Assessment	
Section 2	Purpose of Assessment	
Section 3	Annual Assessments	A-18
Section 4	Special Assessments for Capital Improvements	
Section 5	Special Assessments Against a Particular Unit	
Section 6	Notice of Meeting	A-19
Section 7	Uniform Rate of Assessment	
Section 8	Date of Commencement of Annual Assessments	
Section 9	Lien of Assessment	A-20

Section 10	Effect of Nonpayment of Assessments	A-21
Section 11	Subordination of Lien of Mortgages	
Section 12	Additional Rights of Lenders	
Article IX	Architectural Control	A-24
Section 1	Architectural Control Committee Authority	
Section 2	Antennae	
Section 3	Developer Control	
Article X	Party Walls	A-24
Section 1	General Rules of Law to Apply	
Section 2	Sharing of Repair and Maintenance	A-25
Section 3	Right to Contribution Runs with Land	
Section 4	Encroachment	
Section 5	Binding Effect	
Section 6	Rules and Regulations	
Section 7	Dedication for Utilities	A-26
Section 8	Construction of Terms	
Article XI	Insurance	A-26
Section 1	Obligation of Associations	
Section 2	Combined Insurance	A-27
Section 3	Insurance Proceeds	
Section 4	Destruction and Reconstruction	
Section 5	Partition	A-28
Section 6	Other Insurance	
Article XII	Notice	A-29
Article XIII	Exculpation of Association Liability	A-29
Article XIV	Developer's Rights	A-30
Article XV	General Provisions	A-31
Section 1	Enforcement	
Section 2	Severability	
Section 3	Failure of Association to Insist on Strict Performance, Not Waiver	
Section 4	Termination	
Section 5	Perpetuities and Restraints on Alienations	A-32
Section 6	Amendments	
Section 7	Registered Agent for Service of Process	
Section 8	Number and Gender	
Section 9	Captions	

Exhibit # 1 Legal Description, Site Plan

Exhibit # 2 Address and Floor Plans

A M E N D E D
DECLARATION OF CONDOMINIUM OWNERSHIP
AND OF EASEMENTS, RESTRICTIONS, COVENANTS AND
CONDITIONS FOR FOREST COVE TOWNHOMES (A CONDOMINIUM)

FOREST COVE TOWNHOMES
15536 CTH B
HAYWARD, WI 54843

THIS DECLARATION, made this 15th day of May, 1998, by FOREST COVE TOWNHOMES (hereinafter referred to as the "DEVELOPER/DECLARANT")

WHEREAS, the DEVELOPER is the owner in fee simple of certain real estate hereinafter described in Exhibit 1, located in the City of Hayward, Sawyer County, Wisconsin; and

WHEREAS, the DEVELOPER intends to, and does hereby submit and subject such real estate, together with all buildings, structures, improvements and other permanent fixtures of whatsoever belonging or in anywise pertaining thereto, to all provisions of the Wisconsin Condominium Ownership Act, Chapter 703, Wis Stats. (1995-96); and

WHEREAS, the DEVELOPER desires to establish certain rights, conditions, restrictions, covenants and easements in, over and upon said real estate for the benefit of the DEVELOPER and all future owners of any part of said real estate, and any unit thereof or therein contained, and to provide for the harmonious, beneficial and proper use and conduct of the property and all units; and

WHEREAS, the DEVELOPER desires and intends that the several unit owners, mortgagee, occupants and other persons hereafter acquiring any interest in the property shall at all times enjoy the benefits of, and shall hold their interest and subject to the rights, conditions, restrictions, covenants and easements hereinafter set forth, all of which are declared to be in furtherance of a plan to promote and protect the cooperative aspect of property and are established for the purpose of enhancing and perfecting the value, desirability and attractiveness of the property.

NOW, THEREFORE, the DEVELOPER, as the titleholder of the real estate hereinabove referred to and described at greater length hereinafter, and for the purpose above set forth, DECLARES AS FOLLOWS:

ARTICLE I

DEFINITIONS AND LEGAL DESCRIPTION OF LAND

Section 1. LEGAL DESCRIPTION OF LAND: The real estate which is hereby submitted and subjected to the provisions of the Condominium Ownership Act, Chapter 703, Wis Stats. (1995-96), is legally described as set forth on Exhibit "1", attached hereto and incorporated herein by reference. A survey of the property, showing the boundaries of the Condominium, is contained in the FOREST COVE TOWNHOME PLAT.

Said real estate and all improvements thereon and appurtenances thereto shall be known as FOREST COVE TOWNHOMES.

Section 2. DEFINITIONS: For the purpose of brevity and clarity, certain words and terms used in this Declaration are defined as follows:

(a) "ASSOCIATION" shall mean and refer to FOREST COVE TOWNHOMES OWNERS ASSOCIATION, INC, a corporation formed under the nonstock corporation statute, Chapter 181 Wis. Stats. (1985-86), its successors and assigns.

(b) "OWNER" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Unit, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

(c) "UNIT" shall mean and refer to the part of the property subject to the Declaration, consisting of (1) or more cubicles of air at one or more levels of space or one or more rooms or enclosed spaces located in one or more floors (or parts thereof) in a building and bounded along such boundaries as shown on the building and floor plans attached hereto as Exhibit 2, together with all facilities and improvements therein contained, excluding the land underneath same.

(d) "UNIT MEMBER" shall mean the number identifying a Unit

(e) "COMMON ELEMENTS" shall mean and refer, unless otherwise provided in this Declaration or amendments thereto, to the common areas and facilities consisting of the land and the entire premises described in Section 1, above, excepting the Units and excepting and subject to any structures built or improvements installed by or for public utilities.

(f)"LIMITED COMMON ELEMENTS AND RESTRICTED COMMON ELEMENTS" shall mean those common elements identified herein as reserved for the exclusive use of one or more, but less than all of the Unit Owners.

(g)"DEVELOPER" shall mean and refer to FRED SCHEER and ROBERT SCHEER and their successors and assigns. The DEVELOPER may also be referred to as the Declarant.

(h)"MORTGAGE" shall mean any Mortgage or other security instrument by which a Unit or any part thereof is encumbered.

(i)"MORTGAGEE" shall mean any person named as the Mortgagee under any Mortgage under which the interest of any Owner is encumbered, or any land contract vendor of any Unit, or any successor to the interest of such person under such Mortgage or such land contract.

(j)"MAJORITY" shall mean the Townhome Unit Owners with more than fifty percent (50%) of the votes assigned the Units of this Declaration.

(k)"PERSON" shall mean an individual, corporation, partnership, association, trust, or other legal entity.

ARTICLE II

PROPERTY AND UNITS: SUBMISSION TO ACT

Section 1. SUBMISSION OF PROPERTY TO THE ACT: The Developer hereby submits the real estate described in Article I and all buildings and improvements constructed or to be constructed thereon to the provisions of said Condominium Ownership Act (the "Act"), pursuant to Chapter 703, Wis. Stats. (1995-96).

Section 2. CONDO IDENTIFICATION. Each Unit shall be specifically identified by its building and unit number set forth in Exhibit "2" attached hereto and hereby made a part of this Declaration. The unit number of each Unit shall be the number portion of the street address of the Unit. Unit 1A – 15536 Highway B, Unit 2A – 15536 Highway B, Unit 3A – 15536 Highway B, Unit 4A – 15536 Highway B, Unit 5A – 15536 Highway B, Unit 1B – 15536 Highway B, Unit 2B – 15536 Highway B, Unit 3B – 15536 Highway B, Unit 4B – 15536 Highway B, Unit 5B – 15536 Highway B.

Section 3. DESCRIPTION OF RESIDENTIAL BUILDINGS: The development will contain 2 buildings consisting of five units (Bldg. A, B) for a total of 10 Units. The Units will contain a first floor, second floor and on particular units a detached garage. Complete construction details for Building A and B are contained in the working plans and drawings which are available for inspection at the office of the Developer. The ten (10) Units are located at 15536 Highway B, Hayward, Wi 54843. Square footage on all Units is as per plan.

First Floor	(a) Living room, kitchen/dinette, ½ bath, gas fireplace, 1 ½ car attached or detached garage or fireplace.
Second Floor	(b) Two (2) bedrooms, laundry, bath.

The buildings are constructed principally of wood frame and will have pitched fiberglass roofs. Each Unit will contain central-forced air gas heat, central air conditioning, and electric hot water heater.

The Developer in this Declaration shall provide all Units to be comparable in style and quality.

The buildings are located as indicated in Exhibit "1" attached hereto and made a part of this Declaration. The location, designation of each Unit, and the immediate Common Elements and the Limited Common Elements to which each Unit has access, are shown in Exhibit "1", as are the approximate area and number of rooms of each Unit. Exhibit 2, attached hereto and made a part of this Declaration, shall show the floor plans for each unit.

Section 4. BOUNDARIES OF UNITS: Each Unit on the first floor shall have separate interior walls. The vertical boundaries of each Unit shall be the said separate interior walls bounding a Unit and the exterior of the outside walls bounding a Unit. The horizontal boundaries shall be the plane of the undersurface of the Lower Level floor and the plane of the under-surface of the roof. Units shall not be divisible or subject to division or partition for sale purposes.

All windows, window frames, and doors, including all glass in all windows and doors, shall be considered a part of the Unit. Each 1 ½ car garage immediately adjacent and appurtenant to each unit shall be a part of the Unit.

All installations for providing power, light, gas, hot and cold water, heating, refrigeration and air conditioning exclusively to one Unit shall be considered a part of that Unit.

Any utility lines and plumbing equipment located outside of Units, and any utility lines and plumbing equipment contained inside the boundaries of a particular Unit but which service a different Unit, are common elements and shall be repaired and maintained by an at the expense of the FOREST COVE TOWNHOME OWNERS ASSOCIATION, INC. (the "Association"), except as otherwise provided in this Declaration or the By-Laws of the Association. The furnace, air conditioner and water heater for each Unit are part of the respective Unit serviced by said items and shall be repaired and maintained by and at the expense of the owner of said Unit.

If any portion of the common or limited common elements shall encroach upon any Unit, or if any Unit shall encroach upon any other Unit or upon any portion of the common or Limited Common Elements as a result of the duly authorized construction, reconstruction or repair of a building, or as a result of settling or shifting of a building, a valid easement for the encroachment and for its maintenance shall exist so long as the building stands. The existing physical boundaries of a Unit or conformity with the Condominium Plat shall be conclusively presumed to be its boundaries, regardless of the settling or shifting of the building and regardless of minor variations shown on the Condominium Plat and the existing physical boundaries of any such Unit or Common Element.

Section 5. INTERPRETATION OF PLANS: In interpreting the survey of floor plans or any deed or any other instrument affecting a Building or Unit, the boundaries of the Building or Unit constructed or reconstructed in substantial accordance with the survey and floor plans shall be conclusively presumed to be the actual boundaries rather than the description expressed in the survey or floor plans, regardless of minor variations between boundaries shown on the survey and floor plans and the actual boundaries of the Buildings (s) or Unit (s) as located and erected.

Section 6. MODIFICATION OF FLOOR PLANS: Declarant hereby reserves the right to alter, expand, decrease and/or otherwise modify the size and/or floor plans or any Unit during the course of construction of such unit,. In the event any unit, as constructed, is materially different from the plans for such Unit contained in the Condominium Plat, Declarant shall file an amendment to the Condominium Plat showing the actual dimensions and floor plans for such Unit.

ARTICLE III

GENERAL COMMON ELEMENTS, AND LIMITED COMMON ELEMENTS

Section 1. OWNERSHIP OF COMMON ELEMENTS: Each Unit Owner shall be entitled to an own and undivided interest in the Common Elements, as an occupant-in-common with all other Unit Owners of the property and, except as otherwise limited in this Declaration, shall have the right to use the Common Elements for all purposes incident to the use and occupancy of such Owner's Unit as a place of residence, which right shall be appurtenant of such and run with such Unit. Each Unit's fractional ownership (also known as its percentage of ownership) in the Common Elements shall be 1/10th. The Common Elements shall be operated, repaired and maintained by and at the expense of the Association, except of otherwise provided in this Declaration of the By-Laws of the Association.

The percentage of ownership in the Common Elements shall be subject to such easements as have been granted or may hereafter be granted to the City of Hayward or to public utilities.

Section 2. DESCRIPTION OF GENERAL COMMON ELEMENTS AND FACILITIES: The General Common Elements and facilities shall consist of all area except Units, limited common areas and restricted common areas, and by way of explanation shall include:

- (a) The land described in this Declaration;
- (b) The driveways, parking area and walkways located on the land;
- (c) All other parts of the property necessary or convenient to its existence, maintenance and safety, are normally common use;
- (d) The foundations, columns, gutters, beams, overhangs, supports, main walls and roofs of the buildings;
- (e) Installations for providing central services such as power, light, gas heating and cold water;
- (f) Sanitary sewer, storm sewer, water line, gas line, and, in general, all apparatus and installations intended for common use;

Section 3. DESCRIPTION OF LIMITED COMMON ELEMENTS AND FACILITIES: A portion of the Common Elements and facilities are designated as "Limited Common Elements and Facilities." These are driveways and walkways which service one Unit and the yard area described below. Each Unit Owner shall be entitled to the exclusive use and possession of that parking area, driveway, walkway and yard area, direct access to which is provided for his respective Unit, and which is located outside of and adjoining his respective Unit. The "Yard Area" shall be as per landscaping blue print shown.

Section 4. NO PARTITION OF GENERAL COMMON ELEMENTS: There shall be no partition of General Common Elements through judicial proceedings or otherwise until this Declaration is terminated and the property is withdrawn from its terms or from the terms of any statute applicable to condominium ownership; provided, however, that if any Unit shall be owned by two or more co-owners nothing herein contained shall be deemed to prohibit a voluntary or judicial partition or said Unit Ownership between such co-owners.

Section 5. CONVEYANCE OF LIMITED COMMON ELEMENTS: A Unit Owner may not convey or lease his right to use and Limited Common Elements pertinent to his Unit to any other Unit Owners.

ARTICLE IV

CONVEYANCE OF UNIT INTERESTS INCLUDED

No Unit Owner may sell, convey or transfer any legal or equitable interest in his Unit without including the percentage of ownership interest in the Common Elements and in all assets and liabilities of the Association appurtenant to the Unit; and any deed, mortgage or other instrument purporting to affect one or more of such interest, without including them all, shall be deemed to include all such rights, title, interests and obligations of the Unit Owner.

ARTICLE V

OTHER PROPERTY RIGHTS AND OBLIGATIONS OF OWNERS

Section 1. OWNER'S RIGHT TO INGRESS AND EGRESS AND SUPPORT:

Each owner shall have the right to ingress and egress over, upon and across the Common Elements necessary or access to his Unit and such rights shall be appurtenant to and pass with the title of each Unit.

Section 2. USE OF UNITS:

- (a) The Units shall be occupied and used only for those uses permitted under and pursuant to the zoning requirements granted by the City of Hayward and for no other purpose. Any person occupying a Unit with the Authority of an Owner shall comply with all of the restrictions, covenants and conditions imposed hereunder on an Owner. If an Owner of a Unit intends to leave such Unit for a period of more than one (1) month such Owner shall notify the Association prior thereto of his forwarding address and of a telephone number where he/she can be reached.
- (b) Each Owner shall be allowed to have animals about the premises in accordance to the City of Hayward Pet Ordinance. No animal or pet, may be kept, bred or maintained for commercial purposes. Animals shall not be allowed at large and shall be under the control of a person and shall not create a disturbance when outside the Unit of its Owner. Animal waste shall be cleaned up by the pet's Owner.

Section 3. USE OF COMMON ELEMENTS:

- (a) There shall be no obstruction of the common Elements, nor shall anything be kept or stored on any part of the Common Elements without the prior written consent of the Association except as specifically provided herein. No owner or possessor shall cause to be stored at the premises, any substance defined as a "Hazardous Substance" as defined or designated under Sec. 311 or 307(a) of Federal Clean Water Act. Superfund Sec. 102, the Federal Resources Conservation and Recovery Act, Sec. 112 of the Federal Clean Air Act and Sec. 7 of the Federal Toxic Substance Control Act, or any amendments or additions from the Common Elements except upon the prior written consent of the Association. No garbage or rubbish containers shall be placed or kept in any Common Elements, other than those areas designataded by the Association therefore. No clothes line shall be maintained on the Common Elements same shall not be used for hanging of clothes, rugs or other articles.

- (b) An Owner of a Unit shall in no case paint, decorate, or alter the appearance of the Common Elements or exterior of the building without the consent of the Board of Directors of the Association. No Owner of a Unit may erect, post, or display posters, signs or advertising material on or in the Common Elements; provided, however, that any Owner of a Unit may erect or post a temporary sign of customary and reasonable dimension relation to a Unit for sale.
- (c) PARKING: Parking areas (including driveways on which limited parking is allowed), whether designated as a part of a Unit or as Common Elements or Limited Common elements, shall be used only for parking of private passenger automobiles and light weight vans. Except when being temporarily parked on private driveways areas, vehicles of unit owners and occupants shall be garaged at all times. Such vehicles shall at all times be in good operating condition and bear current license plates. Parking by unit owners guests it allowed, but is initially confined to private driveways described as Common Elements and Limited Common Elements. Overflow guest temporary parking shall be confined to the South side of driveways and shall not interfere with traffic flow. Trucks, motorcycles, recreational and commercial vehicles owned by Unit Owners and occupants or their guests shall not be parked in any area at any time. Parking of trucks and commercial vehicles of contractors and purveyors of services to Unit Owners shall be limited to the period during which such services are being rendered. When garages are not being used or subject to any activity such as unloading vehicles, storage and cleaning the garage doors shall be kept closed. Other than in temporary emergency situations parking of disabled vehicles is prohibited at any time.
- (d) RECREATIONAL FACILITIES: Recreational devices such as basketball hoop, monkey gyms, children slides and similar units are not allowed on Limited Common Elements and Common Elements.

Section 4. PROHIBITION OF DAMAGE AND CERTAIN ACTIVITIES:

Nothing shall be done or kept in any Unit or in the Common Elements or any part thereof which would increase the rate of insurance on the premises or any part thereof over what the Association, but for such activity would pay, without the prior written consent of the Association. Nothing shall be done or kept in any Unit or in the Common Elements or any part thereof which would be in violation of any Statute, rule, ordinance, regulation, permit or other validly imposed requirement of any governmental body. No damage to, or waste of, the Common Elements, or any part thereof shall be committed by any Owner or any invitee of any Owner, and each Owner shall indemnify and hold the Association and the other Owners harmless against all loss resulting from any such damage or waste caused by him or his invitee, to the Association or their Owners. No noxious, destructive or offensive activity shall be carried on in any Unit or in the Common Elements as may become an annoyance or nuisance (including the use of stereos, musical instruments, televisions or radios at such time or in such volume of sound as too objectionable.) to any other Owner or to any other person at any time lawfully occupying the Unit.

Section 5. SUBDIVISION OF UNITS: Units may not be subdivided if in combination of more than two Units together by purchase.

Section 6. RULES AND REGULATIONS: No Owner shall violate the rules and regulation for the use of the Units and of the Common Elements as adopted from time to time by the Association.

Section 7. DELEGATION OF USE: Any Owner may delegate, in accordance with the By-Laws, or this Declaration, his right of enjoyment of the Common Elements and facilities to the guests of his Unit or occupants of his Unit and only to said individuals.

Section 8. CONSTRUCTION: In the event any construction or remodeling work shall be performed in or about a Unit Owner, or his contractors, agents, servants, and /or employees, said Unit Owner shall be responsible for maintaining and keeping the Common Elements and public areas such as public walks and drives free and clear of debris, dust and construction materials as may be placed thereon.

Section 9. SEPARATE MORTGAGES OF UNITS: Each Unit Owner shall have the right to mortgage or encumber his own respective Unit, together with his respective Ownership interest in the Common Elements. No Unit Owner shall have the right or authority to mortgage or otherwise encumber in any manner whatsoever the property of any part thereof, except his own Unit and his own respective Ownership interest in the Common Elements.

Section 10. SEPARATE REAL ESTATE TAXES: It is intended and understood that real estate taxes are to be separately taxed to each Unit Owner for his Unit, and his corresponding percentage of Ownership in the Common Elements, as provided in Wisconsin Condominium ownership Act. In the event that, for any year, such taxes are not separately taxed to each Unit Owner, but are taxed on the Property as a whole, then each Unit shall pay his proportionate share thereof, the allocation in respect to the Common Elements to be in accordance with this respective percentage of Ownership interest in the Common Elements. In the latter event, to assure the ability of each Unit Owner to pay his share of the real estate taxes the Association may establish an escrow account and require each Unit Owner to pay into such account a sum equal to one-tenth (1/10th) his share of the estimated real estate taxes each month.

Section 11. MAINTENANCE, REPAIRS AND REPLACEMENTS

- (a) All maintenance, repairs and replacements to the Common Elements and facilities, whether located inside of the Units unless necessitated by the negligence, misuse or neglect of a Unit Owner, (in which case such expense shall be charged to the Unit Owner), shall be made by the Board of Directors and charged to the Unit Owners as a Common expense.

The Owner of each Unit shall furnish, at his own expense, and be responsible for all maintenance, repairs and replacement of interior surfaces of each Unit together with utility lines, mechanical equipment and fixtures and equipment which are located within one Unit; and glass surfaces, screens, doors, windows, door and window hardware, appurtenant to each Unit. The expense of such maintenance, repairs and replacement shall be borne solely by each Owner.

No Unit Owner, except as otherwise provided herein or in the By-Laws, may do any alteration which would jeopardize the soundness or safety of the property, reduce the value thereof, or impair any easement or hereditament.

In the event that the need for maintenance, repairs or replacement is caused through the willful or negligent act of an Owner, the costs of such maintenance, repairs or replacement shall be added to and become a part of the assessment to which such Owner's Unit is subject.

Section 12. COMMON SURPLUSES:

All Common Surpluses shall be credited to Unit Owners' for assessments for common expense in proportion to their obligation for Basic Assessments. The Townhome Owners Association may from time to time provide for other common uses of such surpluses.

ARTICLE VI
ASSOCIATION MEMBERSHIP AND VOTING RIGHTS

Section 1. MEMBERSHIP: Every Owner of a Unit shall be entitled and required to be a member of the Association. If Title to a Unit is held by more than one person, each of such persons shall be members. An Owner of more than one Unit shall be entitled to one membership for each such Unit owned by him. Each such membership shall be appurtenant to the Unit upon which it is based and shall be transferred automatically by conveyance of that Unit. ^{No} Person or entity other than an Owner of a Unit or Developer may be a member of the Association, and membership in the Association may not be transferred except in combination with the transfer of title to a Unit; provided, however, that the rights of voting may be assigned to a Mortgagee as further security for a loan secured by a mortgage on a Unit.

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Section 2. VOTING:

All Owners shall be entitled to one (1) vote for each Unit owned, and there shall be only one vote on the Association pertaining to each Unit. When more than one person holds an interest in any Unit, the vote for such Unit shall be exercised as they, among themselves determine, but in no event shall more than one vote be cast with respect to any Unit. There can be no split vote. Prior to the time of any meeting at which a vote is to be taken, each co-owner shall file the name of the voting co-owner with the Secretary of the Association in order to be entitled to vote at such meeting, unless such co-owners have filed a general voting authority with the Secretary applicable to all votes until rescinded.

The Developer shall be entitled to one vote for each Unit owned; provided, however, that notwithstanding the foregoing provisions for voting, the Developer shall have sufficient votes to constitute a majority of votes until all of its Units are sold; provided, further, that Developer's majority shall cease seven (7) days after the last unit is conveyed to purchaser other than the Developer, or thirty (30) days after the conveyance to a purchaser of eighty (80%) percent of the Units, whichever time is earlier.

Section 3. UNIT VALUE FOR VOTING: The interest of each Unit shall be 1/10th and shall serve as a basis in determining the voting interest of each Unit on matters for determination by Unit owners and as to other matters described in the Wisconsin Condominium Ownership Act.

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

ARTICLE VII
RIGHTS AND OBLIGATIONS OF THE ASSOCIATION

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

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

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

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

Rules and Regulations
For
Forest Cove Townhomes

Disposition of garbage and trash shall be only by the use of garbage disposal units and by use of appropriate containers, except newspapers, magazines and the like. All garbage and trash shall be kept out of sight except for time of pickup. Recyclables are to be placed in correct containers and pickup will be on day specified for that area.

No owner may make or permit any disturbing noises in the building whether made by himself, his family, friends, servants or pets, or permit anything to be done by such persons that will interfere with the rights, comforts and conveniences of other unit owners.

The activities and behavior of all children when upon the condominium property shall be regulated by an adult, including physical supervision where necessary. The Directors or their designated representatives, shall, at all times, have the authority to reasonable require that the owner, guest or other adult who is responsible for a particular child, remove him from the Common Element if the child's conduct is such that they believe this action is necessary for safety or to preserve the rights, comforts and convenience of other unit owners.

A unit owner must maintain in good condition and repair his unit and all internal surfaces within or surrounding his unit; and maintain and repair the fixtures therein and to promptly pay for any utilities which are metered separately to his unit.

A unit owner shall be liable for the expense of any maintenance, repair or replacement rendered necessary by his/her act, neglect or carelessness or that of any member of his/her family, guests, employees, agents, ~~but only to the extent that such expense is not met by the proceeds, agents,~~ but only to the extent that such expense is not met by the proceeds of insurance carried by the Association. Such liability shall include any increase in fire insurance rates occasioned by use, misuse, occupancy or abandonment of a unit, its appurtenances, or of the Common Elements.

No noxious activity shall be carried on in any units or in the Common Elements or the Limited Common Elements, nor shall anything be done therein which may be or become an annoyance or nuisance to others.

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

Section 6. PERSONAL LIABILITY: No director or officer of the association shall be personally liable to any unit owner or to any other party, including the Association, for any loss or damage suffered or claimed on account of any act, or omission, error or negligence of such Officer or Director acting in such capacity, provided such person acted in good faith, without willful or intentional misconduct.

Common Elements. The Association shall be responsible for the management and control of the Common Elements and Limited Common Elements and shall maintain, repair, and keep them in good, clean, and attractive and sanitary condition, order and repair. Without in any way limiting the foregoing, the Association shall be responsible, at Association expense (unless necessitated by the negligence or misuse of a unit owner, members of his family or his guests, in which case such expense shall be charged to such unit owner and his unit), for accomplishment of the following specific items of maintenance and repair with respect to the Common Elements and Limited Common Elements:

- All painting, repairing, restoration, maintenance, and decorating or building exteriors and roofs, including garages, decks and patios; excluding glass replacement.
- General repair, maintenance, repair or replacement of exterior fixtures including mailboxes.

- All grass cutting, edging and trimming.

- Tending and cultivating bush and flower beds and limited pruning of bushes and shrubbery.

- Replacement of landscaping and shrubbery.

- Tree pruning, cutting and replacement.

- Fertilizing, watering and weed control as required.

- Raking and disposal of leaves and leaf removal from building gutters.

- Exterior window cleaning.

- Repair, replacement or restoration of sidewalks, driveways,

- Retaining walls.

- Repair and maintenance of exterior lights and associated equipment.

- Snow removal and sanding walks and roadways.

Section 7. UNIT OWNERS AND RIGHTS WITH RESPECT TO INTERIORS: Each Unit Owner shall have the exclusive right to paint, repaint, tile, panel, paper or otherwise refurnish and decorate the interior surfaces of the walls, ceilings, floors and doors forming the boundaries of his/her Unit and walls, ceilings, floors and doors within the boundaries of his/her Unit, and to erect partition walls of a non-structural nature, provided that such Unit Owner shall take no action which in any way materially change any common walls, except as otherwise provided in this Declaration with reference to relocation of boundaries.

Section 8. INDIVIDUAL UNITS AND LIMITED COMMON ELEMENTS. Except as otherwise provided herein, each Unit Owner, at his sole expense, shall be responsible for keeping the interior of his unit and all of its equipment, fixtures and appurtenances in good order, condition and repair and in a clean, sanitary condition, and shall be responsible for any repair, maintenance, painting and varnishing which may at any time be necessary to maintain the good appearance and condition on interior of his Unit, Without in any way limiting the foregoing, in addition to decorating and keeping the interior of the Unit in good repair, each Unit Owner shall be responsible for the maintenance, repair or replacement of any interior electrical wiring and conduit, fixtures, plumbing, water heaters, doors, and windows (including replacement of broken glass), steps, stairways, carpeting, lighting fixtures, refrigerators, ranges, heating and air conditioning equipment (whether located in a Unit or in a Limited Common Element appurtenant thereto) dishwashers, disposals, laundry equipment such as washers and dryers, doorbells, garage door openers, storage areas, to other equipment which may be in, or connect with the Unit or the Limited Common Element appurtenant to the Unit.

ARTICLE VIII
COVENANT FOR ASSESSMENTS

Section 1. AGREEMENT TO PAY ASSESSMENT: Developer for each Unit owned by it hereby covenants, and each Owner of any Unit by the acceptance of a deed therefore, whether or not it be so expressed in the deed, shall be deemed to covenant and agree with each other and with the Association to pay to the Association for the purpose provided in this Declaration, annual assessments, special assessments for capital improvements, and assessments for any other matters as provided in this Declaration. Such assessments shall be fixed, established and collected from time to time in the manner provided in this Article.

Section 2. PURPOSE AND COMPUTATION OF ASSESSMENTS:

- (a) The assessments levied by the Association shall be used exclusively for the improvement and maintenance of the Common Elements, and such emergency repairs as the Association may deem necessary.
- (b) All funds for the payment of common expenses and for the creation of reserves for the payment of future common expenses shall be obtained by assessments against the owner of each Unit. Subsequent to the first conveyance of a Unit by the Declarant to a purchaser, Declarant's obligation for assessments shall be as follows:
 - (i) For each completed Unit owned by Declarant, Declarant shall pay monthly assessments to the Association on the same basis as any other Unit Owner.
 - (ii) For such period of time as there are uncompleted Units in the Condominium owned by Declarant, Declarant shall have the option of either paying monthly assessments to the Association for each uncompleted Unit owned by Declarant on the same basis as any other Unit Owner; or paying to the Association the difference between the aggregate amount of the monthly assessments assessed against all owners of completed Units (including Declarant) and the actual monthly expenses incurred by the Association: provided, however, that Declarant shall be required to make payments into the reserve accounts established by the Association for each of its uncompleted Units under construction on the same basis as all other Unit Owners.
- (c) For purposes of Declarant's obligations for assessments, a completed Unit shall be a Unit for which the City of Hayward has issued an occupancy permit. Until such time as a unit is completed, Declarant and not the Association, shall be responsible for all insurance premiums and other costs related to such Unit.

Section 3. ANNUAL ASSESSMENTS: The Board of Directors of the Association shall from time to time, and at least annually, prepare a budget and fix the annual assessment.

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

Section 5. SPECIAL ASSESSMENT AGAINST A PARTICULAR UNIT:

Special assessments may be made by the Board against a particular Unit Owner and his Unit for:

- (a) Costs and expenses (anticipated or incurred) for damage to the Common Elements caused by or at the direction of that Unit Owner or other occupants of the Unit;
- (b) Costs, expenses and actual attorney's fees incurred in, or in anticipation of any suit, action or other proceeding to enforce the Act, the Declaration, the By-Laws or the Rules or Regulations where there is found to be a violation thereof;
- (c) Costs and expenses (anticipated or incurred) for emergency repairs to the Unit;
- (d) Liabilities, costs and expenses incurred by the Association as a result of any temporary or permanent condition of defect in the Unit or the storage area appurtenant to the Unit;
- (e) Interest due on General and Special Assessments;
- (f) Forfeitures and other penalties levied by the Board for violations of the Condominium Documents by a Unit Owner or guests of the Unit Owner or occupants of a Unit;
- (g) All other costs and expenses anticipated or incurred by the Association which are subject to special assessments as provided under this Declaration or the By-Laws.

Section 6. NOTICE OF MEETINGS. Written notice of any meeting called for the purpose of taking any action authorized under Section 4 shall be sent to all affected members and any mortgagee who shall request such notice not less than ten (10) days or more than sixty (60) days in advance of the meeting. The presence at such meeting, of members or of proxies entitled to cast sixty (60%) of the votes affected shall constitute a quorum.

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

Section 8. DATE OF COMMENCEMENT OF ANNUAL ASSESSMENTS. The annual assessments provided for herein shall be payable in monthly installments and shall commence on the first day of the first month following the conveyance of the first Unit by the Developer. Such assessments shall commence as to each Unit in the first day of the first month following the issuance of an occupancy permit for such Unit, provided, however, that the Developer shall pay a reduced assessment for Units prior to the issuance of an occupancy permit therefore, which reduced assessment shall be based on Association expenses which are not fully determined by the number of constructed or number of occupied Units such as snow plowing and liability insurance. The first annual assessment shall be adjusted according to the number of months then remaining in the calendar year.

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

Section 9. LIEN FOR ASSESSMENTS. All sums assessed to any Unit pursuant to this Article, together with interest thereon as provided herein, shall be secured by a lien on such Unit in favor of the Association. Such lien shall be superior to all other liens and encumbrances on such Unit except only for:

- (a) Liens of general and special taxes; and
- (b) A lien for all sums on a first mortgage, or on any mortgage to the Developer, duly recorded in Sawyer County, Wisconsin, real estate records, prior to the making of such assessment, including all unpaid obligatory advance to be made pursuant to such mortgage and all amounts advanced pursuant to such mortgage and secured by the lien thereof in accordance with the terms of such instrument;

- (c) Mechanics lien filed prior to the making of the assessment; and
- (d) All sums unpaid on any mortgage loan made pursuant to Section 45:80 Wis. Stats.

To evidence a lien for sums assessed pursuant to this Article, the Association may prepare a written notice of lien setting forth the amount of the assessment, the date due, the amount remaining unpaid, the name of the Owner and the Unit, and a description of the Unit. Such notice shall be signed by the Association and may be recorded in the Office of the Clerk of Circuit Court or Register of Deeds of Sawyer County, Wisconsin. No notice of lien shall be recorded until there is a delinquency judicial foreclosure by the Association in the same manner in which mortgages on real property may be foreclosed in Wisconsin. In any such foreclosures, the Owner shall be required to pay the costs and expenses of filing the notice of lien, of all proceedings and all reasonable attorney's fees. All such costs and expenses shall be secured by the lien being foreclosed. The Owner shall also be required to pay to the Association any assessments against the Unit which shall become due during the period of foreclosure. The Association shall have the right and power to bid at the foreclosure sale or other legal sale and to acquire, hold, convey, encumber, use and otherwise deal with the Unit as the Owner thereof. A release of notice of lien shall be executed by the Association in such form as to be recordable in Sawyer County, Wisconsin, real estate records, upon payment of all sums secured by a lien which has been made the subject of a recorded notice of lien.

Any encumbrancer holding a mortgage or other lien on a Unit may pay, but shall not be required to pay, any amounts secured by the lien created by this section, and upon such payment such encumbrancer shall be subrogated to all rights of the Association with respect to such lien, including priority.

The Association shall, upon written request, report to any encumbrancer of a Unit any unpaid assessments remaining unpaid for longer than thirty (30) days after the same shall have become due and any default in the performance by the individual Unit Borrower of any obligation under the condominium documents which is not cured within thirty (30) days; provided, however, that such encumbrancer first shall have furnished to the Association written notice of such encumbrance.

Section 10. EFFECT OF NON-PAYMENT OF ASSESSMENT: REMEDIES OF THE ASSOCIATION: Any assessments which are not paid when due shall be considered delinquent after 10 days. Any assessment or installment thereof not paid within ten (10) days after the due date shall bear interest from the due date at a rate of interest which is two percent (2%) higher than the rate which is prescribed by the Wis. Stats. to be collected upon execution of judgment. (In lieu of charging such interest, the Board may, from time to time, fix a reasonable late fee for each month or fraction thereof that such assessment is not paid.) All payments on account shall be the first applied to the interest or late charge, if any, and then to the assessment payment first due. The Association may bring any action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property. No Owner may waive or otherwise escape liability for the assessment provided for herein by non-use of the Common Elements or abandonment of his Unit. A suit to recover a money judgment for unpaid assessments hereunder may be maintainable without foreclosing or waiving the lien securing the same. If any installment of any assessment become delinquent, the privilege of paying such assessment in installments shall be terminated and, if such delinquent installment be of an annual assessment, the entire annual assessment for the remainder of the fiscal year, or if the delinquent installment be of special assessment, the entire special assessment, shall be considered at once, without further notice, due and payable and shall be considered delinquent.

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

Section 12. ADDITIONAL RIGHTS OF LENDERS

- (a) As to the holder of any mortgage or land contract vendor or insurer or guarantor of any mortgage (the "Lender") of a Unit which has notified the Association in writing delivered or mailed by certified mail to the place for service or process stated in this Declaration that it desires to receive notice of the following matters:
 - (i) The Board of Directors shall give the Lender written notice by mail of the call of any meeting of the membership or the Board of Directors of the Association to be held for the purpose of considering any proposed amendment to this Declaration, the Articles or the By-Laws;

- (ii) The Board of Directors shall give the Lender by mail a copy of the notice of default which is given to any Unit Owner on any failure to comply with or violation of any of the provisions of this Declaration, the Articles, the By-Laws and rules and regulations promulgated thereunder, and any amendments thereto, simultaneously with the giving of required notice of any Unit Owner which shall be not later than within thirty (30) days of such failure;
 - (iii) The Board of Directors shall notify the Lender of any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association.
 - (iv) The Board of Directors shall notify the Lender of physical damage to structure, fixtures or equipment of a Unit in an amount exceeding \$10,000 when such damage is known to the Board of Directors and shall notify all Lenders if Common Elements of the Condominium are damaged in an amount exceeding \$20,000. The Board shall notify the Lender in writing of any condemnation proceedings concerning the Condominium.
 - (v) The Board of Directors shall permit the Lender to examine during normal business hours books and records of the Association (including current copies of this Declaration, Association By-Laws, and all rules and regulations promulgated thereunder) and upon request shall furnish the Lender annual reports and such other financial data (including audited financial statements) as it sends to Unit Owners.
- (b) Unless two-thirds of the number of holders of first mortgages on Unit (based on one vote for each mortgage held) and all Owners affected Units have given their prior written approval, or unless the Association obtains such higher proportion of consent as may be required by the Wisconsin Condominium Ownership Act, the Association shall not
- (i) Change the undivided percentage interest in the Common Elements of the Condominium appertaining to each unit;
 - (ii) Partition or modify any Unit of the Condominium

- (iii) By act or omission, seek to partition, modify, encumber, sell or transfer the Common Elements, except that the transfer of the water system to a public or quasi-public body or the granting of easements for public utilities or for other public purposes consistent with the intended use of the Common Elements by the Condominium shall not be deemed a transfer within the meaning of this clause; or
- (iv) Use hazard insurance proceeds for losses to any condominium property (whether to Units or to Common elements) for other than the repair, replacement or reconstruction of such condominium property.

C. Unless all holders of first mortgages on Units shall have given their prior written approval, the Association shall not by act or omission seek to abandon the condominium status of the Condominium except as provided in Section 9 of this Declaration.

ARTICLE IX

ARCHITECTURAL CONTROL

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

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

Section 3. DEVELOPER CONTROL. During the period of Developer Control, developer shall act as the Architectural Control Committee unless he delegates such function to the Board of Directors.

ARTICLE X

PARTY WALLS

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

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

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

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

Section 5. **BINDING EFFECT.** All present and future owners of Units, and any other occupants of Units, employees of Owners, or any other persons that in any manner use or come upon the Condominium or any part thereof, shall be subject to and shall comply with the provisions of the following instruments: Declaration, the Articles of Incorporation of the Association (the "Articles"), and the By-Laws and rules and regulations of the Association. Taking occupancy of any Unit shall constitute an acceptance by such Owner, or occupant of the provisions of such instruments, as the may be amended from time to time. The provisions contained in such instruments shall be covenants running with the land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and fully stipulated in each deed, conveyance thereof. The enforcement may be nay such judicial proceedings as the Board of Directors of the Association may deem appropriate as well as by the provisions of the Wisconsin Condominium Ownership Act.

Section 6. **RULES AND REGULATIONS:** Rules and regulations (in addition to the By-Laws) concerning the use of Units and the Common and Limited Common Elements, may be promulgates and amended by the Board of Directors of the Association. Copies of such rules and regulations shall be furnished by the Board of Directors of the Association to each Unit owner prior to their effective date.

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

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

ARTICLE XI INSURANCE

Section 1. OBLIGATION OF ASSOCIATION: The Association, for the benefit of all Unit Owners, shall insure the Property against loss or damage by fire and other hazard as the Association may deem desirable, for the right of each Unit Owner to also insure his own Unit for his own benefit. The premiums for such insurance on the Property shall be deemed common expenses; provided, however, that in charging the same to the Unit Owners, consideration may be given to the higher premium rates on some Units than on others. Such insurance coverage shall be written in the name of, losses under shall be payable to, the Association as trustee for the Unit Owners or Unit Owner. The Association may engage the services of any bank or trust company authorized to do trust business in Wisconsin to act as trustee, agent, or depository on behalf of the Association for the purpose of receiving or disbursing the insurance proceeds resulting from any loss, upon such terms and the Association shall determine consistent with the provision of this Declaration. The fees of such corporate trustee shall be common expenses. In the event of any loss in excess of \$60,000 in the aggregate, the Association shall engage a corporate trustee as aforesaid, or in the event of any loss resulting in the destruction of the major portion of one or more Units, the Association shall engage a corporate trustee as aforesaid upon the written demand of the mortgagee or Owner of any Unit so destroyed.

Section 2. **COMBINED INSURANCE.** If insurance coverage is available to combine protection for the Association the Unit Owner's individual Unit, the Board of Directors is hereby given discretionary power to negotiate such combination of insurance protection on an equitable cost sharing basis under which the Unit Owner would be assessed individually for the amount of insurance which he directs the Board of Directors to including in such policies for his additional protection. Copies of all such policies shall be provided to each mortgagee. Nothing contained in this paragraph shall be deemed to prohibit any Unit Owner, at his own expense, to provide any additional insurance coverage on his improvements or on his Unit which will not duplicate any insurance provided by the Association or Unit Owner.

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

Section 4. **DESTRUCTION AND RECONSTRUCTION:**

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

- (b) In the event a condominium Unit is destroyed or damaged in an amount in excess of 20% of the replacement cost of the entire Condominium, and insurance proceeds, if any, constitute less than 80% of the cost of completing repair or reconstruction, action by the Association by vote of 80% or more of all Unit Owners taken within 90 days of such damage or destruction shall be necessary to determine not to repair or reconstruct the Condominium as more fully described in Section 3, Article V of the By-Laws. Damage or destruction to a greater extent but for which insurance proceeds are equal to or greater than 80% of the cost of completing repair or reconstruction, shall be repaired and reconstructed pursuant to arrangement by the Board of Directors of the Association as provided in said section of the By-Laws.

Section 5. PARTITION: The Association shall have the right to levy assessments against the Units involved in the event that the proceeds of any insurance collected are insufficient to pay the estimated or actual cost of repair or reconstruction; provided, however, that in the event of damage to an extent more than the available insurance, that Condominium shall be subject to an action partition upon obtaining the written consent of the Unit Owners having no less than one hundred percent (100%) of the votes. In the event of partition, the net proceeds of sale, together with any net proceeds of Owners in proportion to their liability for assessments and shall be distributed in accordance with the priority interest in each Unit.

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

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

- (b) Workmen's Compensation insurance to the extent necessary to comply with applicable law;
- (c) Indemnity, faithful performance, fidelity and other bonds, as may be required by the Board, to carry out the Association functions and to insure the Association against any loss from malfeasance or dishonesty of any employee or other person charged with management or possession of Association funds or other property;
- (d) Any other insurance coverage or additional protection which the Board may deem necessary or advisable, including, without limitation, comprehensive liability insurance.

ARTICLE XII

NOTICES

All notice and other documents required to be given by this Declaration or by the By-Laws of the Association, shall be sufficient if given to one registered Owner of a Unit regardless of the number of Owners who have an interest therein. Notice and other documents to be served upon Declarant or the Association shall be personally served on the Agent specified for receipt of process herein or mailed by certified mail, return receipt requested to agent specified for receipt of process herein at the address of that agent as provided herein. All Owners shall provide the Secretary of the Association with the address for the mailing or service of any notice or other documents and the Secretary shall be deemed to have discharged his duty with respect to giving such notice by mailing it or having it delivered personally to such address, as is on file with him. If the Unit Owners fail to provide such address, the Secretary shall be deemed to have discharged his duty with respect to the giving of such notice by mailing or having it delivered personally to the Unit.

ARTICLE XIII

EXCULPATION OF ASSOCIATION LIABILITY

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

ARTICLE XIV

DEVELOPER'S RIGHTS

Until such time as the Developer has sold all of the Units in the condominium, the Developer shall have the right to use any unsold units and the Common Areas as may be necessary to expedite the sale of the Units, including, but not limited to, the holding of open houses and the erecting of appropriate advertising signs.

The Developer shall have the right to expand the development consistent with the architectural concept and design and construction quality of existing Units.

ARTICLE XV

GENERAL PROVISIONS

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

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

Section 3. **FAILURE OF ASSOCIATION TO INSIST ON STRICT PERFORMANCE NOT WAIVER:** The failure of the Association to insist, in any one or more instances, upon the strict performance of any of the terms, covenants, conditions or restrictions of this Declarant, or to exercise any right or option herein constrained, or to serve any notice or to institute any action, shall not be constructed as a waiver or relinquishment for the failure of such term, covenant, condition or restriction, but such term, covenant, condition and restriction shall remain in full force and effect. The receipt by the Association of payment of any assessment from a Unit Owner, with the knowledge of the breach of any covenant thereof, shall not be deemed as a waiver of such breach, and no waiver by the Association of any provision hereof shall be deemed to have been made unless expressed in writing and signed by the Association.

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

Section 5. PERPETUITIES AND RESTRAINTS ALIENATIONS: If any of the privileges, covenants or rights created by this Declaration would otherwise be unlawful or void for violation of: 1) the rule against perpetuities or some analogous statutory provision; 2) the rule restricting restraints on alienations, or 3) any other statutory or common law rules imposing time limits, then such provisions shall continue for a period of 21 years after the sale of the last unit.

Section 6. AMENDMENTS: Except as hereinafter limited and provided, this Declaration may be amended by an instrument signed by the Developer alone at any time prior to the sale of twenty (20%) of the Units and thereafter signed by not less than sixty(60%) percent of the Unit Owners and Mortgages having a secured interest in the property subject to this Declaration; provided, however, that such amendment shall not substantially alter any of the rights or obligations of the Owners and/or members.

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

Any Amendment to this Declaration shall be recorded with the Register of Deeds for Sawyer County, Wisconsin.

Section 7. REGISTERED AGENT FOR SERVICE OF PROCESS: The registered agent for service of process and the address for the registered agent, shall be the registered agent and the address of the registered agent or the Forest Cove Townhomes as provided for in the Articles of Incorporation and amendments thereto. Registered agent shall be Fred Scheer Jr. 14251 Phipps Rd. Hayward, Wi 54843

Section 8. NUMBER AND GENDER: Whenever used herein, unless the context shall otherwise provide the singular number shall include the plural, the plural shall include the singular, and the use of any gender shall include all genders.

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

BY-LAWS OF FOREST COVE TOWNHOMES
OWNERS ASSOCIATIONS, INC.
TABLE OF CONTENTS

Article I	Name, Location and Purpose of Association	B-3
Article II	Definitions	B-3
Section 1	“Association”	
Section 2	“Property”	
Section 3	“Common Elements”	
Section 4	“Unit”	
Section 5	“Owner”	
Section 6	“Developer”	B-4
Section 7	“Declaration”	
Section 8	“Member”	
Section 9	Reference to Declaration	
Article III	Membership	B-4
Section 1	Membership to Transfer	
Section 2	One Membership Per Unit	B-5
Section 3	Membership List	
Article IV	Voting and Meeting	B-6
Section 1	Voting	
Article V	Meeting of Members	B-7
Section 1	Annual Meeting	
Section 2	Special Meeting	
Section 3	Place of Meeting	
Section 4	Notice of Meetings	
Section 5	Quorum	
Section 6	Majority of Unit Owners	
Section 7	Order of Business	
Section 8	Parliamentary Procedures	
Section 9	Developer’s Control	B-8
Section 10	Rights of Developer Prior to Transfer	
Article VI	Board of Directors, Selection, term of Office	B-9
Section 1	Number of Selection	
Section 2	Initial Directors	
Section 3	Election and Term of Office	
Section 4	Removal and Vacancies	
Section 5	Compensation	
Section 6	Action Taken Without a Meeting	

Article VII	Meeting of Directors	B-10
Section 1	Regular Meeting	
Section 2	Special Meetings	
Section 3	Quorum	
Section 4	Waiver of Notice	B-11
Article VIII	Powers and Duties of the Board of Directors	B-11
Section 1	Powers	
Section 2	Duties	B-12
Article IX	Officers and Their Duties	B-13
Section 1	Enumeration of Officers	
Section 2	Election of Officers	
Section 3	Term	
Section 4	Special Appointments	B-13
Section 5	Resignation and Removal	B-14
Section 6	Vacancies	
Section 7	Multiple Officers	
Section 8	Duties	
	(a) President	
	(b) Vice-President	
	(c) Secretary	
	(d) Treasurer	
Article X	Committees	B-15
Article XI	Books and Records	B-15
Article XII	Assessments	B-16
Article XIII	Sale of Units	B-16
Article XIV	Abatements and enjoining of Violations	B-17
Article XV	Conflicts	B-17
Article XVI	Amendments	B-18
Article XVII	Fiscal Year	B-18
Article XVIII	Corporate Seal	B-18

BY- LAWS
OF FOREST COVE TOWNHOMES OWNERS ASSOCIATIONS, INC.
ARTICLE I
GENERAL PURPOSE, NAME AND LOCATION

SECTION 1. NAME AND LOCATION: The name of the Association of FOREST COVE TOWNHOME OWNERS ASSOCIATION, INC., hereinafter referred to as the Association, shall be 15536 Highway B, Hayward, WI 54843, but meetings of Members and Directors may be held at other places within the State of Wisconsin.

SECTION 2. PURPOSE: Pursuant to the Declaration of Condominiums for FOREST COVE TOWNHOME recorded as Document No. 268210 in the Office of the Register of Deeds, in and for Sawyer County, Wisconsin (hereafter the "Declarant"), the following terms, conditions and provisions are adopted as the By-Laws of the Association of Unit Owners for FOREST COVE TOWNHOME (hereafter the "Property"), in accordance with the Declaration and the Condominium Ownership Act for the State of Wisconsin (hereafter the "Act"), as may be amended from time to time.

SECTION 3. PERSONS SUBJECT TO BY-LAWS: These By-Laws shall govern and bind all Unit Owners, Joint Owners, mortgages and other encumbrancers and their respective heirs, personal representatives, successors, assigns, as well as other persons occupying or having any legal or equitable interest in the Property in anyway whatsoever and all licensees.

ARTICLE II
DEFINITIONS

Section 1. ASSOCIATION: Shall mean and refer to FOREST COVE TOWNHOME OWNERS ASSOCIATION, INC.' a corporation organized pursuant to Chapter 181 Wis. Stats.; its successors and assigns.

Section 2. PROPERTY: Shall mean and refer to that certain real property described in the Declaration of Condominium Ownership, and any supplements thereto or amendments thereof.

Section 3. COMMON ELEMENTS: Shall mean and refer to all real property maintained by the Association for the common use and enjoyment of the Owners.

Section 4. LIMITED COMMON ELEMENTS AND RESTRICTED COMMON ELEMENTS: Shall mean those common elements identified herein as reserved for the exclusive use of one or more, but less than all of the unit owners.

Section 5. UNIT: Shall mean and refer to any Unit shown upon the recorded plat of plats of survey of the property.

Section 6. OWNER: Shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Unit which is a part of the property, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 7. DEVELOPER: Shall mean and refer to Fred Scheer Jr. and Robert Scheer and their successors and assigns. The Developer may also be referred to as the Declarant.

Section 8. DECLARATION: Shall mean and refer to the Declaration of Condominium Ownership applicable to the property to be recorded in the office of the Register of Deeds for Sawyer County, Wisconsin, and any supplements or amendments thereto as provided in the Declaration.

Section 9. MEMBER: Shall mean and refer to those persons entitled to membership as provided in the Declaration.

Section 10. REFERENCE TO DECLARATION. The terms defined or referred to in the Declaration are hereby adopted for these By-Laws (any amendments hereto); and all terms defined by the Act are also adopted for these By-Laws except as modified, *inconsistent with or otherwise* defined by the Declaration or these By-Laws.

ARTICLE III

MEMBERSHIP

Section 1. MEMBERSHIP TRANSFER:

- (a) A Unit Owner shall be a member of the Association, which shall be composed only of Unit owners.
- (b) Each membership shall be appurtenant to the Unit upon which it is based and shall be transferred automatically upon the transfer of fee simple title to Unit, without further provisions being made therefore. Membership may not be transferred, assigned or conveyed except in connection with the transfer of fee simple title to the Unit.
- (c) Upon transfer of fee simple title to a Unit or any part thereof, the transferee shall give written notice to the Association specifying :
 - (1) Transferee's name and address;
 - (2) The Unit conveyed;
 - (3) The date of transfer;
 - (4) The name and address of any mortgage holders; and any other information which the board deems relevant.

Section 2. ONE MEMBERSHIP PER UNIT:

- (a) A Unit Owner shall have one membership for each Unit owned.
- (b) All Joint owners of a Unit shall be entitled to:
 - (1) One collective membership for that Unit;
 - (2) The same type of partial membership interest in the Association as their tenancy or estate in the Unit.

Section 3. MEMBERSHIP LIST:

- (a) The Association shall maintain a current Membership List showing: the Owner and any person who may be designated by Joint Owners to receive notice on their behalf; the percentage of ownership interest appurtenant to each Unit; and the mailing address of each Owner and Joint Owner. The Membership List shall be kept by the Secretary of the Association.
- (b) Each Unit Owner shall be responsible for furnishing to the Secretary the information necessary for the Association to maintain an up-to-date Membership List, without the necessity of any inquiry or request being made by the Secretary.
- (c) A Designee may be appointed by Joint Owners of a Unit to vote and receive notices on behalf of the Joint Owners and the Association shall at all times be entitled to rely upon the authority of such Designee; and all Joint Owners shall be bound by the Designee's vote and other actions. The appointment of such a Designee shall be made by written notice signed by each of the Joint Owners and delivered to the Secretary of the Association stating the name, address and telephone number of such Designee and that the Designee is thereby appointed to vote and receive all notices on behalf of all Joint Owners of the Unit. The authority of such Designee may be revoked or a new Designee appointed at any time by written notice to the Secretary signed by all Joint Owners.
- (d) A Designee may be changed at any time by delivery of a written notice to the Secretary of the Association signed by all Joint Owners.
- (e) All notices required to be given to a Unit Owner shall be deemed to have been duly given:
 - (1) At the time of personal delivery to the Unit Owner or one or more of the joint Owners or the Designee of Joint Owners; or
 - (2) 72 hours after mailing within the State of Wisconsin by regular mail or certified mail to the Unit Owner's or Designee's mailing address shown in the Membership List.

ARTICLE IV

VOTING AND MEETING

Section 1. VOTING:

- (a) A Unit Owner shall have one vote for each Unit owned; except that Declarant shall have two votes for each Unit owned during the time provided in the Declaration; Article VI and these By-Laws. All votes shall be cast as a whole with no fractional votes being allowed. Votes may be cast in person or by proxy by the Unit Owner or by a Designee or anyone of the Joint Owners; however, all Joint Owners of a Unit shall vote collectively and in the event any fractional vote is attempted or if Joint Owners do not agree on how such vote shall be cast, the right to vote on the matter in question shall be forfeited. Each Unit Owner shall be entitled to cumulate his votes for election of Directors such that each Owner shall have total number of votes equal to the number of Units owned times the number of directorships to be filled by Owners other than by Declarant which may be cast for any one Director or allocated, as the Owner desires, among any number of directorships to be filled. During such time as Declarant has two votes for each Unit it owns as provided in The Declaration; Article VI and these By-Laws. Declarant shall similarly be entitled to cumulate its votes and the Owners (other than Declarant) shall not be entitled to vote for Directors or otherwise fill directorships except for the directorships to be filled by the Owners (other than Declarant) in accordance with Article VI of these By-Laws.
- (b) No Unit Owner shall be entitled to cast the vote appurtenant to a Unit against which any General or Special Assessment is then delinquent.
- (c) Proxies shall be valid only for the particular meeting or time period designated therein, unless sooner revoked, must be filed with the Secretary before the appointed time of the meeting, shall be revocable and shall automatically cease upon conveyance by the Member of his Unit.

ARTICLE V MEETING OF MEMBERS

Section 1. ANNUAL MEETING: The first annual meeting of the Members shall be held when forty percent (40%) of the Common Element interest has been conveyed to purchasers, but in no event less than within one (1) year from the date of recording of the Declaration, and each subsequent regular meeting of Members shall be held on the same day of the same month of each year thereafter. If the day for the annual meeting of the Members is a legal holiday, the meeting will be held on the first day following which is not a legal holiday. The purpose of each annual meeting of the Members shall be for the election of Directors and the transaction of such other business as may come before the meeting.

Section 2. SPECIAL MEETING: Special meeting of the Members may be called at any time by the Board of Directors or by the President however such meeting must be called by the Board, or upon receipt of a written request signed by Members who are entitled to vote forty percent (40%) of all of the votes, with such request specifying the purpose of such meeting,

Section 3. PLACE OF MEETING: Meetings of the Unit Owners shall be held at a suitable place convenient to the Owners as may be designated by the Board of Directors.

Section 4. NOTICE OF MEETINGS: Written notice of each meeting of the Members shall be given by, or at the direction of, the Secretary or other person, authorized to call a meeting, by delivering written notice, either personally or by mail at least ten (10) days before such meeting to each voting Member entitled to vote thereat, last appearing on the books of the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting and, in the case of a special meeting, the purpose of the meeting. In lieu of such notice, waivers may be accepted from all Unit Owners.

Section 5. QUORUM: The presence at the meeting of sixty ^{percent of} (60%), Members or proxies entitled to cast votes shall constitute a quorum for any action except as otherwise provided in the Declaration or by these By-Laws. If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote thereat shall have power to adjourn the meeting from time to time without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented. 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.

a rescheduled

Section 6. **MAJORITY OF UNIT OWNERS:** As used in these By-Laws the term "majority of Unit Owners" shall mean those Unit Owners having more than fifty percent (50%) of the total authorized votes of all Unit Owners present in person or by proxy and voting at any meeting of the Unit Owners. 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 Act, the Declaration or these By-Laws.

Section 7. **ORDER IF BUSINESS:** The order of business at all meetings of the Unit Owners shall be as follows:

- (a) Roll call.
- (b) Proof of notice of meeting or waiver of notice.
- (c) Reading of minutes of preceding meeting.
- (d) Reports of officers.
- (e) Reports of committees.
- (f) Election of Directors (when applicable.)
- (g) Unfinished business.
- (h) New business.

Section 8. **PARLIAMENTARY PROCEDURE:** Except where inconsistent with these By-Laws, meeting of the Association shall be conducted in accordance with the latest revised edition of "Roberts Rules of Order."

Section 9. **DEVELOPER'S CONTROL:** Except as provided in Article VI, Section 1, below, Developer, or a person or persons authorized by it may appoint and remove the officers of the Association by it may appoint and remove officers of the Association and exercise powers and responsibilities of the Association; provided, however, that such control shall cease from the date that the first condominium unit is conveyed by the Declarant to any person other than the Declarant, or thirty (30) days after the conveyance of eighty percent (80%) of the Common Element interest to purchasers, whichever time occurs first.

Section 10. **RIGHTS OF DEVELOPER PRIOR TO TRANSFER.** As long as the Developer shall own any Unit except for a Unit which Developer is using as model Developer may use the Common Elements and facilities any unsold Units on such condominium property as may facilitate the completion and sale of all Units contemplated thereon, including, but not limited to, in connection therewith maintaining a model unit, showing of property and erecting and maintaining signs of the Common Area.

ARTICLE VI
BOARD OF DIRECTORS
SELECTION - TERM OF OFFICE

Section 1. NUMBER AND SELECTION: The affairs of this Association shall be managed by a Board of three Directors, all but one of whom shall be a member of the Association, except that the initial Directors need not be members of the Association. Such Board shall be as follows:

- ~~29%~~
20%
- (a) Prior to the conveyance of twenty percent (~~29%~~) of the undivided interest in the General Common Elements, as defined in the Declaration, by Declarant to purchasers, a special meeting of the Unit Owners shall be called at which time one member of the initial Board of Directors, or his successor, as designated by the Declarant, shall tender his resignation and the Unit Owners, other than Declarant, shall elect one new member of the Board of Directors.
 - (b) Notwithstanding paragraph (a) above thirty (30) days after the conveyance of eighty percent (80%) of the undivided interest in the General Common Elements by Declarant to purchasers a special meeting of the Unit Owners shall be called at which time all members of the initial Board of Directors, or their successors, as designated by Declarant, but not having previously tendered their resignations in accordance with paragraph (a) above, shall tender their resignations, and the Unit Owners shall elect such number of new members of the Board of Directors as shall be necessary so that the board of Directors shall consist of three persons, including such new members as may have been elected pursuant to paragraph (a) above.

Section 2. INITIAL DIRECTORS: The number of Directors constituting the whole Board shall not be less than three (3) nor more than five (5), with the number at any give time to be determined by resolution of the Board or by resolution of the Association at an annual or special meeting. Notwithstanding any provision set forth in these By-Laws to the contrary, the "Declarant" shall designate the initial Board of Directors, none of which must be Unit Owners, consisting of three (3) persons who shall have all of the rights and powers reserved to the Board of Directors under these By-Laws. Such members of the Board of Directors, or Successors to any of them as designated by Declarant, shall continue to serve until their successors are elected as set forth herein. The names and address of the initial Directors are:

Fred Scheer Jr.
Route 3
Hayward, Wi. 54843

Robert Scheer
Rolph Road
Hayward, Wi. 54843

Ed Hintz
Route 7 Box 7876K
Hayward, Wi. 54843

Section 3. ELECTION AND TERM OF OFFICE: At the time of election of the full Board, the term of office of the first elected member of the Board of Directors shall be fixed at three (3) years, the term of office of the next elected Member of the Board of Directors shall be fixed at two (2) years and the term of office the last elected Member of the Member of Board of Directors shall be fixed at one (1) year. If there is a conflict in determining the terms of office, the decision of the initial Directors shall control. At the expiration of the initial term of the office of each respective Member of the Board of Directors, his successor shall be elected to serve for a term of three (3) years. Except in the event of death, resignation or removal, each Director shall hold office until his successor has been elected by the Unit Owners.

Section 4. REMOVAL AND VACANCIES: Any Directors may be removed from the Board, with or without cause, by a majority vote of the Members of the Association, or by a majority vote of the other Directors. In the event of death, resignation or removal of a Director, his successor shall be selected by the remaining Members of the Board and shall serve for the unexpired term of his predecessor.

Section 5. COMPENSATION: No Director shall receive compensation for any service he may render to the Association as such. However, any Director may be reimbursed for his actual expenses insured in the performance of his duties.

Section 6. ACTION TAKEN WITHOUT A MEETING: The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

ARTICLE VII MEETING OF DIRECTORS

Section 1. REGULAR MEETING: Regular meetings of the Directors shall be held periodically without notice, at such a place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall on a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 2. SPECIAL MEETINGS: Special meetings of the Board of Directors shall be held when called by the President or Secretary of the Association, or by any of the Directors, after not less than seventy-two (72) hours' notice to each Director, such notice shall be given personally or by mail, which notice shall state the time, place and purpose of such meeting.

Section 3. QUORUM: A majority of the Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors present at a duly held meeting at which quorum is present shall be regarded as the act of the Board. If there are 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 ten (10) business days after the meeting originally scheduled. If a quorum is present at a rescheduled meeting, any business may be transacted which might have been transacted at the meeting as originally noticed or scheduled.

Section 4. WAIVER OF NOTICE. Any Member of the Board of Directors may, at any time, waive notice of any meeting of the Board of Directors in writing, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Member of the Board of Directors at any meeting of the Board shall constitute a waiver of notice by him of the time and place thereof. If all of the Members of the Board of Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

ARTICLE VIII POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. POWERS: In addition to their authority, the Directors shall have power to:

- (a) Adopt budgets for review, expenditures and reserves and levy and collect assessments for common expenses from Unit Owners;
- (b) Employ and dismiss employees and agents;
- (c) Adopt and publish rules and regulations governing the use of the Common Elements and facilities, and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof;
- (d) Exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the Membership by other provisions of these By-Laws or the Declaration;
- (e) Employ a manager, and independent contractor, or such other employees as they deem necessary, and to prescribe their duties;

- (f) Foreclose the lien against property for which assessments are not paid within thirty (30) days after the due date or to bring an action at law against the Owner personally obligated to pay the same;
- (f) Adopt and amend rules and regulations covering the details of the operation and the use of the property;
- (g) Open bank accounts on behalf of the property and to designate the signatures required;

Section 2. DUTIES: It shall be the duty of the Board of Directors to:

- (a) Cause to be kept a complete record of all of its acts and corporate affairs and to present a statement thereof to the Members at the Annual Meeting of the Members, or at any special meeting when such statement is requested in writing by sixty percent (60%) of the Members who are entitled to vote;
- (b) Supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;
- (c) As provided in the Declaration to:
 - (1) Fix the amount of annual assessment against each Unit at least thirty (30) days in advance of each annual assessment;
 - (2) Send written notice of each assessment to every Owner subject thereto at least ten (10) days in advance of each annual assessment period;
- (d) Issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;
- (e) Procure and maintain adequate liability and hazard and other insurance on property owned by the Association;

- (f) Cause all officers, Members of the Board and employees having fiscal responsibilities to be bonded, as it may deem appropriate;
- (g) Cause the Common Elements to be maintained;
- (h) Charge, in its discretion, reasonable fees for the use of any recreational facility which may be constructed upon the Common Elements;
- (i) Suspend the voting rights of an Owner upon the recording of a statement of condominium lien on the Owner's Unit. Such suspension of voting rights shall continue until the amount necessary to release the lien has been paid in full.
- (j) Grant easements through or over Common Elements.
- (k) Grant or withhold approval of any action by a Unit owner or other person which would change the exterior appearance of a Unit or any other portion of the condominium.
- (l) Make contracts and incur liabilities in connection with the operation of the condominium.
- (m) Maintain contracts and incur liabilities in connection with the operation of the condominium;
- (n) Deny the right to Vote at an Association meeting to an Unit Owner who shall not have furnished to the Association the Unit Owner's name and current mailing address;

ARTICLE IX OFFICERS AND THEIR DUTIES

Section 1. ENUMERATION OF OFFICERS: The offices of this Association shall be a President, one Vice President and Secretary who shall at all times be members of the Board of Directors, and a Treasurer, and such other officers as the Board may determine. Any two or more offices may be held by the same person, except the offices of the President and Secretary, and the office of President and Vice President.

Section 2. ELECTION OF OFFICERS: The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the members.

Section 3. TERM: Each officer of this Association shall be elected, annually by the Board and each shall hold office until a successor is elected, unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. SPECIAL APPOINTMENTS: The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office of such period, have such authority, and perform such duties as the Board may, from time to time determine.

Section 5. RESIGNATION AND REMOVAL: Any officer may be removed from office with or without cause, by the Board. Any officer may resign at any time, by giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. VACANCIES: A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. MULTIPLE OFFICES: The offices of the Vice President and Secretary, Vice President and Treasurer, and Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. DUTIES: The duties of the officers shall be as follows:

- (a) President. The President shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds, and other written instruments and shall co-sign all checks if required to do so by resolution of the Board of Directors;
- (b) Vice President. The Vice President shall act in the place and stead of the President in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.
- (c) Secretary. The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members and present the minutes of the prior meeting and have all minutes available at all meetings; serve notice of meetings of the Board and of members; keep appropriate current records showing the members of the Association together with their addresses, and shall perform such other duties as required by the Board.

- (d) Treasurer. The Treasurer or designate shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; keep proper books of account; cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the Members.

ARTICLE X COMMITTEES

The Association may appoint an Architectural Control Committee, as provided in the Declaration. In addition, the Board of Directors may appoint other committees as deemed appropriate in carrying out its purpose.

ARTICLE XI BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any member or any mortgagee. The Declaration, Article and the By-Laws as well as annual reports of the Association shall be available for inspection by any member or any mortgagee at the principal office of the Association, where copies may be purchased at a reasonable cost.

ARTICLE XII ASSESSMENTS

As more fully provided in the Declaration, each member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the property against which assessment is made. Any assessments, or installments thereof, which are not paid when due shall be considered delinquent after 10 days. If the assessment is not paid within ten (10) days after the due date, the assessment shall bear interest from the date of delinquency at a rate of interest which is two percent higher than the rate prescribed by the Wis. Stats. to be collected upon execution upon judgements. (In lieu of charging such interest, the Board may, from time to time, fix a reasonable late fee, not to exceed one month's interest, for each month or fraction thereof that such assessment is delinquent), and the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property, and interest, costs and reasonable attorneys' fees of any such action shall be added to the amount of such assessment. ~~No Owner may waive or otherwise accept escape liability for the assessments provided for therein by non-use of the Common Elements or abandonment of his Unit.~~ No Owner may waive or otherwise escape liability for the assessment provided for herein by non-use of the Common Elements or abandonment of his Unit. A suit to recover a money judgment for unpaid assessments hereunder may be maintainable without foreclosing or waiving the lien securing the same. If any installment of any assessment become delinquent, the privilege of paying such assessment in installments shall be terminated and, if such delinquent installment be of an annual assessment, the entire annual assessment for the remainder of the fiscal year, or if the delinquent installment be of special assessment, the entire special assessment, shall be considered at once, without further notice, due and payable and shall be considered delinquent. ~~If the delinquent installment be of a special assessment, the entire special assessment shall be considered at once, without further notice, due and payable and shall be considered delinquent.~~

ARTICLE XIII SALE OF UNITS

Section 1. SALES: No Unit Owner may sell his Unit or any interest therein except by complying with the provisions of the Declaration and By-Laws.

Section 2. PAYMENT OF ASSESSMENTS: No Unit Owner shall be permitted to convey, mortgage, hypothecate, sell his Unit unless and until he shall have paid in full to the Board of Directors all unpaid common charges theretofore assessed by the Board of Directors against his Unit and until he shall have satisfied all unpaid liens against such Unit, except permitted mortgages.

Section 3. NOTIFICATION OF CONVEYANCE: Within five (5) days after a sale transfer of conveyance (by land contract, mortgage or otherwise) of any legal or equitable interest in a Unit, the purchaser or mortgagee shall deliver notice to the association stating:

- (a) the date of the conveyance;
- (b) the Unit;
- (c) the purchaser's or mortgagee's name and mailing address and,
- (d) the name and address of the Designee of such purchaser, if any, and
- (e) any other information as may be required under the Condominium Documents or as may be reasonably requested by the Board.

ARTICLE XIV ABATEMENT AND ENJOYING OF VIOLATIONS

The violation of any rule or regulation adopted by the Board of Directors, or the breach of any By-Laws contained herein, or the breach of any provision of the Declaration shall give the Board of Directors the right, in addition to any other rights set forth in these By-Laws: (a) to enter the Unit in which such violation of breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition that may exist therein contrary to the intent and meaning of the provision thereof, and the Board of Directors shall not thereby be deemed guilty in any manner of the trespass; or (b) to enjoy, abate or remedy such thing or condition by appropriate legal proceedings.

ARTICLE XV CONFLICTS

These By-Laws are set forth to comply with the requirements of the Wisconsin Unit Ownership Act. In case there is any conflict between the provisions of the By-Laws, the Act, the Declaration, the Plat or the Articles, the following shall apply:

- (a) The provisions of the Act control over the provisions of the Declaration, the Plat, and the By-Laws.
- (b) The provisions of the Declaration control over the provisions of the Plat, the By-Laws and the Articles;
- (c) The provisions of the Plat control over the provisions of the Plat control over the provisions of the By-Laws and the Articles;
- (d) The provisions of the Articles control over the provisions of the By-Laws.

ARTICLES XVI
AMENDMENTS

These By-Laws may be amended by affirmative vote of Unit Owners having eighty percent (80%) of votes at a regular or special meeting of the Members.

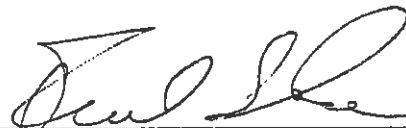
ARTICLE XVII
FISCAL YEAR

The fiscal year of the incorporation shall be the annual periods of beginning January 1st and ending December 31st, or such other fiscal year as the Board of Directors may, from time to time, designate.

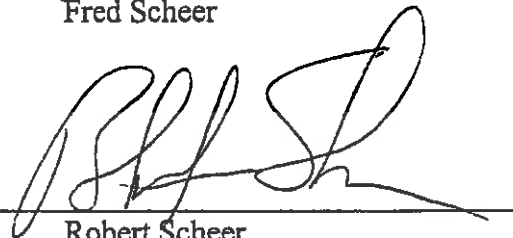
ARTICLE XVIII
CORPORATE SEAL

The Association shall not have a seal; and where a seal is required, there shall be a notation thereon to the effect that the Association has no seal.

IN WITNESS WHEREOF, the Directors of FOREST COVE TOWNHOME OWNERS ASSOCIATION, INC., have hereunto set their hands this 2nd day of JUNE, 1998.



Fred Scheer



Robert Scheer



Ed Hintz

ARTICLES OF INCORPORATION
OF
FOREST COVE TOWNHOME OWNERS ASSOCIATION, INC.
TABLE OF CONTENTS

Article 1	Name of Corporation	C-2
Article 2	Existence Perpetual	C-2
Article 3	Purpose	C-2
Article 4	Location of Principal Office	C-3
Article 5	Registered Agent	C-3
Article 6	Address of Registered Agent	C-3
Article 7	Number of Directors	C-3
Article 8	Initial Board of Directors	C-3
Article 9	Names and Addresses of Initial Board Members	C-3
Article 10	Membership	C-4
Article 11	Voting Rights	C-4
Article 12	Dissolution	C-4
Article 13	Amendment	C-4
Article 14	Name and Address of Incorporator	C-5
Exhibit 1	Legal Description	C-6

ARTICLES OF INCORPORATION
OF
FOREST COVE TOWNHOME OWNERS ASSOCIATION, INC.

Executed by the undersigned for the purpose of forming a Wisconsin corporation under Chapter 181 of the Wisconsin Statutes. WITHOUT STOCK AND NOT FOR PROFIT.

ARTICLE 1

The name of the Association is FOREST COVE TOWNHOME OWNERS ASSOCIATION, INC.

ARTICLE 2

The period of Existence shall be perpetual.

ARTICLE 3

The purpose shall be as follows:

- (a) To provide for maintenance, preservation and architectural control of the Common elements within that certain tract of property described in Exhibit 1 attached hereto and incorporated herein; and to promote the health, safety and welfare of the occupants within said property;
- (b) To fix, levy, collect and enforce payment by any lawful means of all charges or assessments pursuant to the terms of the Declaration of Condominium Ownership; to pay all expenses in connection therewith all office and other expenses incident to the conduct of the business of the Association, including all licenses, taxes or governmental charges levied or imposed against the property of the Association.
- (c) To acquire (by gift, purchase or otherwise), own, hold, improve build upon, operate, maintain, convey, sell, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Association.
- (d) To exercise all of the powers and privileges and to perform all of the duties and obligations of this Association as set forth in said Declaration of Condominium Ownership which is to be recorded in the office of the Register of Deeds of Sawyer County, Wisconsin;
- (e) To borrow money, and with the assent of eighty percent (80%) of voting members, mortgage, pledge, deed in trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;

(f) To dedicate, sell or transfer all or any part of the Common Elements to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument has been signed by eighty percent (80%) of the voting members, agreeing to such dedication, sale or transfer;

(g) To participate in mergers and consolidations with other unincorporated associations or non-profit corporations organized for the same purposes provided that any such merger or consolidation shall have the assent of eighty percent (80%) of voting members;

(o) To have and to exercise any and all powers, rights and privileges a Wisconsin Corporation organized under Chapter 181, Wis. Stats. may now hereafter have or exercise.

ARTICLE 4

Location of the principal office is 15536 Highway B, Hayward, Wisconsin, 54843, Sawyer County.

ARTICLE 5

Name of the initial registered agent. Fred Scheer Jr.

ARTICLE 6

Address of the initial registered agent. Rt 3, Hayward, Wi 54843

ARTICLE 7

The number of Directors may be fixed by By-Laws, but shall not be less than three (3).

ARTICLE 8

The number of Directors constituting the initial Board shall be three (3), which need not be members of the Association.

ARTICLE 9

Names and addresses of the initial Directors.

Fred Scheer, Jr.
Rt 3
Hayward, WI 54843

Robert Scheer
Rolph Rd
Hayward, WI 5483

Ed Hintz
Rt. & Box 7876K
Hayward, WI 54843

ARTICLE 10 MEMBERSHIP

Every Owner of a Unit shall be entitled to and required to be member of the Association. If title to a Unit is held by more than one person, each of such persons shall be a member. Any Owner of more than one Unit shall be entitled to one membership for each such Unit owned by him. Each such membership shall be appurtenant to the Unit upon which it is based and shall be transferred automatically by conveyance of that Unit. No person or entity other than the Owner of a Unit or Developer may be a member of the Association, and membership in the Association may not be transferred except in connect with the transfer of title to a Unit; provided, however, that the rights of voting may be assigned to a Mortgagee as further security for a loan secured by a mortgage on a Unit.

ARTICLE 11 VOTING RIGHTS

All Owners shall be entitled to one (1) vote for each Unit owned. When more than one person holds interest in any Unit, the vote for such Unit shall be exercised as they, among themselves, determine, but in no event shall more than one vote be cast with respect to any Unit. There can be no split vote. Prior to the time of any meeting at which a vote is to be taken, each co-owner shall file the name of the voting co-owner with the Secretary of the Association in order to be entitled to a vote at such meeting, unless such co-owners have filed a general voting authority with the Secretary applicable to all votes until rescinded.

The Developer shall be entitled to one (1) vote for each Unit owned; provided however, that notwithstanding the foregoing provisions for voting, the Developer shall have sufficient votes to constitute a majority of votes until all its Units are sold; provided, that Developer's control shall cease seven (7) years after the first Unit is conveyed to a purchaser other than the Developer, or thirty (30) days after the conveyance of eighty percent (80%) of the Units, whichever time is earlier.

ARTICLE 12 DISSOLUTION

The Association may be dissolved with the assent of eighty percent (80%) of the votes as provided in "Voting Rights" above. Upon dissolution of the Association, other than incident to a merger of consolidation, the assets of the Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which this Association was created. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any non-profit corporation, association, trust or other organization to be devoted to such similar purposes.

ARTICLE 13 AMENDMENTS

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

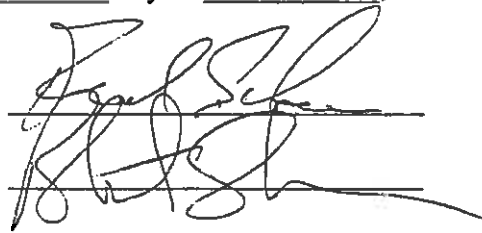
ARTICLE 14

The name and address of the incorporator is:

NAME	ADDRESS (Street & number, city, state and zip)
<u>Fred Scheer</u>	<u>Rt. 3, Hayward, WI 54843</u>
<u>Robert Scheer</u>	<u>Rolph Rd, Hayward, WI 54843</u>

Executed in duplicate on the 2nd day of June, 1998

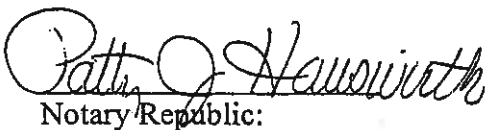
All incorporators
SIGN HERE



STATE OF WISCONSIN)
)SS
SAWYER COUNTY)

Personally came before me this 2nd day of June A.D.,
1998 the above named Robert Scheer and Fred Scheer

to me known to be the persons who executed the foregoing instrument, and
acknowledged the same.


Notary Republic:

My Commission: 10/22/2000



PROJECTED BUDGET FOR ONE FIVE (5) UNIT BUILDING
FOREST COVE TOWNHOME ASSOCIATION, INC.

GENERAL

INSURANCE	\$762
GARBAGE PICKUP	\$650
WATER CHARGE	\$420
SEWER CHARGE	\$688

MAINTENANCE

SNOW PLOWING	\$750
GRASS CUTTING	\$750
DOCK INSTALL	\$200
LANDSCAPE CLEANUP	\$100

CONTINGENCY FUND

ROOF	\$4,000/25 YEAR	\$160
EXTERIOR PAINT	\$6,000/7 YR	\$860
DRIVEWAY REPLACE	\$7,000/15 YR	\$500
DRIVEWAY MAINTENANCE	\$500/5 YR	\$100

TOTAL \$7,666

The foregoing projected budget is based in the Developer's assessment of the costs and expenses to be incurred by the Association as of the date of drafting. This assessment is based in historical costs and expenses, where available, and on estimates where historical information is not available. In Developer's opinion the proposed budget is reasonable and adequate, under existing circumstances, and the estimated annual assessment will be sufficient to meet the normal anticipated operating expense of the Association in its initial year of operation. However, because of the possibility of unforeseen changes in the economy, or increases or decreases in the expenses of operation, this projected budget is not intended to be a representation, guarantee or warranty of any kind whatsoever or an assurance that the actual expenses and income of the Association for any period of operation may not vary from the amounts shown in the projected budget or that the Association may not incur additional expenses, or that the annual assessment for any period may not vary from the amount shown in the projected budget. The association's Board of Directors may provide for reserves not reflected in this budget. It may be expected, based on current trends, that such items as maintenance, repair, labor, insurance premiums and other related expenses will change in the future.

Based on the projected budget, the estimated assessment per Unit is \$1,188 payable in monthly installments of \$99.