

DOCUMENT NUMBER

**DECLARATION OF CONDOMINIUM
OF
LAC LA BELLE FAIRWAY
VILLAS CONDOMINIUM**

Parcel ID Number: OCOT 0510 999 002

After recording return to:
Donald Sebastian
W331 N6080 County Rd C
Nashotah, WI 53058

The Declarant, Donald Sebastian, makes this Declaration of Condominium pursuant to the Wisconsin Condominium Ownership Act. The real property subject to this Declaration is described below:

Phase 1

Being a part of the NW ¼ of the NW ¼ of Section 20, T8N, R17E, Town of Oconomowoc, Waukesha County, Wisconsin, more fully described as follows:

Commencing at the Northwest corner of said Section 20; thence S00°39'44"E, along the West line of said NW ¼ and centerline of Pennsylvania Street, 350.27 feet to a point; thence S88°25'31"E, 110.00 feet to the easterly right-of-way line of Pennsylvania Street and the point of beginning of the hereinafter described lands; thence continuing S88°25'31"E along the southerly right-of-way line of the S.T.H. 16 By-pass, 172.95 feet to a point; thence S00°39'44"E, 763.94 feet to a point on the north line of C.S.M. No. 1922; thence N88°54'06"W, 76.12 feet to the NW corner of said C.S.M.; thence S00°47'47"E, 207.55 feet to the SW corner of said C.S.M.; thence N88°49'37"W, 174.23 feet to a point on the easterly right-of-way line of Pennsylvania Street; thence N00°39'44"W, along said easterly line, 324.89 feet to a point; thence N06°08'01"E, along said easterly line, 25.09 feet to a point, thence S80°08'56"E, 89.41 feet to a point; thence N08°35'07"E, 263.29 feet to a point; thence N83°52'57"W, 100.48 feet to a point on the easterly right-of-way line of Pennsylvania Street; thence N06°08'01"E, 367.65 feet to the point of beginning. Said lands containing 177,493 sq. ft. or 4.0747 acres.

LANDS RESERVED FOR FUTURE CONDOMINIUM EXPANSION

Being a part of the NW ¼ of the NW ¼ of Section 20, T8N, R17E, Town of Oconomowoc, Waukesha County, Wisconsin, more fully described as follows:

Commencing at the Northwest corner of said Section 20; thence S00°39'44"E, along the West line of said NW ¼ and centerline of Pennsylvania Street, 350.27 feet to a point, thence S88°25'31"E, 110.00 feet to the easterly right-of-way line of Pennsylvania Street; thence continuing S88°25'31"E, along the southerly right-of-way line of the S.T.H. 16 By-pass, 172.95 feet to a point; thence S00°39'44"E, 763.94 feet to a point on the north line of C.S.M. No. 1922; thence N88°54'06"W, 76.12 feet to the NW corner of said C.S.M.; thence S00°47'48"E, 207.55 feet to the SW corner of said C.S.M.; thence N88°49'37"W, 174.23 feet to a point on the easterly right-of-way line of Pennsylvania Street; thence N00°39'44"W, along the easterly line, 324.89 feet; thence N06°08'01"E, along said easterly line, 25.09 feet to the point of beginning of the hereinafter described lands; thence continuing along the easterly right-of-way line, N06°08'01"E, 257.25 feet to a point; thence S83°52'57"E, 100.48 feet to a point; thence S08°35'07"W, 263.29 feet to a point, thence N80°08'58"W, 89.4 feet to the place of beginning. Said lands containing 24,692 sq. ft. or 0.5669 acres.

Declarant, as sole owner, submits the above-described real property and all improvements and fixtures thereto, to the condominium form of use and ownership as provided in the Wisconsin Condominium Ownership Act; imposes upon it the terms of this Declaration, and all rules regulations, provisions, restrictions, conditions, easements and uses described herein upon such Property; and specifies that the provisions of this Declaration shall constitute covenants running with the land which shall be binding upon Declarant, and all subsequent Owners and Occupants of all or any part of such Property.

The Declarant reserves the right to expand the Condominium by subjecting the real property identified above as "Land Reserved for Future Condominium Expansion" to this Declaration. Initially, the Condominium will consist of two Units, and after expansion, the Condominium will consist of a maximum of six Units.

The Condominium shall be a "small condominium" as defined by Wisconsin Statutes §703.02(14m).

Article 1. Definitions

- 1.01 Act.** The Act shall mean the Wisconsin Condominium Ownership Act, as currently set forth at Chapter 703 of the Wisconsin Statutes and as the same shall be amended or renumbered from time to time.
- 1.02 Association.** The Association shall mean Lac La Belle Fairway Villas Condominium Association, Inc. established under Article 3 hereof. Use of the term Association does not necessarily mean that the entire Association is entitled to vote on a particular matter, the Association acts through its Board.
- 1.03 Association Insurance.** Association Insurance shall mean all policies of insurance to be maintained by the Association under this Declaration.
- 1.04 Board of Directors.** The Board or Board of Directors shall be the governing body of the Association, elected in accordance with the By-Laws.
- 1.05 Building.** Building shall mean a freestanding structure located on the Property.
- 1.06 By-Laws.** The By-Laws shall mean the By-Laws of the Association as adopted by the Board.
- 1.07 Common Elements.** The Common Elements shall consist of all of the Condominium except for the Units and are composed of two categories. Certain Common Elements are available for the nonexclusive use and enjoyment of all Unit Owners and are referred to as the General Common Elements. Limited Common Elements are limited to the use of an individual Unit to which they are appurtenant.
- 1.08 Common Expenses.** The Common Expenses are any and all expenses incurred by the Association in connection with the management of the Condominium, maintenance of the Common Elements and administration of the Association, including expenses for landscaping, lawn care, snow removal, improvements to the Common Elements, security lighting, municipal utility services for the common elements, maintenance and management wages, and fees of outside consultants.
- 1.09 Condominium.** The Condominium shall be known as Lac La Belle Fairway Villas Condominium and shall mean the Property together with the Units and Common Elements as they are currently constructed or as they may hereafter be constructed on the Property.

- 1.10 Condominium Documents.** The Condominium Documents are this Declaration, the Articles of Incorporation and By-Laws of the Association, and such Rules and Regulations as may be adopted by the Board pursuant to this Declaration or the By-Laws.
- 1.11 Declarant.** The Declarant shall mean Donald Sebastian and his successors and assigns pursuant to assignment in accordance with Section 15.07 of this Declaration.
- 1.12 Declaration.** Declaration shall mean this Declaration of Condominium of Lac La Belle Fairway Villas Condominium as the same may be amended from time to time.
- 1.13 Director.** A Director shall mean a member of the Board of Directors.
- 1.14 Expansion Real Estate.** Expansion Real Estate shall mean the real property described above as "Land Reserved for Future Condominium Expansion."
- 1.15 Interest, Percentage Interest.** When referring to the rights and obligations in and to Common Elements, Interest or Percentage Interest means the undivided interest in the Common Elements appurtenant to and allocated equally to each Unit in the Condominium. The Interest shall be a fraction with a numerator of one and a denominator equal to the number of Units in existence. Prior to expansion, the Interest shall be 1/2, and expressed as a percentage, it shall be 50.0000%. After expansion and the completion of the maximum 6 Units, the Interest shall be 1/6, and expressed as a percentage, it shall be 16.6667%.
- 1.16 Mortgage.** Mortgage shall mean a recorded first-lien mortgage against a Unit or the vendor's interest under a recorded land contract for purchase of the Unit.
- 1.17 Mortgagee.** Mortgagee shall mean the holder of a Mortgage encumbering the Property.
- 1.18 Occupant.** Occupant shall mean the Owner or any other person residing in a Unit.
- 1.19 Owner.** Owner shall mean each fee simple Owner of a Unit and each vendee of a Unit under a recorded land contract. The Declarant is an Owner with respect to each Unit to which it holds title.
- 1.20 Plat.** Plat shall mean the Plat of Condominium of Lac La Belle Fairway Villas Condominium, attached to this Declaration, comprised of a plat of survey of the Property, building floor plans and Unit addresses as recorded by the Register of Deeds and as the same may be amended from time to time.
- 1.21 Property.** The Property shall mean the real property subject to this Declaration, as described above and on the attached Plat of Condominium.
- 1.22 Register's Office.** The Register's Office is the Office of the Register of Deeds for Waukesha County, Wisconsin.
- 1.23 Rules.** The Rules shall mean rules and regulations established by the Association as provided in Section 3.01.
- 1.24 Unit.** Unit shall be as described in Article 2. A Unit is a separate freehold estate, and includes all appurtenant interests as described in Article 2. A Unit does not exist until it is physically constructed and an occupancy permit has been issued for it by the municipality in which the Condominium is located.

Article 2. Division of Condominium Into Separate Freehold Estates

2.01 Units. The Condominium shall initially include 2 Units, and may be expanded to include a total of 6 Units, with 2 Units in each of 3 buildings, with identification and addresses as set forth in the attached Plat. The boundaries of each Unit shall consist of the interior planes of the perimeter walls, ceiling and floors inside the Unit as depicted in the floor plan shown in the attached Plat. Each Unit also includes all windows and doors, and all mechanical and utility installations which exclusively service the Unit.

2.02 Common Elements. Each Unit has an appurtenant Interest in Common Elements, subject to the following:

(a) **Limited Common Elements.** The Limited Common Elements are reserved for the exclusive use of the Unit to which they are appurtenant and consist of (1) all patio areas and decks appurtenant to a Unit; (2) individual Unit utility equipment, including air-conditioning condensers and compressors located outside the boundaries of the Unit which service said Unit; (3) entry ways and stairways, and (4) paved walkways and driveways appurtenant to a Unit. Certain Limited Common Elements are shown on the attached Plat, as feasible, and absence from the Plat does not affect status as a Limited Common Element. The manner of use of the Limited Common Elements shall be governed by the By-Laws of the Association and such rules and regulations as may be established thereunder, and no Unit Owner shall alter, remove, repair, maintain, decorate, landscape or adorn any Limited Common Element, or permit such, in any manner contrary to such By-Laws and rules and regulations. No major or structural changes shall be made by any Unit Owner to any of the Limited Common Elements without the prior written approval of the Declarant, which approval may be given upon such terms and conditions as the Declarant deems appropriate. No outside storage will be allowed.

(b) **General Common Elements.** The General Common Elements consist of all of the Condominium except the Units and the Limited Common Elements. Supply lines, waste lines, pipes, wires, conduits or public utility lines running through a Unit shall be part of the Unit; and all other such lines, pipes, wires or conduits outside of a Unit shall be General Common Elements to the extent not owned and/or maintained by any public utility, governmental unit or cable television company.

(c) **Partition of Common Elements Prohibited.** Except as provided herein, partition of Common Elements through judicial proceedings or otherwise is prohibited unless and until this Declaration is terminated and the Property is withdrawn from condominium ownership.

2.03 Adjustment of Unit Boundaries. Boundaries between Units may be reallocated as provided in Section 703.13(6) of the Act and evidenced by an amendment to the Declaration and Plat. If a Unit involved in a proposed boundary reallocation is subject to a Mortgage, then the Mortgagee must also consent to such action. The Owners involved in such reallocation shall pay all costs associated with such reallocation, including the costs of physically adjusting Common Elements between such Units and the expenses of legal and architectural review of the plans and documents to carry out the adjustment. The Association may require that an estimate of such costs be paid as a condition to execution of the amendment, with a final payment made upon completion of any work by the Association.

2.04 Conveyance of Units, Severance of Interests. The non-exclusive Interest of each Unit Owner in the General Common Elements, the rights and interests of each Unit Owner in the Limited Common Elements appurtenant to each Unit, and the right of each Unit Owner to the non-exclusive facilities of the Condominium shall not be severed or separated from the Unit to which they appertain. No Unit Owner shall execute any deed, mortgage, lease or other instrument affecting title to the Unit without including therein both the Interest in the Unit and the appurtenant interests in the General Common Elements and the Limited Common Elements, it being the

expressed intention of this Declaration to prohibit any such severance of interests. Any deed, mortgage, lease or other instrument affecting title to a Unit which does not include all interests in appurtenant Common Elements shall be deemed to include any such interests that are omitted.

2.05 Submission to Condominium Documents. All Unit Owners, occupants of Units, grantees, mortgagees, lessees and successors in interest to Unit Owners shall be subject to and shall comply with the provisions of this Declaration and the Articles of Incorporation, By-Laws and rules of the Association, and the acceptance of any instrument conveying a Unit shall be deemed to be a submission to the provisions of those documents.

2.06 Parking. Paved parking areas adjacent to Units shall be Limited Common Elements appurtenant to those Units, divided by a continuation of the line dividing Units within each building. Each Unit shall have an easement across the adjacent Unit's Limited Common Element parking area as reasonably necessary for ingress and egress to the driveway and public roads, and no Unit Owner may interfere with another Unit Owner's access to driveways or public roads, regardless of where the dividing line may fall in relation to driveways and public road access. No storage or parking of boats, campers, trailers, and recreational vehicles is allowed on the Property.

Article 3. Association of Unit Owners

3.01 Administration. The Declarant shall create the Association, which shall be incorporated and shall adopt By-Laws for the governance and administration of the Condominium. The Association shall administer the Condominium and the provisions of this Declaration and the By-Laws, acting through its Board. From time to time, the Board may, but need not, adopt and amend Rules regarding the use of the Common Elements. After adoption, the Rules shall be binding upon Owners and Occupants.

3.02 Membership and Voting. Each Unit Owner shall be a member of the Association, and membership shall co-exist with ownership. Each Unit shall be vested with one vote, regardless of the number of Owners of the Unit, to be cast as set forth in the By-Laws.

3.03 Control of Association. The Declarant shall have the right to appoint and remove the officers of the Association and to exercise any and all of the powers and responsibilities assigned to the Association and its officers by the Articles, By-Laws, the Act, this Declaration and the Wisconsin Non-Stock Corporation Law from the date the first Unit is conveyed by the Declarant to any person other than Declarant, until the earliest of: (1) Ten years from such date, as may be modified by subsequent amendment; or (2) thirty days after the conveyance of seventy-five percent (75%) of the Interests to purchasers. Prior to the conveyance of twenty-five percent (25%) of the Interests to purchasers, the Association shall hold a meeting, and the Owners other than the Declarant shall elect at least twenty-five percent (25%) of the members of the Board of Directors. Prior to the conveyance of fifty percent (50%) of the Interests to purchasers, the Association shall hold a meeting, and the Owners other than the Declarant shall elect at least thirty-three and one-third percent (33-1/3%) of the members of the Board of Directors.

3.04 Management. The Association may employ a professional management agent or company for the Condominium with such experience and qualifications and on such terms and conditions as are acceptable to the Board. Any such agreement must be terminable with or without cause upon ninety (90) days notice without payment of any penalty.

Article 4. Common Expenses and Assessments

4.01 Responsibility for Common Expenses. The costs of insurance, repair, maintenance and other expenses associated with the Common Elements, and the costs of administration of the Association, including the

maintenance of reasonable reserves for future expenses, shall be paid for by the Association. The Unit Owners are responsible for payment to the Association of a share of these Common Expenses proportional to the Unit's Interest. Each Unit's share of Common Expenses shall be a general or special assessment charged to the Unit's Owners. No Unit Owner may exempt himself or herself from liability for these assessments by waiver of the use or enjoyment of the Common Elements, or by the abandonment of his or her Unit.

4.02 Budget and Assessments. The Association shall annually adopt a budget of Common Expenses and levy general and special assessments therefor against the Units, except as set forth herein. The budget shall include the funding of an adequate replacement reserve out of general assessments. The Association may also levy a special assessment on all Unit Owners for any purpose for which a general assessment may be levied, including capital improvements, and a special assessment or fine on a particular Unit Owner for the purpose of collecting any amounts due the Association or enforcing compliance of such Unit Owner with any provision of the Condominium Documents, or for any other purpose authorized herein.

4.03 Installments, Late Payments. General assessments shall be made on an annual basis but shall be due and payable in monthly installments on the first day of each month. Special assessments shall be due and payable at such time and in such manner as the Board may determine. Any assessment or installment of an assessment not paid within 10 days of its due date may be subject to a late charge and/or interest as set forth in the By-Laws or in a Rule.

4.04 Enforcement, Liens. If an Owner defaults in any payment, the Association shall take appropriate measures as provided by law; provided, that in the exercise of reasonable business judgment, the Board may elect not to take such measures in cases of hardship or unlikelihood of recovery. The defaulting Owner shall be responsible for all costs incurred by the Association in seeking to enforce payment, including reasonable attorney fees. Owners shall be both personally liable for assessments and a lien shall be imposed against such Owner's Unit for any unpaid assessments. Liens for unpaid assessments shall also extend to and secure interest, fines and reasonable costs of collection, including attorneys' fees incurred by the Association incident to the collection of assessments or enforcement of liens. The Association may purchase a Unit upon the foreclosure of its lien.

4.05 Payment of Assessments by Declarant. During the period of Declarant control, but only after Units come into existence as defined in Section 1.24, the Declarant is not exempt from paying assessments on Declarant-owned Units. During the period of Declarant control, Declarant may, but shall not be obligated to, directly pay bills or provide services which would otherwise represent Association obligations, and Declarant shall be entitled to offset such payments against assessments due on Declarant-owned Units.

4.06 Association Statements. Within 10 days of a written request from a Unit Owner or Mortgagee, the Association shall provide a letter stating the existence of outstanding general or special assessments against the Unit, if any. Notwithstanding anything to the contrary in the preceding sentence, all Units conveyed by Declarant shall be deemed conveyed free from outstanding general, special or working capital assessments and no such letter shall be required or given as to such Units.

4.07 Surpluses. Any surpluses existing at the end of any fiscal year shall be retained and applied to the Common Expenses of the Association for the next fiscal year.

4.08 Initial Owner Contribution. The initial buyers of each Unit will be required to contribute \$300.00 to the Association, upon the closing of their purchase, to create a sufficient operating reserve for the Association. Subsequent purchasers will not be charged this contribution by the Association, and will be assessed in the manner described above; however, Unit Owners may charge their subsequent buyers this amount in reimbursement of their contribution. The Declarant is not an "initial buyer" for purposes of this Section.

Article 5. Maintenance and Alterations

5.01 Maintenance by Owner. Each Owner, at the Owner's sole cost, shall: (1) perform routine maintenance, repair and replacement of all components or installations of the Unit as reasonably necessary, (2) pay for the repair and replacement of the Common Elements damaged through the fault or negligence of such Owner or such Owner's family, guests, invitees or tenants or any other Occupants of the Owner's Unit; (3) be responsible for the reasonable security and safety of such Unit and shall be liable for damages caused to any other Unit(s), or the Common Elements, to the extent not covered by insurance, as a result of a breach of such duty; and (4) maintain, repair and replace the Limited Common Elements appurtenant to the Unit.

5.02 Maintenance by Association. The Association shall maintain in good condition and repair, replace and operate all of the Common Elements, except as expressly provided at Section 5.01. The costs of the maintenance shall be assessed to the Unit Owners pursuant to Article 4.

5.03 Alterations. No Unit Owner may, without first obtaining the written consent of the Association, make or permit to be made any structural alterations, changes or improvements to a Unit, the exterior of any Building, or any Common Elements or Limited Common Elements. No Unit Owner may perform, or allow to be performed, any act or work which would impair the structural soundness or integrity of any Building, or the safety of the Property, or impair any easement, without the prior written consent of the Association.

5.04 Unit Owners' Rights with Respect to Interiors. Each Unit Owner shall have the right, without further approval from the Association, to paint, repaint, tile, panel, paper or otherwise refurnish and redecorate the interior surfaces of Units and all walls, ceilings, floors and doors within the Unit, provided such actions are non-structural in nature and do not materially change any common walls.

Article 6. Use and Occupancy

6.01 Residential Purposes Only. Except as specifically set forth in this Declaration, each Unit shall be occupied and used only for residential purposes and for no other purpose except for (1) the incidental use of a Unit for personal business conducted by mail and telecommunications which does not burden the use of the Common Elements by frequent visits by business service providers or customers, subject to any Rules relating to such burdens, or (2) the sale or lease of Units, subject to the other provisions hereof and any Rules related thereto, or (3) the establishment of offices by Declarant or its agents for sales of Units or by the Association for conducting its affairs.

6.02 Leases of Units. Any Owner of a Unit may lease the Owner's Unit for terms of not less than six (6) months; except that terms shorter than six months shall be allowed when approved by the Owners of all immediately-adjacent Units. Each lease shall provide that a violation of any term, condition, rule, regulation or requirement of the Condominium Documents shall be deemed a default under the lease. Notwithstanding the foregoing, an Owner shall be responsible to the Association and each other Owner for any breach of any provision of the Condominium Documents caused by an Occupant. The Association will only need to deal with the Owner and shall not be obligated to address any breach with the offending Occupant.

6.03 No Time Shares. No Unit shall be subject to any time share of similar arrangement, whether or not under Wis. Stats. Chapter 707.

6.04 Plants and Landscaping. Owners may plant shrubs, flowers and other plants within in the area extending six (6) feet from the Unit's exterior, measured perpendicularly to the building. Such plantings may not extend beyond the plane of the boundaries between Units, and may not include trees. Such plantings may not be

prohibited by the By-Laws or Rules of the Association, however, plantings must be maintained and cared for by the Unit Owner that placed them and must not be allowed to constitute a nuisance to other Unit Owners, and the By-Laws or Rules of the Association may contain reasonable rules and regulations to that effect. It shall be the responsibility of Owners to mark their plantings adequately so that landscape maintenance personnel will not damage or remove them, and the Association shall not be liable for any accidental damage or removal of plantings by landscape maintenance personnel.

6.05 Government Restrictions. The Condominium may be subject to a planned development agreement or storm water management agreement with the municipality, and if so, the agreements contain restrictions that will be binding upon the Association and all Unit Owners.

Article 7. Reconstruction and Condemnation

7.01 Reconstruction. In the event of fire, casualty or any other disaster affecting one or more of the Units or Common Elements (the "Damaged Premises"), the Damaged Premises shall be reconstructed and repaired, unless otherwise determined as provided below. Reconstruction and repair shall mean restoring the Damaged Premises to substantially the same condition as existed prior to the fire, casualty or disaster, and in accordance with the maps, plans and specifications used in the original construction insofar as practicable. The Board may authorize changes to the same with the consent of the Mortgagees of the Units so affected and with the recordation of an amendment to this Declaration noting the effects thereof.

7.02 Insufficient Proceeds. If insurance proceeds are insufficient to reconstruct or repair Common Elements, then, subject to Section 7.03, the Owners of all Units shall be assessed according to their interests for the amount of the deficiency. The provisions of Article 4 shall apply to all sums assessed for any deficiency.

7.03 Partition. If the insurance proceeds are insufficient to reconstruct or repair the Common Elements (excluding any deductibles under the Association Insurance), then the Condominium shall be subject to an action for partition upon obtaining the written consent of all Owners and Mortgagees. If such approval is not obtained within 30 days from the date of adjustment of insurance proceeds following the fire, casualty or other disaster, then no such action for partition shall be maintained or initiated.

7.04 Control of Adjustment and Restoration. The Association shall have the sole power to settle adjustments with the insurance carrier for Association Insurance. The Association shall have the sole power to engage contractors to restore the Common Elements and insured portions of the Units. The Association shall have no responsibility to repair, reconstruct or replace any improvements in a Unit which are not insured by Association Insurance or any improvements installed subsequent to initial construction of the Unit.

7.05 Construction Fund. Insurance proceeds and special assessments under Section 7.02 shall constitute a construction fund, with insurance proceeds disbursed first. Any surplus funds shall be held or distributed to the Owners and their Mortgagees as their interests may appear, in accordance with their interests.

Article 8. Insurance

8.01 Association Insurance. The Association shall obtain and maintain comprehensive general public liability insurance for occurrences on the Common Elements, all-risk casualty insurance coverage on the General Common Elements, and such other policies or coverage as the Board deems necessary or advisable. Insurance policies shall be in the name of the Association as Trustee for Unit Owners, according to their Percentage Interests.

8.02 Coverage of Association Insurance. The casualty insurance coverage shall be in an amount not less than the maximum insurable replacement value, with an "agreed amount" and a "replacement cost" endorsement, without deduction or allowance for depreciation. This coverage amount shall be annually reviewed and shall insure against loss or damage by fire and other hazards as commonly covered by a standard extended coverage endorsement and such other hazards as customarily covered with respect to buildings similar in construction, location and use. Commercial general liability coverage shall be in such amounts as the Board determines bi-annually, but not less than \$1,000,000 per occurrence.

8.03 Proceeds. Association Insurance proceeds for casualty loss shall be for the benefit of the Association, Owners of damaged Units and their Mortgagees as their interests appear in order to finance reconstruction of damaged Common Elements. Liability coverage and other insurance proceeds shall be applied as the Association directs.

8.04 Cost. All premiums for Association Insurance and other insurance obtained by the Association shall be a Common Expense of the Condominium, except that any increase in the rating or premium charged for any such insurance caused by the character or use of Unit shall be allocated solely to its Owner.

8.05 Waiver of Subrogation. The Association and each Owner acting both for themselves and for their respective insurers, waive any claim it or they may have against the other for any loss insured under any policy obtained by either to the extent of insurance proceeds actually received, however loss is caused, including such losses as may be due to the negligence of the other party, its agents or employees. All policies of insurance shall contain a provision that they are not invalidated by the foregoing waiver, but such waiver shall cease to be effective if the existence thereof precludes the Association from obtaining any policy of insurance at a reasonable and customary rate.

8.06 Acts Affecting Insurance. No Owner or Occupant shall commit or permit any violation of covenants or agreements contained in the Association Insurance, or do or permit anything to be done, or keep or permit anything to be kept, or permit any condition to exist, which might (1) result in termination of any such policies, (2) adversely affect the right of recovery thereunder, (3) result in reputable insurance companies refusing to provide such insurance, or (4) result in an increase in the insurance rate or premium over the premium which would have been charged in the absence of such violation or condition, provided that, in the case of such increase, the Owner responsible for such increase shall pay the same. If the rate of premium payable with respect to the Association Insurance or with respect to any policy of insurance carried by any Owner shall be increased over the rate charged for the lowest-rated Unit, (a) by reason of the size, design or composition of the Unit, (b) by reason of anything done or kept in a Unit, (c) by the failure of any Owner or Occupant to comply with Association Insurance requirements or (d) by the failure of any Owner or Occupant to comply with this Declaration or the By-Laws, then the particular Owner shall reimburse the Association for the resulting additional premiums. The Association reimbursement right is without prejudice to any other Association remedy, and may be enforced by special assessment against the particular Unit.

8.07 Exclusions From Coverage. Association Insurance coverage may exclude (1) coverage on the Unit itself and any personal property located within or pertaining to the exclusive use of a Unit; and (2) liability coverage on an Owner, its guests, invitees, employees or any other Occupants of such Unit, arising out of any occurrences within a Unit or relating to an Owner's personal property. It is the sole responsibility of each Owner to obtain such insurance coverage as is excluded from Association Insurance.

Article 9. Amendment of Declaration

9.01 General. Except as otherwise provided herein, this Declaration may be amended only by the written consent of Owners of Units which represent at least ninety (90%) of the Interests, or such greater percentage as may be required by the Act. Consent is not effective unless approved by the Unit's Mortgagee, if any. Amendments shall be prepared and executed by the President of the Association and shall become effective when recorded in the Register's Office. No action to challenge the validity of an amendment shall be commenced more than one (1) year after the amendment is recorded.

9.02 Requirement for Special Approvals of Certain Amendments. No amendment shall adversely affect a special right conferred on or reserved to Declarant under this Declaration without Declarant's written consent.

9.03 Material Amendments. A change to the provisions hereof affecting any of the following shall also require approval by 51% of Mortgagees: (a) voting rights; (b) assessments, assessment liens, or the priority of assessment liens; (c) reserves for maintenance, repair, and replacement of common areas; (d) responsibility for maintenance and repairs; (e) reallocation of Interests in the General or Limited Common Elements, or rights to their use; (f) redefinition of any Unit boundaries; (g) convertibility of Units into Common Elements or vice versa; (h) expansion or contraction of the project, or the addition, annexation, or withdrawal of Property to or from the Condominium; (i) insurance or fidelity bond; (j) leasing of Units; (k) imposition of any restrictions on a Unit Owner's right to sell or transfer the Owner's Unit; (l) a decision by the Association to establish self-management when professional management had been previously engaged; (m) restoration or repair of the Condominium (after a casualty loss or partial condemnation) in a manner other than as specified herein; (n) any action to terminate the legal status of the Condominium after substantial destruction or condemnation occurs; or (o) any provisions that expressly benefit mortgage holders, insurers, or guarantors.

Article 10. Rights of Mortgagees

10.01 Notices. Any holder, insurer or guarantor of a mortgage (including the vendor's interest in a land contract) encumbering a Unit that makes written request on the Association for the following, identifying the name and address of such person and the Unit number or address, any such holder, insurer or guarantor will be entitled to timely written notice of:

- (a) Any condemnation or casualty loss that affects either a material portion of the Condominium or the Unit securing its mortgage;
- (b) Any thirty (30) day delinquency in the payment of assessments owed by the Owner of the Unit on which it holds a mortgage or any breach of the provisions of any instrument or rule governing the Condominium which is not cured by such Owner within thirty (30) days of such Owner's receipt of notice of such breach;
- (c) A lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association.

Article 11. Rights of Declarant

11.01 Reserved Rights. Until the sale by Declarant of all Units in the Condominium, Declarant may:

- (a) But shall not be obligated to, manage and operate the Condominium in accordance with this Declaration, including the right to contract for professional management of the Condominium, subject to Section 3.04.
- (b) Use the General Common Elements and any unsold Units on the Condominium in any manner as may facilitate the sale or leasing of all Units including, but not limited to, in connection therewith, maintaining a sales and/or rental office or offices and models and showing the Condominium or maintaining signs, including model Units, buildings and a sales office on the Property and to use those model Units, buildings and the sales office during the period that any of the proposed number of Units remain unbuilt and/or unsold. It is intended that such model Unit(s) and/or building(s) shall ultimately be sold to a Unit Owner. Declarant shall have the right to use signs, flags or other types of devices to promote construction and sales of the Units. Declarant and persons it may select, shall have the right of ingress and egress in, over and across the Common Elements and the Limited Common Elements and the right to store materials thereon and make such other use thereof as may be reasonably necessary incident to construction, development, sales, and operation of the Condominium, Units, Common Elements and Limited Common Elements thereof.
- (c) Grant easements upon, over, through and across the General Common Elements as may be required for furnishing any kind of utility services, including cable television or master antenna service, which easements may be granted to itself or its nominee and/or as may be necessary for their excavation and construction on or adjacent to any of the Units.
- (d) Grant easements upon, over, through or across the General Common Elements for permanent or temporary ingress and egress to and from the Condominium and other real Property adjacent to it.
- (e) Lease Units owned by Declarant on such terms as Declarant desires.
- (f) Make alterations and changes to the design or exterior materials of any Unit or part thereof during construction.

Article 12. Remedies for Violations by Owners and Occupants

12.01 General Remedies. If any Owner or Occupant fails to comply with the Act, this Declaration, the By-Laws or the Rules, such Owner shall be liable for damages or any other remedy provided by the By-Laws or subject to injunctive relief, or all of the above, as a result of such noncompliance. The Association or in a proper case, an aggrieved Owner, may bring an action because of such noncompliance.

12.02 Owner Violation, Association Right to Cure. In addition to any other remedies provided herein, if any Owner or Occupant fails to properly maintain its Unit or any part or portion thereof or the Limited Common Elements appurtenant thereto or otherwise comply with this Declaration, the By-Laws or the Rules, which failure continues for a period of fifteen (15) days following written notice from the Association, the Association shall have the right but not the obligation, to perform or cause to be performed such maintenance, replacement, restoration or other action as the Association deems necessary or appropriate. Expenses incurred by the Association shall be assessed against the Unit's Owner and shall be subject to all rights and remedies reserved under this

Declaration with respect to collection, expense, late payment penalties or interest, filing of a lien and/or foreclosure as reserved in Article 4 of this Declaration.

Once the Association has taken such an action, it shall not be obligated to take any other or further action with respect to the same, similar or subsequent failure by the same or a different Owner or Occupant.

Article 13. Registered Agent

13.01 The initial Registered Agent for the Condominium is Donald Sebastian W331N6080 Cnty. Rd. C Nasotah, WI, 53058

Article 14. Easements

14.01 Right of Entry. A right of entry to each Unit is reserved to the Association and its agents to service utility installations, including the right to install, lay, maintain, repair and replace wells, water mains and pipes, sewer lines, septic systems, gas mains, telephone wires and equipment, master television antenna system wires and equipment, cable television wires and equipment, electrical conduit wires and equipment, including power transformers, over, under, along and on any part of the Units, buildings, Common Elements and Limited Common Elements, to service the Condominium, provided request for entry is made in advance and at a convenient time for the Owner.

In case of emergency, entry of a Unit may be made immediately, whether the Owner or Occupant of the Unit is or is not present and without liability to the Association or its agents. Any damage or loss caused as a result of such emergency entry shall be at the sole expense of the Owner if, in the reasonable judgment of those authorizing the entry, such entry was for emergency purposes.

14.02 Driveways and Walkways. To the extent the Condominium and buildings shown on the attached Plat depict the common use of driveways and walkways for purposes of access, ingress and egress, valid easements are hereby established and shall exist for the mutual benefit of all Unit Owners and the Declarant for such uses.

14.03 Repair Easements. An irrevocable right and easement is hereby granted and declared for the benefit of the Association to enter Units and to make repairs to Common Elements when repairs reasonably appear necessary for public safety or to prevent damage to other portions of the Condominium. Except in cases involving manifest danger to public safety or Property, the Association shall make a reasonable effort to give notice to the Unit Owner of the need for entry and for the purpose of any repairs.

14.04 Encroachments. If any portion of the Common Elements encroaches upon a Unit or any Unit encroaches upon the Common Elements or upon any other Unit or if any utility lines encroach upon either the Common Elements or a Unit, a valid easement for the encroachment and maintenance of same shall exist for the duration of the encroachment. Minor encroachments of parts of the Common Elements and utility lines due to reconstruction of part or all of a Unit shall be permitted and an easement for such encroachments and the maintenance thereof is prospectively reserved.

14.05 Existing Easements. The Condominium may subject to certain easements granted prior to the recording of this Declaration, including those entered into by Lac La Belle Fairway Villas Condominium Association, Inc.

14.06 Further Easements. The Association may grant easements over and through the General Common Elements for such purposes as the Board deems reasonable for the benefit of the Owners.

14.07 Binding Effect. All easements and rights described in this Declaration are easements appurtenant, running with the Property, and are subject to the reasonable control of the Association. All easements and rights described herein are granted and reserved to, and shall inure to the benefit of and be binding on the undersigned, their heirs and successors, and on all Unit Owners, purchasers, Mortgagees, lessees and Occupants and their heirs, executors, administrators, successors and assigns. The Association shall have the authority to execute all documents necessary to carry out the intent of this Article.

Article 15. Construction and Effect

15.01 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.

15.02 Including. Whenever used herein, the term "including" preceding a list of one or more items shall indicate that the list contains examples of a general principle and is not intended as an exhaustive listing.

15.03 Captions. The captions and article and section headings in this Declaration are intended for convenience and reference only and in no way define or limit the scope or intent of the various provisions hereof.

15.04 Severability. If any portion of this Declaration or its application to any person or circumstance is held to be invalid or unenforceable, the remainder of this Declaration, or the application of such provision, or any part thereof, to persons or circumstances other than those to which it is held invalid or unenforceable, shall not be affected thereby. The remainder of this Declaration shall be valid, and enforced, to the fullest extent permitted by law.

15.05 Remedies. All remedies herein are cumulative.

15.06 Waivers. Whenever a waiver, consent or approval is required or permitted herein, it must be express and in writing; no waiver, consent or approval shall be implied. A waiver, consent or approval to any one matter shall not be deemed a waiver, consent or approval to any subsequent matter whether similar or not.

15.07 Assignment of Declarant's Rights. Declarant may from time to time assign any or all of the rights and benefits conferred on or reserved herein for Declarant in its status as such (as opposed to those rights or benefits conferred on or reserved for all Unit Owners or groups thereof), by an instrument in writing specifically identifying the rights and benefits so assigned which is recorded in the Register's Office.

15.08 Binding Law and Jurisdiction. This Declaration, the Articles of Incorporation of the Association, the By-Laws of the Association and the Rules and Regulations established thereunder, shall be governed by and construed under the laws of the State of Wisconsin. Jurisdiction of any disputes arising under any of these documents shall be Waukesha County Circuit Court unless the Declarant is a participant in any such dispute and elects to have the dispute arbitrated before a single arbitrator appointed by the American Arbitration Association, or such other arbitrator as the disputants may agree in writing as an alternate arbitrator. The decision of the arbitrator shall be final and binding on the parties, and the arbitrator may assess costs and attorney fees to the prevailing party or parties.

Units and Street Addresses

Building 1

Unit 1 Pennsylvania Street
Unit 2 Pennsylvania Street

Building 2

Unit 3 Pennsylvania Street
Unit 4 Pennsylvania Street

Building 3

Unit 5 Pennsylvania Street
Unit 6 Pennsylvania Street

All Oconomowoc, WI 53066

Declaration executed the 7 day of January 2020~~8~~

Declarant :

Donald J. Sebastian

Donald J. Sebastian

State of Wisconsin}

}ss.

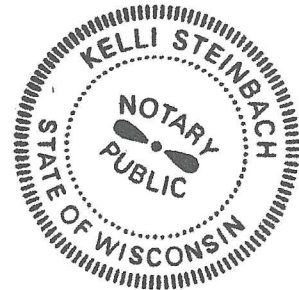
Waukesha County }

Donald J. Sebastian personally came before me this 7 day of
January 2020, executed this instrument and
acknowledged the same .

Kelli Steinbach

Notary Public, Waukesha County , Wisconsin

My Commission expires 6-22-2024



This instrument was drafted by Donald J. Sebastian W331N6080 County Road C ,
Nashotah , WI. 53058