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ARTICLES OF INCORPORATION

OF

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HERITAGE GREENS PAIRED HOMES HOMEOWNERS' ASSOCIATION, INC.

We, the undersigned, for the purposes of forming a corporation pursuant to the provisions of the Wisconsin Nonstock Corporation Law, Wisconsin Statutes Chapter 181, and statutes amendatory thereof, hereby adopt the following Articles of Incorporation:

ARTICLE I

NAME

The name of this corporation shall be "HERITAGE GREENS PAIRED HOMES HOMEOWNERS' ASSOCIATION, INC." (referred to herein as the "Corporation").

ARTICLE II

PURPOSES AND POWERS

The purposes for which the Corporation is formed, and its powers, are as follows:

- a. To act as the Association which is referred to in the Declaration (the "Declaration") of Heritage Greens Paired Homes, a single-family residential housing neighborhood, located in St. Croix County, Wisconsin.
- b. To provide for the maintenance, preservation, architectural control, operation and management of the Property described in the Declaration, for the health, safety and welfare of the owners thereof, and for the preservation of the value and aesthetic character of the Units and Common Elements described in the Declaration.
- c. To exercise the powers and duties now or hereafter granted or imposed by law, the Declaration, or the Corporation's By-Laws, and to do all other lawful acts or things reasonably necessary for carrying out the Corporation's purposes; provided, that no actions shall be authorized or undertaken which violate any state or federal laws applicable to nonprofit corporations.

ARTICLE III

DURATION

The duration of the Corporation shall be perpetual.

**ARTICLE IV
REGISTERED AGENT**

The name and address of the initial registered agent of this Corporation shall be at:

C.R. Hackworthy
216 Sommers Landing North
Hudson, Wisconsin 54016

**ARTICLE V
PRINCIPAL OFFICE**

The location of the principal office of this Corporation is 707 Commerce Drive, Suite 410, Woodbury, Minnesota 55125.

**ARTICLE VI
INCORPORATOR**

The name and address of the incorporator of this Corporation is as follows:

J. Patrick Brinkman, Esq.
Felhaber, Larson, Fenlon & Vogt, P.A.
220 South Sixth Street, Suite 2200
Minneapolis, MN 55402

**ARTICLE VII
NO CAPITAL STOCK**

This Corporation shall have no capital stock.

**ARTICLE VIII
MEMBERSHIP/VOTING**

The Members of this Corporation shall be those persons described as Members in the By-Laws of the Corporation. Membership in the Corporation shall be transferable, but only as an appurtenance to and together with the Member's interest in the Unit (as defined in the Declaration) to which the membership is allocated. One membership shall be allocated to each Unit. The Members shall have the voting rights allocated to their respective Units as described in the Declaration. Cumulative voting by Members shall not be permitted.

**ARTICLE IX
NO PECUNIARY GAIN**

The Corporation shall not afford pecuniary gain, incidentally or otherwise, to its Members; provided, subject to approval by the Board of Directors, that Members may be reimbursed for out-of-pocket expenses incurred in carrying out duties on behalf of the Association, as provided in the By-Laws, and Members may be reasonably compensated for goods and services furnished to the Association in an individual capacity.

**ARTICLE X
MEETINGS**

The Corporation shall hold meetings of its Members, at such time and in such manner as shall be specified in the By-Laws.

**ARTICLE XI
DIRECTORS**

The business of this Corporation shall be managed by the Board of Directors consisting of at least three (3) persons, the number of which shall be fixed by or in the manner provided in the By-Laws. The Directors shall be elected as provided in the By-Laws.

**ARTICLE XII
ADOPTION OF BY-LAWS**

The first Board of Directors shall, upon the first meeting thereof, adopt By-Laws for the regulation of the business of the Corporation. Thereafter, the By-Laws may be amended or revoked only by the Members of the Corporation as provided in the By-Laws.

**ARTICLE XIII
LIMITED LIABILITY**

The members of this Corporation shall not be subject to any personal liability for corporate obligations. In addition, no person who serves without compensation as a director, officer, member or agent of the Corporation (hereinafter a "Volunteer") shall be held civilly liable for any act or omission as a Volunteer unless the person asserting liability proves that the act or omission constitutes any of the following:

- a. A violation of criminal law, unless the Volunteer had reasonable cause to believe his or her conduct was lawful or had no reasonable cause to believe his or her conduct was unlawful;
- b. Willful misconduct;
- c. If the Volunteer is a director or officer of the Corporation, an act or omission within the scope of the Volunteer's duties as a director or officer; or
- d. An act or omission for which the Volunteer received compensation or anything of substantial value in lieu of compensation.

A Volunteer shall not be shielded from liability for an act or omission made part of any of the following:

- a. A civil or criminal proceeding brought by or on behalf of any governmental unit, authority or agency;
- b. A proceeding brought by any person for violation of state or federal law where the proceeding is brought pursuant to an express private right of action created by state or federal statute;
- c. Claims arising from the negligent operation of an automobile, truck, train, airplane or other vehicle by the Volunteer;

d. A proceeding against a Volunteer who is licensed, certified, permitted, or registered under state law and which is based upon an act or omission within the scope of practice under the Volunteer's license, certificate, permit or registration; or

e. Proceedings based upon a cause of action for which a Volunteer is immune from liability under Wisconsin Statutes Sections 29.59(7), 146.31(2) and (3), 146.37, 895.44, 895.48, 895.482, 895.51 or 895.52, as those Statutes may be amended and/or superseded.

Nothing in this Article limits an individual's liability for physical injury to another person or for wrongful death which is personally and directly caused by that individual.

ARTICLE XIV AMENDMENTS

Amendment of these Articles of Incorporation shall require the prior approval of Members who hold in excess of two-thirds (2/3) of the voting power of all Members at a meeting duly held for such purposes, except that the name and/or office of the registered agent may be changed by the filing of a statement with the Department of Financial Institutions in accordance with Wisconsin Statutes Chapter 181. In addition, any amendment requiring approval of the Members shall be subject to the consent of Eligible Mortgagees if required by the Declaration.

ARTICLE XV DISSOLUTION

The Corporation may be dissolved as provided in Wisconsin Statutes Section 181; provided, that prior to the dissolution, the condominium shall have been terminated in accordance with the provisions of Wisconsin Statutes, Chapter 703.

IN WITNESS WHEREOF, I have subscribed my name on this 30th day of November, 2006.



J. Patrick Brinkman

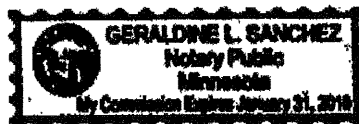
STATE OF MINNESOTA)
) ss.
COUNTY OF HENNEPIN)

The foregoing instrument was acknowledged before me this 30th day of November, 2006, by J. Patrick Brinkman, incorporator.



Notary Public

Drafted by:
J. Patrick Brinkman, Esq.
Felhaber, Larson, Fenlon & Vogt, P.A.
220 South Sixth Street, Suite 2200
Minneapolis, MN 55402
(612) 373-8420



BYLAWS
OF
HERITAGE GREENS PAIRED HOMES
HOMEOWNERS' ASSOCIATION, INC.

**HERITAGE GREENS PAIRED HOMES
HOMEOWNERS' ASSOCIATION, INC.**

BYLAWS

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**HERITAGE GREENS PAIRED HOMES
HOMEOWNERS' ASSOCIATION, INC.**

BYLAWS

**SECTION 1
GENERAL**

This document constitutes the Bylaws of Heritage Greens Paired Homes Homeowners' Association, Inc., a Wisconsin nonprofit corporation (the "Association"). The Association is organized pursuant to Wisconsin Statutes Chapter 181, the Wisconsin Nonstock Corporations Act (the "Act"), for the purpose of operating and managing Heritage Greens Paired Homes, a single-family residential neighborhood that is part of Heritage Greens of Hudson, a master planned community in Hudson, Wisconsin.

1.1 Master Association/Powers. The Association is a member of Heritage Greens of Hudson Community Association (the "Master Association") and the Property is subject to the Master Declaration of Heritage Greens of Hudson (the "Master Declaration"). Certain powers of the Association are delegated to the Master Association as provided in Section 6.5 of these Bylaws and Section 5.2 of the Heritage Greens Paired Homes Declaration (the "Declaration").

1.2 Terms and Definitions. The terms used in these Bylaws shall have the meanings assigned to them in the Declaration or in the Master Declaration, if not otherwise defined.

**SECTION 2
MEMBERSHIP**

2.1 Owners Defined. All Persons described as Members in Section 4 of the Declaration shall be members of the Association. No Person shall be a Member solely by reason of holding a security interest in a Unit. A Person shall cease to be a Member at such time as that Person is no longer an Owner.

2.2 Registration of Owners and Occupants. Each Owner shall register with the Secretary of the Association, in writing, within thirty days after taking title to a Unit, (i) the name and address of each Owner of the Unit; (ii) the nature of such Owner's interest or estate in each Unit owned; and (iii) the address at which the Owner desires to receive notice of any meeting of the Owners, if other than the Unit address. Each Owner shall have a continuing obligation to advise the Association in writing of any changes in the foregoing information, and shall be obligated to provide the names of the Occupants of the Unit upon request of the Association.

2.3 Transfers. The interests, rights and obligations of an Owner in the Association may be assigned, pledged, encumbered or transferred, but only along with and as a part of the title to the Owner's Unit or as otherwise specifically authorized by the Governing Documents, the Master Governing Documents or by law.

SECTION 3 VOTING

3.1 Entitlement. Votes shall be allocated to each Unit as provided in the Declaration. However, no vote shall be exercised as to a Unit while the Unit is owned by the Association.

3.2 Authority to Cast Vote. At any meeting of the Owners, an Owner included on the voting register presented by the Secretary in accordance with Section 4.6, or the holder of such Owner's proxy, shall be entitled to cast the vote which is allocated to the Unit owned by the Owner. If there is more than one Owner of a Unit, only one of the Owners may cast the vote. If the Owners of a Unit fail to agree as to who shall cast the vote, or fail to register pursuant to Section 2.2, the vote shall not be cast.

3.3 Voting by Proxy. An Owner may cast the vote which is allocated to the Owner's Unit and be counted as present at any meeting of the Owners by executing a written proxy naming another person entitled to act on that Owner's behalf, and delivering the same to the Secretary before the commencement of any such meeting. All proxies granted by an Owner shall be effective until the earliest of the following events: (i) revocation by the granting Owner by written notice or by personally attending and voting at the meeting for which the proxy is given; (ii) the adjournment of the meeting for which the proxy is given; (iii) the time at which the granting Owner is no longer an Owner; or (iv) any other applicable event specified in Wisconsin Statutes Section 181.0724.

3.4 Voting by Mail Ballot. Any action taken at a meeting of the Association, except the election or removal of directors, may be taken by mailed ballots, subject to the following requirements.

3.4.1 The notice of the vote shall: (i) clearly state the proposed action; (ii) indicate the number of responses needed to meet the quorum requirements; (iii) state the percentage of approvals necessary to approve each matter other than election of directors; and (iv) specify the time by which a ballot must be received by the Association in order to be counted.

3.4.2 The ballot shall: (i) set forth each proposed action, and (ii) provide an opportunity to vote for or against each proposed action.

3.4.3 The Board shall set the time for the return of ballots, which shall not be less than fifteen nor more than thirty days after the date of mailing of the ballots to the Owners. The Board shall provide notice of the results of the vote to the Owners within ten days after the expiration of the voting period.

3.4.4 Approval by written ballot under this Section is valid only if (i) the number of votes cast by ballot equals or exceeds the quorum required to be present at a meeting authorizing the action, and (ii) the number of approval votes equals or exceeds the number of votes that would be required to approve the matter at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot.

3.5 Vote Required. A majority of the votes cast at any properly constituted meeting of the Owners, or cast by mail in accordance with Section 3.4, shall decide all matters properly brought before the Owners, except where a different vote or voting procedure is required by the Governing Documents or the Act. The term "majority" as used herein shall mean in excess of fifty percent of the votes cast at a meeting, in person or by proxy, or voting by mail, in accordance with the allocation of voting power set forth in the Declaration. Cumulative voting shall not be permitted.

SECTION 4 MEETINGS OF OWNERS

4.1 Place. All meetings of the Owners shall be held at the office of the Association or at such other place in the state of Wisconsin reasonably accessible to the Owners as may be designated by the Board in any notice of a meeting of the Owners.

4.2 Annual Meetings. An annual meeting of the Owners shall be held in each fiscal year on a date, and at a reasonable time and place, designated by the Board. At each annual meeting of the Owners, (i) the Persons who are to constitute the Board shall be elected pursuant to Section 6; (ii) a report shall be made to the Owners on the activities and financial condition of the Association; and (iii) any other matter which is included in the notice of the annual meeting, and is a proper subject for decision by the Owners, shall be considered and acted upon at the meeting.

4.3 Special Meetings. A special meeting of the Owners may be called by the President as a matter of discretion. A special meeting of the Owners must be called by the President or Secretary within thirty days following receipt of the written request of a majority of the members of the Board or of Owners entitled to cast at least twenty-five percent of all votes in the Association. The meeting shall be held within ninety days following receipt of the request. The request shall state the purpose of the meeting, and the business transacted at the special meeting shall be confined to the purposes stated in the notice. The purpose for which the meeting is requested and held must be lawful and consistent with the Association's purposes and authority under the Governing Documents.

4.4 Notice of Meetings. Not less than twenty-one nor more than thirty days in advance of any annual meeting of the Owners, and at least seven, but no more than thirty, days in advance of any special meeting of the Owners, the Secretary shall send, to all Persons who are Owners as of the date of sending the notice, notice of the time, place and agenda of the meeting, by United States mail, or by hand delivery, at the Owner's Unit address or to such other address as the Owner may have designated in writing to the Secretary. Notice of meetings to vote upon amendments to the Articles of Incorporation shall also be given separately to each officer and director of the Association.

4.5 Quorum/Adjournment. The presence of Owners, in person or by proxy, who have the authority to cast in excess of twenty-five percent of all the votes in the Association shall be necessary to constitute a quorum at all meetings of the Owners for the transaction of any business, except that of adjourning the meeting to reconvene at a subsequent time. Any meeting

may be adjourned from time to time, but until no longer than fifteen days later, without notice other than announcement at the meeting as initially called. If a quorum is present at the reconvened meeting, any business may be transacted which might have been transacted at the meeting as initially called had a quorum then been present. The quorum, having once been established at a meeting or a reconvened meeting, shall continue to exist for that meeting notwithstanding the departure of any Owner who was present when the quorum was established. The Association may not be counted in determining a quorum as to any Unit owned by the Association.

4.6 Voting Register. The Secretary shall have available at the meeting a list of the Unit numbers, the names of the Owners, the vote attributable to each Unit and the name of the person (in the case of multiple Owners) authorized to cast the vote.

4.7 Agenda. The agenda for meetings of the Owners shall be established by the Board, consistent with the Governing Documents, and shall be sent to all Owners along with the notice of the meeting.

SECTION 5 ANNUAL REPORT

The Board shall prepare an annual report, a copy of which shall be provided to each Owner at or prior to the annual meeting. The report shall contain, at a minimum:

5.1 Capital Expenditures. A statement of any capital expenditures in excess of two percent of the Association's current budget or five thousand dollars, whichever is greater, approved by the Association for the current year or succeeding two fiscal years.

5.2 Reserve Funds. A statement of the balance in any reserve or replacement fund.

5.3 Financial Statements. A copy of the statement of revenues and expenses for the Association's last fiscal year, and a balance sheet as of the end of said fiscal year.

5.4 Litigation and Judgments. A statement of the status of any pending litigation or judgments to which the Association is a party.

5.5 Insurance. A detailed description of the insurance coverage provided by the Association.

5.6 Status of Assessments. A statement of the total past due Assessments on all Units, current as of not more than sixty days prior to the date of the meeting.

SECTION 6
BOARD OF DIRECTORS

6.1 Number and Qualification. The affairs of the Association shall be governed by a Board of Directors. The first Board shall consist of the persons designated as directors by the incorporator of the Association or appointed by Declarant to replace them, subject to the rights of Owners to elect directors as set forth in Section 6.2. Upon the expiration of the terms of the members of the first Board, the Board shall be composed of five directors, a majority of whom shall be Owners, or a duly authorized representative of the Owner if the Owner is a Person other than a natural person.

6.2 Term of Office. The terms of office of the members of the Board shall be as follows:

6.2.1 The terms of all directors appointed by Declarant as authorized by the Declaration shall terminate upon the earliest of (i) voluntary surrender of control by Declarant; (ii) an Association meeting which shall be held within sixty days after conveyance to Owners other than the Declarant of seventy-five percent of the total number of Units authorized to be included in the Association; or (iii) the date five years following the date of the first conveyance of a Unit to an Owner other than the Declarant. Notwithstanding the foregoing, the Owners other than Declarant shall have the right to nominate and elect not less than thirty-three and one-third percent of the directors at a meeting of the Owners which shall be held within sixty days following the conveyance by Declarant of fifty percent of the total number of Units authorized to be included in the Property.

6.2.2 The first terms of office of the directors elected by the Owners upon the termination of the Declarant Control Period shall be one year for two of the directors, two years for two of the directors and three years for one of the directors. Each term of office thereafter shall be three years and shall expire upon the election of a successor at the appropriate annual meeting of the Owners; provided, that a director shall continue in office until a successor is elected. A number of nominees equal to the number of vacancies, and receiving the greatest numbers of votes, shall be elected, notwithstanding that one or more of them does not receive a majority of the votes cast. The nominee or nominees receiving the greatest numbers of votes shall fill the longer terms. A director appointed or elected to fill an uncompleted term shall serve until the natural termination of that term, unless removed in accordance with these Bylaws. There shall be no cumulative voting for directors.

6.3 Nominations. Except for directors appointed by the Declarant, nominations for election to the Board at the annual meetings shall be made by the Board, by a nominating committee appointed by the Board or by an Owner. Any nominating committee shall consist of Owners who are representative of the general membership of the Association, and shall establish fair and reasonable procedures for the submission of nominations.

6.4 Powers. The Association shall have all powers and authority of a corporation under Wisconsin Statutes Chapter 181 or provided in the Declaration except those powers and the authority delegated to the Master Association in Section 6.5 of these Bylaws or in Section 5.2 of the Declaration. The powers of the Association include, without limitation, all powers necessary for the administration of the affairs of the Association, including all powers and authority vested in or delegated to the Association (and not expressly prohibited or reserved to the Owners) by law or by the Governing Documents. The powers of the Association are vested in the Board, unless expressly reserved to the Owners by the Governing Documents or by law. The Association's powers include, without limitation, the power to:

6.4.1 adopt, amend and revoke reasonable Neighborhood Rules consistent with the Governing Documents and the Master Governing Documents, as follows: (i) regulate the use of the Common Areas; (ii) regulate the use of the Units, and the conduct of Owners and Occupants, which may jeopardize the health, safety, or welfare of other Owners and Occupants, which involves noise or other disturbing activity, or which may damage the Common Areas or other Units; (iii) regulate animals; (iv) regulate changes in the appearance of the Common Areas and conduct which may damage the Property; (v) regulate the exterior appearance of the Property, including, for example, signs and other displays, regardless of whether inside a Dwelling; (vi) implement the Governing Documents, and exercise the powers granted by this Section; and (vii) otherwise facilitate the operation of the Property.

6.4.2 adopt and amend budgets for revenues, expenditures and reserves, levy and collect Assessments, and foreclose Assessment liens incidental to its collection efforts.

6.4.3 hire and discharge managing agents and other employees, agents, and independent contractors.

6.4.4 institute, defend, or intervene in litigation or administrative proceedings (i) in its own name on behalf of itself or two or more Owners on matters affecting the Common Areas or other matters affecting the Property or the Association, or (ii) with the consent of the Owners of the affected Units on matters affecting only those Units.

6.4.5 make contracts and incur liabilities.

6.4.6 regulate the use, maintenance, repair, replacement and modification of the Common Areas and the Units.

6.4.7 cause improvements to be made as a part of the Common Areas.

6.4.8 acquire, hold, encumber, and convey in its own name any right, title, or interest to real estate or personal property.

6.4.9 grant easements as follows: (i) public utility and cable communications easements through, over or under the Common Areas may be granted by the Board, subject to any restrictions contained in the Master Governing Documents; and (ii) other

public or private easements, leases and licenses through, over or under the Common Areas may be granted only by approval of the Board, and by the Owners (other than Declarant) voting at an Association meeting, unless such easement is expressly authorized by the Declaration or another previously recorded instrument, subject to any restrictions contained in the Master Governing Documents.

6.4.10 impose and receive any payments, fees, or charges for services provided to Owners.

6.4.11 impose charges for late payment of Assessments and, after notice and an opportunity to be heard, levy reasonable fines for violations of the Governing Documents and the Neighborhood Rules.

6.4.12 borrow money, and encumber or pledge the assets of the Association as security therefor; provided that any borrowings in any twelve month period which exceed, in aggregate, ten percent of the Association's current annual budget, shall require approval by the Owners voting at an Association meeting.

6.4.13 impose reasonable charges for the review, preparation and recording of amendments to the Declaration or Bylaws, statements of unpaid Assessments, documents for subsequent buyers of Units or furnishing copies of Association records.

6.4.14 provide for the indemnification of its officers, directors and committee members, and maintain directors' and officers' liability insurance.

6.4.15 provide for reasonable procedures governing the conduct of meetings and the election of directors.

6.4.16 appoint, regulate and dissolve committees.

6.4.17 elect certain members of the Master Board, as described in Section 6.5 of these Bylaws and perform any other function or obligation and exercise any power relinquished by the Master Association to the Association in accordance with the Master Governing Documents.

6.4.18 exercise any other powers conferred by law or the Governing Documents, or which are necessary and proper for the governance of the Association.

6.5 Election to Master Board/Delegation to the Master Board. The Board shall elect, from among its members, a number of Master Board directors specified by the Master Bylaws, all in accordance with the procedures and requirements set forth in the Master Governing Documents. The following powers and authority shall be exercised by the Master Association and to the extent such powers and authority are of the Association, they are delegated to the Master Association:

6.5.1 To own, manage, operate, maintain and control the Master Common Elements.

6.5.2 To regulate, impose charges for, establish rules and enforce rules for the use of the Master Common Elements.

6.5.3 To establish and enforce architectural guidelines to preserve and enhance the architectural and environmental character of the Property.

6.5.4 To regulate, approve, disapprove or approve with conditions any construction, installation or alteration of Improvements within the Property visible from the exterior of a building or Dwelling.

6.5.5 To establish from time to time and enforce reasonable rules and restrictions to facilitate the various residential uses of the Property, to avoid unwanted nuisances and disturbances, and to protect the physical environment and architectural characteristics of the Property and immediately adjacent landscaped areas.

6.5.6 To adopt budgets for revenues, expenditures and reserves and levy and collect assessments for Master Common Expenses from the Association and/or Unit Owners.

6.5.7 Employ and dismiss employees and agents for the Master Association.

6.5.8 Sue on behalf of all Unit Owners or the Association.

6.5.9 Make contracts and incur liabilities for the Master Association.

6.5.10 Cause additional Improvements to be made as a part of the Master Common Elements.

6.5.11 Acquire, hold, encumber and convey any right, title or interest in or to the Master Common Elements.

6.5.12 Grant easements though or over the Master Common Elements.

The powers in subsections 6.5.5 and 6.5.8 shall not be exclusive to the Master Association but may be exercised by both the Master Association and the Association, whether independently or jointly.

The directors elected to the Master Board by the Board shall act as liaisons between the Master Association and the Association, and shall cooperate to insure that decisions of the Master Board are properly communicated to the Owners and Occupants, and implemented.

6.6 Meetings and Notices. An annual meeting of the Board shall be held promptly following each annual meeting of the Owners. At each annual meeting of the Board (i) the officers of the Association shall be elected, and (ii) the Association's member(s) of the Master Board shall be elected, subject to staggered election terms as prescribed by the Master Bylaws.

6.6.1 Regular meetings of the Board shall be held at such times as may be fixed from time to time by a majority of the members of the Board, or, in the absence of such action, by the President. A schedule, or any amended schedule, of the regular meetings shall be provided to the directors, and made available for the information of Owners, as provided in Section 6.6.5.

6.6.2 Special meetings of the Board shall be held when called (i) by the President, or (ii) by the Secretary within ten days following the written request of a majority of the directors. Notice of any special meeting shall be given to each director not less than three days in advance thereof, subject to Section 6.6.3. Notice to a director shall be deemed to be given (i) when deposited in the United States mail postage prepaid to the Unit address of such director, or such other address designated by the director in writing to the Secretary of the Association, (ii) when sent by facsimile to a number designated in writing by the director, or (iii) when personally delivered, orally or in writing, by a representative of the Board to the director.

6.6.3 Any director may at any time waive notice of any meeting of the Board orally, in writing, or by attendance at the meeting. If all the directors are present at a meeting of the Board, no notice shall be required, and any business may be transacted at such meeting.

6.6.4 A conference among directors by a means of communication through which all directors may simultaneously hear each other during the conference is a board meeting, if (i) the same notice is given of the conference as would be required for a meeting, and (ii) the number of directors participating in the conference is a quorum. Participation in a meeting by this means is personal presence at the meeting.

6.6.5 Except as otherwise provided in this Section, meetings of the Board must be open to the Owners. To the extent practicable, the Board shall give reasonable notice to the Owners of the date, time, and place of a Board meeting. If the date, time and place of meetings are provided for in the Declaration, Articles, Bylaws, announced at a previous meeting of the Board, posted in a location accessible to the Owners and designated by the Board from time to time, or if an emergency requires immediate consideration of a matter by the Board, notice is not required. "Notice" has the meaning given in Section 11.1 of these Bylaws. Notwithstanding the foregoing, meetings may be closed at the discretion of the Board to discuss the following:

6.6.5.1 personnel matters;

6.6.5.2 pending or potential litigation, arbitration or other potentially adversarial proceedings between Owners, between the Board or Association and Owners, or other matters in which any Owner may have an adversarial interest, if the Board determines that closing the meeting is necessary to discuss strategy or to otherwise protect the position of the Board or Association or the privacy of an Owner or Occupant; or

6.6.5.3 criminal activity arising within the Property or involving an Owner or Occupant if the Board determines that closing the meeting is necessary to protect the privacy of the victim or that opening the meeting would jeopardize investigation of the activity.

Nothing in this Section imposes a duty on the Board to provide special facilities for meetings. The failure to give notice as required by this Section shall not invalidate the Board meeting or any action taken at the meeting.

6.6.6 All Board meetings shall be open to any member of the Master Board designated to attend the meeting as the Master Board's representative.

6.7 Quorum and Voting. A majority of the members of the Board shall constitute a quorum for the transaction of business at any meeting thereof. A quorum, once established, shall continue to exist, regardless of the subsequent departure of any directors. Each director shall have one vote. The vote of a majority of the directors present at any meeting at which a quorum is present shall be sufficient to adopt any action. Proxies are prohibited for Board meetings.

6.8 Action Taken Without a Meeting. The Board shall have the right to take any action in the absence of a meeting which it could take at a meeting when authorized in a writing signed by all the directors.

6.9 Vacancies. A vacancy in the Board, other than those described in Sections 6.1, 6.2 and 6.10, shall be filled by a person elected within thirty days following the occurrence of the vacancy by a majority vote of the remaining directors, regardless of their number. Each person so elected shall serve out the term vacated.

6.10 Removal. A director may be removed from the Board, with or without cause, by a majority vote at any annual or special meeting of the Owners; provided, (i) that the notice of the meeting at which removal is to be considered states such purpose; (ii) that the director to be removed has a right to be heard at the meeting; and (iii) that a new director is elected at the meeting by the Owners to fill the vacant position caused by the removal. A director may also be removed by the Board if such director (i) has more than two unexcused absences from Board meetings and/or Owners meetings during any twelve month period, or (ii) is more than thirty days past due with respect to the payment of assessments or installments thereof on the director's Unit. Such vacancies shall be filled by the vote of the Owners as previously provided in this Section.

6.11 Compensation. Except as authorized by a vote of the Owners at a meeting thereof, the directors shall receive no compensation for their services in such capacity. A director or an entity in which the director has an interest may, upon approval by the Board, be reasonably compensated under a contract for goods and services furnished to the Association in a capacity other than as a director; provided (i) that the contract is approved by a majority vote of the Board, excluding the interested director, and (ii) that the director's interest is disclosed to the Board prior to approval. Directors may be reimbursed for out-of-pocket expenses incurred in the performance of their duties.

6.12 Fidelity Bond. Fidelity bonds or insurance coverage for unlawful taking of Association funds shall be obtained and maintained as provided in the Declaration on all directors and officers authorized to handle the Association's funds and other monetary assets.

SECTION 7 OFFICERS

7.1 Principal Officers. The principal officers of the Association shall be a President, a Vice President, a Secretary and a Treasurer, all of whom shall be elected by the Board. The Board may from time to time elect such other officers and designate their duties as in their judgment may be necessary to manage the affairs of the Association. A person may hold more than one office simultaneously, except those of President and Vice President. Only the President and Vice President must be members of the Board.

7.2 Election. The officers of the Association shall be elected annually by the Board at its annual meeting and shall hold office at the pleasure of the Board.

7.3 Removal. Upon an affirmative vote of a majority of the members of the Board, any officer may be removed, with or without cause, and a successor elected, at any regular meeting of the Board, or at any special meeting of the Board called for that purpose.

7.4 President. The President is the chief executive officer of the Association, and presides at all meetings of the Board and the Association. The President has all of the powers and duties which are customarily vested in the office of president of a corporation, including without limitation the duty to supervise all other officers and to execute all contracts and similar obligations on behalf of the Association. The President shall perform other duties as are prescribed by the Board.

7.5 Vice President. The Vice President shall take the place of the President and perform the duties of the office whenever the President shall be absent or unable to act. The Vice President shall perform such other duties as are prescribed by the Board.

7.6 Secretary. The Secretary is responsible for recording the minutes of all meetings of the Board and the Association. The Secretary is responsible for keeping the books and records of the Association, and giving all notices required by the Governing Documents or the Act unless directed otherwise by the Board. The Board may delegate the Secretary's administrative functions to a managing agent; provided, that such delegation shall not relieve the Secretary of the ultimate responsibility for the Secretary's duties.

7.7 Treasurer. The Treasurer is responsible for all financial assets of the Association, and shall be covered by a bond or insurance in such sum and with such companies as the Board may require. The Treasurer shall (i) be responsible for keeping the Association's financial books, Assessment rolls and accounts; (ii) cause an annual financial report to be prepared, subject to review by the Association's accountants; (iii) cause the books of the Association to be kept in accordance with generally accepted accounting practices and shall submit them to the Board for its examination upon request; (iv) cause all moneys and other monetary assets of the

Association to be deposited in the name of or to the credit of the Association in depositories designated by the Board; (v) cause the proper obligations of the Association to be paid when due; and (vi) perform all other duties incident to the office of Treasurer. The Board may delegate the Treasurer's administrative functions to a managing agent; provided, that such delegation shall not relieve the Treasurer of the ultimate responsibility for the Treasurer's duties.

7.8 Compensation. Except as authorized by a vote of the Owners at a meeting thereof, officers shall receive no compensation for their services in such capacity. An officer or an entity in which the officer has an interest may be reasonably compensated under a contract for goods and services furnished to the Association in a capacity other than as an officer; provided (i) that the contract is approved by a majority vote of the Board, excluding the interested party, and (ii) that the officer's interest is disclosed to the Board prior to approval. Officers may be reimbursed for out-of-pocket expenses incurred in the performance of their duties.

SECTION 8 OPERATIONS

8.1 General. All powers of the Association are vested in the Board, unless expressly reserved to the Owners.

8.2 Assessment Procedures. The Board shall determine when the first Assessment is levied and due. Thereafter, the Association shall annually prepare a budget of Common Expenses attributable to the Association, including the Association's share of annual Master Assessments levied by the Master Association, and shall levy the annual Assessment against the Units as provided in the Governing Documents.

8.2.1 The annual Assessment shall be levied against all Units effective as of the first day of the Association's fiscal year when the first Assessment installment is due, as determined by the Board, and notice shall be given to the Owners at least thirty days prior to the due date. The failure to timely levy or give notice of an annual Assessment shall not relieve the Owners of their obligation to continue paying Assessment installments in the amount currently levied, as well as any increases subsequently levied.

8.2.2 The Board may amend the budget and Assessments, or levy a special Assessment, at any time, and shall do so promptly if the Master Association amends its budget or levies a Master Special Assessment. The levy shall be deemed to occur upon the date specified in the resolution which fixes the Assessment.

8.2.3 The Board may levy limited Assessments against only certain Units under Section 6 of the Declaration. Such Assessments may be included in the Assessments levied annually against the affected Units or may be levied separately at any time during the year. Such Assessments are not annual or special Assessments within the meaning of the Governing Documents.

8.2.4 The budget may include a general operating reserve, and shall include an adequate reserve fund for maintenance, repair and replacement of the Common Areas and

any parts of the Units that must be maintained, repaired or replaced by the Association on a periodic basis.

8.2.5 The Association shall furnish copies of each budget on which the Assessment is based to an Owner, upon request of such Owner.

8.3 Payment of Assessments. Unless otherwise designated by the Board or the Governing Documents, annual Assessments shall be due and payable in monthly installments in advance on the first day of each month of the year or other period for which the Assessments are made, and special Assessments shall be due when designated by the Board. Except as provided in the Declaration, all Owners shall be absolutely and unconditionally obligated to pay the Assessments and no Owner or Occupant shall have any right of withholding, offset or deduction against the Association or the Master Association with respect to any Assessments, or late charges or costs of collection, regardless of any claims alleged against the Association or the Master Association or their officers or directors. Any rights or claims alleged by an Owner may be pursued only by separate action.

8.4 Default in Payment of Assessments. If any Owner does not make payment on or before the date when any Assessment or installment thereof is due, subject to such grace periods as may be established, the Board may assess, and such Owner shall be obligated to pay, a late charge as provided in the Declaration for each such unpaid Assessment or installment thereof, together with all expenses, including reasonable attorneys' fees and other professional fees, incurred by the Board in collecting any such unpaid Assessment.

8.4.1 If there is a default of more than thirty days in payment of any Assessment, the Board may accelerate any remaining installments of the Assessment upon prior written notice thereof to the Owner, and the entire unpaid balance of the Assessment and late charges shall become due and payable upon the date stated in the notice unless all past due amounts, including late charges, fines, reasonable attorneys' fees and costs incurred by the Board, are paid prior to said date.

8.4.2 The Board shall have the right and duty to attempt to recover all Assessments on behalf of the Association and the Master Association, together with any charges, attorneys' fees and other professional fees and costs or expenses relating to the collection thereof. In addition, the Board shall have the right to recover any collection or contingency fees or costs charged to the Association by a collection agency or other Person acting on behalf of the Association in collecting any delinquent amounts owed to the Association by an Owner or Occupant.

8.4.3 The rights and remedies referred to herein shall in no way limit the remedies available to the Association or Master Association under the Declaration, the Master Governing Documents or by law.

8.5 Foreclosure of Liens for Unpaid Assessments. The Association has the right to foreclose a lien against a Unit for Assessments imposed by the Association, as more fully described in the Declaration.

8.6 Records. The Board shall cause to be kept at the registered office of the Association, and at such other place as the Board may determine, records of the actions of the Board, minutes of the meetings of the Board, minutes of the meetings of the Owners, names of the Owners, and detailed and accurate records of the receipts and expenditures of the Association. With the exception of records that may be privileged or confidential information, all Association records, including receipts and expenditures and any vouchers authorizing payments, shall be available for examination by the Owners upon reasonable notice and during normal business hours. Separate accounts shall be maintained for each Unit setting forth the amount of the Assessments against the Unit, the date when due, the amount paid thereon and the balance remaining unpaid.

8.7 Enforcement of Obligations. All Owners and Occupants and their guests are obligated and bound to observe the provisions of the Master Governing Documents, the Governing Documents, the Rules, and the Master Rules. The Association may impose any or all of the charges, sanctions and remedies authorized by the Governing Documents or by law to enforce and implement its rights and to otherwise enable it to manage and operate the Association.

SECTION 9 AMENDMENTS

These Bylaws may be amended, and the amendment shall be effective, upon the satisfaction of the following conditions:

9.1 Approval. The amendment must be approved by:

9.1.1 The Board;

9.1.2 Owners who have authority to cast in excess of fifty percent of the total votes in the Association, in writing or at a duly held meeting of the Owners;

9.1.3 The Master Developer as provided in the Master Declaration; and

9.1.4 Declarant, as provided in the Declaration.

9.2 Notice. A copy of the proposed amendment and, if a meeting is to be held, notice of such meeting, shall be mailed by U.S. mail, or hand delivered, to all Owners authorized to cast votes and the Master Board; and

9.3 Effective Date. An amendment is effective on the date of approval by the required vote of the Owners, and need not be recorded. If recorded, the amendment shall be recorded in the office of the recording officer for the county in which the Property is located.

**SECTION 10
INDEMNIFICATION**

The Association shall, to the extent the alleged liability is not covered by insurance, indemnify every individual acting in any official capacity on behalf of the Association, pursuant to the provisions of the Articles of Incorporation of the Association and Wisconsin Statutes Sections 181.0871 through 181.0889.

**SECTION 11
MISCELLANEOUS**

11.1 Notices. Unless specifically provided otherwise in the Declaration or these Bylaws, all notices required to be given by or to the Association, the Board, the Master Association, the Master Board, the officers of the Association or Master Association, or the Owners or Occupants shall be in writing and shall be effective upon hand delivery, or mailing if properly addressed with postage prepaid and deposited in the United States mail; except that registrations pursuant to Section 2.2 shall be effective upon receipt by the Association.

11.2 Severability. The invalidity or unenforceability of any part of these Bylaws shall not impair or affect in any manner the validity, enforceability or effect of the balance of these Bylaws.

11.3 Captions. The captions in these Bylaws are inserted only as a matter of convenience and for reference and in no way limit or proscribe the scope of these Bylaws or the intent of any provision hereof.

11.4 Conflicts in Documents. In the event of any conflict between the provisions of the Master Governing Documents and the Governing Documents or Rules, the Master Governing Documents shall control. As among the Declaration, these Bylaws and the Rules, the Declaration shall control. The Bylaws shall control as against the Rules. Any conflict between the Master Rules and the Rules shall be resolved in favor of the more restrictive rule.

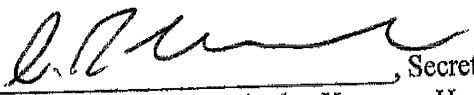
11.5 Waiver. No restriction, condition, obligation or provision contained in these Bylaws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur.

11.6 No Corporate Seal. The Association shall have no corporate seal.

11.7 Fiscal Year. The fiscal year of the Association shall be as determined by the Board.

The undersigned certifies that these were Bylaws were adopted by the first Board of Heritage Greens Paired Homes Homeowners' Association, Inc., a Wisconsin nonprofit corporation, effective as of the date hereof.

Dated: Nov 30, 2006


_____, Secretary
Heritage Greens Paired Homes Homeowners'
Association, Inc.

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KATHLEEN H. WALSH
REGISTER OF DEEDS
ST. CROIX CO., WI

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DECLARATION
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HERITAGE GREENS PAIRED HOMES	

HERITAGE GREENS PAIRED HOMES

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DECLARATION

HERITAGE GREENS PAIRED HOMES

This Declaration of Heritage Greens Paired Homes (the "Declaration") is made in the County of St. Croix, State of Wisconsin, on this 14th day of August, 2006, by BrightKEYS Homes of Heritage Greens, LLC, a Minnesota limited liability company (the "Declarant") for the purpose of establishing Heritage Greens Paired Homes as a single-family residential housing community.

WHEREAS, Declarant is the owner of certain real property located in St. Croix County, Wisconsin, legally described in Exhibit A attached hereto, and Declarant desires to submit said real property and all improvements thereon (collectively the "Property") to this Declaration; and

WHEREAS, Developer or its assigns has the option to add the real property legally described on Exhibit C attached hereto (the "Additional Real Estate") to the Property; and

WHEREAS, Declarant desires to establish on the Property, and any Additional Real Estate added thereto, a plan for a permanent residential community to be owned, occupied and operated for the use, health, safety and welfare of its resident Owners and Occupants, and for the purpose of preserving the value, the quality and the character of the Property; and

WHEREAS, the Heritage Greens Paired Homes Homeowners' Association, Inc., a Wisconsin nonprofit, nonstock corporation (hereinafter referred to as the "Association"), has been formed to attend to and effectuate policies and programs that will enhance the pleasure and value of Heritage Greens Paired Homes, to hold title to, maintain and administer the Common Elements, to preserve and enhance the Property, to administer and enforce the covenants and restrictions, and to collect and disburse the assessments and charges hereinafter created; and

WHEREAS, the Property and the Association are subject to the Master Governing Documents of Heritage Greens of Hudson and to the jurisdiction of Heritage Greens of Hudson Community Association, Inc., a master association; and

WHEREAS, it is intended that the Master Association shall exercise certain powers on behalf of the Association, as described in the Master Declaration.

THEREFORE, Declarant subjects the Property to this Declaration under the name "Heritage Greens Paired Homes," consisting of the Units referred to in Section 2, declaring that this Declaration shall constitute covenants to run with the Property, and that the Property, and all Additional Real Estate added thereto, shall be owned, used, occupied and conveyed subject to the covenants, restrictions, easements, charges and liens set forth herein, all of which shall be binding upon all Persons owning or acquiring any right, title or interest therein, and their heirs, personal representatives, successors and assigns.

**SECTION 1
DEFINITIONS**

The following words when used in the Governing Documents shall have the following meanings (unless the context indicates otherwise):

- 1.1 "Additional Real Estate" means the real property described in Exhibit C attached hereto, and all improvements located thereon, now or in the future, which Additional Real Estate the Developer has the unilateral right to add to the Property.
- 1.2 "Alleyways" means the areas within the Common Elements that are paved or intended to be paved or otherwise surfaced, now or in the future, for use as private shared access roadways providing vehicular ingress, egress and maneuvering between a public street and Unit driveways for the benefit of the Owners and Occupants of the Units served thereby. Each Alleyway shall be a Common Element for the benefit of all of the Units.
- 1.3 "Architectural Review Committee" or "A.R.C." means the committee of the Master Association which makes determinations concerning certain architectural standards for the Property as provided in Section 8 of the Master Declaration.
- 1.4 "Assessments" means and refers to all assessments levied by the Association pursuant to Section 6 of this Declaration.
- 1.5 "Association" means the Heritage Greens Paired Homes Homeowners' Association, Inc., a nonprofit, nonstock corporation formed pursuant to Wisconsin Statutes Chapter 181 and its successors and assigns.
- 1.6 "Board" means the Board of Directors of the Association as provided for in the Bylaws.
- 1.7 "Building" means any single structure containing one or more Dwellings.
- 1.8 "Bylaws" means the Bylaws governing the operation of the Association, as amended from time to time.
- 1.9 "City" means the City of Hudson, Wisconsin.
- 1.10 "Common Elements" means all parts of the Property except the Units, including all improvements thereon. The Common Elements are legally described in Exhibit B attached hereto.
- 1.11 "Common Expenses" means all expenditures made or liabilities incurred by or on behalf of the Association and incident to its operation, including Master Assessments and items otherwise identified as Common Expenses in the Declaration or Bylaws.

- 1.12 "Declarant Control Period" means the time period during which Declarant has the exclusive right to appoint the members of the Board, as described in Section 17.
- 1.13 "Dwelling" means a Building or a part of a Building consisting of one or more floors, designed and intended for occupancy as a single family residence, and located within the boundaries of a Unit. The Dwelling includes any garage attached thereto or otherwise included within the boundaries of the Unit in which the Dwelling is located.
- 1.14 "Eligible Mortgagee" means any Person owning a mortgage on any Unit, which mortgage is first in priority upon foreclosure to all other mortgages that encumber such Unit, and which has requested the Association, in writing, to notify it regarding any proposed action which requires approval by a specified percentage of Eligible Mortgagees.
- 1.15 "Governing Documents" means this Declaration, and the Articles of Incorporation and Bylaws of the Association, as amended from time to time, all of which shall govern the use and operation of the Property.
- 1.16 "Limited Common Elements" means a portion of the Common Elements allocated by the Declaration for the exclusive use of one or more but fewer than all of the Units.
- 1.17 "Master Assessments" means Master Assessments levied under Section 6 of the Master Declaration.
- 1.18 "Master Association" means Heritage Greens of Hudson Community Association, Inc., a nonprofit, nonstock corporation created pursuant to Wisconsin Statutes Chapter 181 and its successors and assigns.
- 1.19 "Master Board or Master Board of Directors" means the Board of Directors of the Master Association, which is the governing body of the Master Association.
- 1.20 "Master Declaration" means the Heritage Greens of Hudson Master Declaration of Covenants, Conditions, Restrictions and Easements, and all exhibits thereto, as amended from time to time, recorded in the office of the St. Croix County Recorder.
- 1.21 "Master Governing Documents" means the Master Declaration, and the Articles of Incorporation and Bylaws of the Master Association, as amended from time to time, all of which shall govern the use and operation of the Property.
- 1.22 "Master Rules" means the Rules of the Master Association, as approved from time to time by the Master Board.
- 1.23 "Member" means all Persons who are members of the Association by virtue of being Owners as defined in this Declaration. The words "Owner" and "Member" may be used interchangeably in the Governing Documents.

- 1.24 "Occupant" means any Person or Persons, other than an Owner, in possession of or residing in a Unit.
- 1.25 "Owner" means a Person who owns a Unit, but excluding land contract vendors, mortgagees, holders of reversionary or remainder interests and other secured parties. The term "Owner" includes, without limitation, land contract vendees and holders of a life estate.
- 1.26 "Person" means a natural individual, corporation, limited liability company, partnership, trustee, or other legal entity capable of holding title to real property.
- 1.27 "Plat" means the recorded plat depicting the Property and satisfying the requirements of Wisconsin Statutes Chapter 236, as applicable, including any amended or supplemental Plat recorded from time to time.
- 1.28 "Property" means all of the real property subjected to this Declaration, now or in the future, including the Dwellings and all other structures and improvements located thereon. The Property is legally described in Exhibit A attached hereto.
- 1.29 "Rules and Regulations" means the Rules and Regulations of the Association as approved from time to time pursuant to Section 5.7.
- 1.30 "Unit" means any platted lot subject to this Declaration upon which a Dwelling is located or intended to be located, as described in Section 2.1 and shown on the Plat, including all improvements thereon, but excluding the Common Elements.

Any term defined in the Master Declaration, and not in this Section, shall have the meaning set forth in the Master Declaration. References to section numbers shall refer to sections in this Declaration unless otherwise indicated. References to the singular may refer to the plural, and conversely, depending upon context.

SECTION 2 DESCRIPTION OF UNITS AND BOUNDARIES

2.1 Units. There are eighteen (18) Units. All Units are restricted exclusively to residential use. Each Unit constitutes a separate parcel of real estate. No additional Units may be created by the subdivision or conversion of Units. The Unit identifiers and locations of the Units are as shown on the Plat, which is incorporated herein by reference. The Unit identifier for a Unit is its lot number and the subdivision name.

2.2 Annexation of Additional Real Estate. The Developer may, but is not obligated to, subject all or any part of the Additional Real Estate described in Exhibit C to this Declaration as part of the Property; provided the Master Developer subjects the same Additional Real Estate to the Master Declaration. This right shall be exercised by the Developer in accordance with the provisions of Section 18 of this Declaration. Any property so annexed may be designated as Common Elements or Units.

2.3 Unit Boundaries. The front, rear and side boundaries of each Unit shall be the boundary lines of the platted lot upon which the Dwelling is located or intended to be located, as

shown on the Plat. The Units shall have no upper or lower boundaries. Subject to this Section 2 and Section 3.2, all spaces, walls, and other improvements within the boundaries of a Unit are a part of the Unit.

2.4 Appurtenant Easements. The Units shall be subject to and benefited by the easements described in Section 13.

SECTION 3 COMMON ELEMENTS, LIMITED COMMON ELEMENTS AND OTHER PROPERTY

3.1 Common Elements. The Common Elements and their characteristics are as follows:

3.1.1 All of the Property not included within the Units constitutes Common Elements. The Common Elements include, but are not limited to, all areas and items listed in this Section 3, and those parts of the Property described in Exhibit B attached hereto. The Common Elements are owned by the Association for the benefit of the Owners and Occupants.

3.1.2 The Common Elements shall be subject to (i) certain easements as described in this Declaration, the Master Governing Documents and any other easements recorded against the Common Elements; (ii) the rights of Owners and Occupants in Limited Common Elements allocated to their respective Units; and (iii) the right of the Master Association to establish Master Rules and the right of the Association to establish reasonable Rules and Regulations governing the use of the Property.

3.1.3 Except as otherwise expressly provided in the Governing Documents or the Master Governing Documents, all maintenance, repair, replacement, management and operation of the Common Elements shall be the responsibility of the Association.

3.1.4 Common Expenses for the maintenance, repair, replacement, management and operation of the Common Elements shall be assessed and collected from the Owners in accordance with Section 6.

3.2 Limited Common Elements. The Limited Common Elements are those parts of the Common Elements reserved for the exclusive use of the Owners and Occupants of the Units to which they are allocated. The rights to the use and enjoyment of the Limited Common Elements are automatically conveyed with the conveyance of such Units. The Limited Common Elements are described and allocated to the Units, as follows:

3.2.1 Chutes, flues, ducts, pipes, wires, conduit or other utility installations, bearing walls, bearing columns, or any other components or fixtures lying wholly or partially outside the Unit boundaries, and serving only that Unit or Units, are allocated to the Unit or Units they serve. Any portion of such installations serving or affecting the function of all Units or any portion of the Common Elements is a part of the Common Elements, but is not a Limited Common Element.

3.2.2 Improvements, if any, such as decks, patios, porches, driveways, walkways, balconies, shutters, awnings, window boxes, doorsteps, stoops, chimneys, constructed as part of the original construction to serve a single Unit or Units, and replacements and modifications thereof authorized pursuant to Section 8, and located wholly or partially outside the Unit boundaries, are allocated exclusively to the Unit or Units which they serve.

3.2.3 Heating, ventilating or air conditioning equipment serving only a certain Unit or Units, and located wholly or partially outside the Unit boundaries, are allocated to the Unit or Units served by such equipment.

3.3 Annexation of Other Property. Other real property may be annexed as a part of the Property as Units or Common Elements, or any combination thereof, and subjected to this Declaration, in accordance with procedures and requirements for amendments to this Declaration set forth in Section 15.

SECTION 4 ASSOCIATION MEMBERSHIP: RIGHTS AND OBLIGATIONS

Membership in the Association, and the allocation to each Unit of a portion of the votes in the Association and a portion of the Common Expenses of the Association, shall be governed by the following provisions:

4.1 Membership. Each Owner shall be a Member solely by reason of owning a Unit, and the membership shall be transferred with the conveyance of the Owner's interest in the Unit. An Owner's membership shall terminate when the Owner's ownership terminates. When more than one Person is an Owner of a Unit, all such Persons shall be Members, but multiple ownership of a Unit shall not increase the voting rights allocated to such Unit nor authorize the division of the voting rights.

4.2 Voting and Common Expenses. Voting rights and Common Expense obligations are allocated equally among the Units, subject to Sections 6.4 and 6.7. Said rights and obligations shall be automatically reallocated on the same basis among all Units as and if additional Units are added to the Property.

4.3 Appurtenant Rights and Obligations. The ownership of a Unit shall include the voting rights and Common Expense obligations described in Section 4.2. Said rights and obligations, and the title to the Units, shall not be separated or conveyed separately, and any conveyance, encumbrance, judicial sale or other transfer of any allocated interest in a Unit, separate from the title to the Unit shall be void. The allocation of the rights and obligations described in this Section may not be changed, except in accordance with the Governing Documents.

4.4 Authority to Vote. The Owner, or some natural person designated to act as proxy on behalf of the Owner, and who need not be an Owner, may cast the vote allocated to such Unit at meetings of the Association. However, if there are multiple Owners of a Unit, only the Owner or other person designated pursuant to the provisions of the Bylaws may cast such vote. The voting rights of Owners are more fully described in Section 3 of the Bylaws.

4.5 Membership in Master Association. The Association is a member of the Master Association, as described in the Master Governing Documents. Membership in the Master Association is governed by the following qualifications:

4.5.1 The Association is a member of the Master Association subject to the qualifications set forth in this Section 4.5. The Association's membership terminates when the Association is no longer subject to the Master Governing Documents.

4.5.2 The Property and any real property annexed thereto pursuant to Section 3.3 constitutes all or part of a Neighborhood as defined in the Master Declaration.

4.5.3 The Association, by its Board of Directors, is entitled to appoint one member of the Board to also serve as a member of the Master Board as provided in the Master Bylaws.

4.5.4 Rights with respect to the Association's membership in the Master Association are exercised by the Board, and the member of the Master Board appointed by the Board, on behalf of the Owners.

4.5.5 Except as expressly provided in the Master Declaration, the Association's membership in the Master Association is appurtenant to and may not be separated from the Association, and is automatically transferred to any successor entity.

4.5.6 No Person holding a security interest in any part of the Property is a member of the Master Association solely by reason of such interest.

4.6 Representation on Master Board. The Association shall be represented on the Master Board as provided in the Bylaws and the Master Governing Documents.

SECTION 5 ADMINISTRATION

The administration and operation of the Association and the Property, including but not limited to the acts required of the Association, shall be governed by the following provisions:

5.1 General. The operation and administration of the Association and the Property shall be governed by the Master Governing Documents, the Master Rules, the Governing Documents and the Rules and Regulations. The Association shall, subject to the rights of the Master Association set forth in the Master Governing Documents and the rights of the Owners set forth in the Governing Documents, be responsible for the operation, management and control of the Property. The Association shall have all powers described in the Master Governing Documents, the Governing Documents and the statute under which the Association is incorporated. All power and authority of the Association shall be vested in the Board, unless action or approval by the individual Owners is specifically required by the Governing Documents. All references to the Association shall mean the Association acting through the Board, unless specifically stated to the contrary.

5.2 Delegation of Powers to Master Association. The following powers and authority are hereby granted and/or delegated to and shall be exercised by the Master Association unless

relinquished by the Master Association to the Association in accordance with Section 8.1 of the Master Bylaws:

5.2.1 To own, manage, operate, maintain and control the Master Common Elements.

5.2.2 To establish and enforce Master Rules.

5.2.3 To establish and enforce architectural guidelines to preserve and enhance the architectural and environmental character of the Property.

5.2.4 To regulate, approve, disapprove or approve with conditions any construction, installation or alteration of Units visible from the exterior of a Building or Dwelling.

5.2.5 To establish from time to time and enforce reasonable rules and restrictions to facilitate the various residential uses of the Property, to avoid unwanted nuisances and disturbances, and to protect the physical environment and architectural characteristics of the Property and immediately adjacent landscaped areas.

5.2.6 To adopt budgets for revenues, expenditures and reserves and levy and collect Master Assessments from the Association and/or Owners.

5.2.7 Employ and dismiss employees and agents for the Master Association.

5.2.8 Sue on behalf of all Owners or the Association.

5.2.9 Make contracts and incur liabilities for the Master Association.

5.2.10 Cause additional improvements to be made as a part of the Master Common Elements.

5.2.11 Acquire, hold, encumber and convey any right, title or interest in or to the Master Common Elements.

5.2.12 Grant easements through or over the Master Common Elements.

The powers in subsections 5.2.5 and 5.2.8 shall not be exclusive to the Master Association but may be exercised by both the Master Association and the Association, whether independently or jointly.

The director elected to the Master Board by the Board shall act as liaisons between the Master Association and the Association, and shall cooperate to insure that decisions of the Master Board are properly communicated to the Owners and Occupants, and implemented.

5.3 Operational Purposes. Subject to Section 5.2, the Association shall operate and manage the Property for the purposes of (i) administering and enforcing the covenants, restrictions, easements, charges and liens set forth in the Governing Documents and the Rules and Regulations; (ii) maintaining, repairing and replacing those portions of the Property and

other property for which it is responsible; and (iii) preserving the value, and the architectural uniformity and character, of the Property.

5.4 Binding Effect of Actions. All agreements and determinations made by the Association in accordance with the powers and voting rights established by the Governing Documents or by the Master Association in accordance with the powers and voting rights established by the Master Governing Documents shall be binding upon all Owners and Occupants, and their lessees, guests, heirs, personal representatives, successors and assigns, and all secured parties.

5.5 Bylaws. The Association shall have Bylaws. The Bylaws shall govern the operation and administration of the Association, and shall be binding on all Owners and Occupants.

5.6 Management. The Board may delegate to a manager or managing agent the management duties imposed upon the Association's officers and directors by the Governing Documents. However, such delegation shall not relieve the officers and directors of the ultimate responsibility for the performance of their duties as prescribed by the Governing Documents and by law.

5.7 Rules and Regulations. The Board shall have exclusive authority to approve and implement such reasonable Rules and Regulations as it deems necessary from time to time for the purpose of operating and administering the affairs of the Association and regulating the use of the Property; provided, that the Rules and Regulations shall not be inconsistent with the Governing Documents, the Master Governing Documents or the Master Rules. The inclusion in other parts of the Governing Documents of authority to approve Rules and Regulations shall be deemed to be in furtherance, and not in limitation, of the authority granted by this Section. New or amended Rules and Regulations shall be effective only after reasonable notice thereof has been given to the Owners. In the event of any conflict between the Master Rules and the Association Rules and Regulations, the more restrictive rules shall control.

5.8 Association Assets; Surplus Funds. All funds and real or personal property acquired by the Association shall be held and used for the benefit of the Owners for the purposes stated in the Governing Documents. Surplus funds remaining after payment of or provision for Common Expenses and reserves shall be credited against future Assessments or added to reserves, as determined by the Board.

SECTION 6 ASSESSMENTS

6.1 General. Assessments shall be determined and assessed against the Units by the Board, in its discretion, subject to the requirements and procedures set forth in this Section 6, the Master Governing Documents and the Bylaws. Assessments shall include annual Assessments under Section 6.2, and may include special Assessments under Section 6.3 and limited Assessments under Section 6.4. Annual and special Assessments shall be allocated among the Units in accordance with the allocation formula set forth in Section 4.2; provided, that the Board may allocate a reduced share of an annual or special assessment against those Units which are unimproved or unoccupied to reflect reduced services received from the Association or Master Association. Limited Assessments under Section 6.4 shall be allocated to Units as set forth in

that Section. Master Assessments shall be levied against the Units by the Association as a part of the Association's annual Assessments, or as a special Assessment, as applicable.

6.2 Annual Assessments. Annual Assessments shall be established and levied by the Board, subject to the limitations set forth hereafter. Each annual Assessment shall cover all of the anticipated Common Expenses of the Association, including but not limited to costs of maintenance, repair or replacement of the Alleyways and the Association's share of Master Assessments and Neighborhood Assessments for that year, which are to be shared by all Units in accordance with the allocation set forth in Section 4.2. Annual Assessments shall be payable in equal monthly or quarterly installments, as established by the Board. Annual Assessments shall provide, among other things, for an adequate reserve fund for the maintenance, repair and replacement of the Common Elements and those parts of the Units for which the Association is responsible.

6.3 Special Assessments. In addition to annual Assessments, and subject to the limitations set forth hereafter, the Board may levy in any Assessment year a special Assessment against all Units in accordance with the allocation formula set forth in Section 4.2, and for the purposes described in this Declaration and in the Master Declaration. Among other things, special Assessments shall be used for the purpose of defraying in whole or in part the cost of any unforeseen and unbudgeted Common Expense. Any Master Special Assessment or Neighborhood Assessment shall be levied by the Association against the Units promptly following the levy by the Master Association against the Association.

6.4 Limited Assessments. In addition to annual Assessments and special Assessments, the Board has the authority to levy and allocate limited Assessments among only certain Units in accordance with the following requirements and procedures:

6.4.1 Any Common Expense associated with the maintenance, repair or replacement of a Limited Common Element shall be assessed exclusively against the Unit or Units to which that Limited Common Element is allocated.

6.4.2 Any Common Expense benefiting fewer than all of the Units may, at the Board's discretion, be assessed exclusively against the Unit or Units benefited; provided, that the cost of maintenance, repair or replacement of Limited Common Elements shall be assessed as provided in Section 6.4.1.

6.4.3 The costs of insurance may be assessed equally, in proportion to the square footage, value or actual cost per Unit, and the costs of common utilities may be assessed in proportion to usage or such other reasonable allocation as may be approved by the Board.

6.4.4 Reasonable attorneys' fees and other professional fees and costs incurred by the Association or the Master Association in connection with (i) the collection of Assessments, and (ii) the enforcement of the Governing Documents, the Master Governing Documents, the Master Rules, or the Rules and Regulations, against an Owner or Occupant or their guests, may be assessed against the Owner's Unit.

6.4.5 Late charges, fines and interest may be assessed as provided in Section 14.

6.4.6 Assessments levied to pay a judgment against the Association may be levied only against the Units existing at the time the judgment was entered, in proportion to their Common Expense liabilities.

6.4.7 If any damage to the Common Elements or another Unit is caused by the act or omission of any Owner or Occupant, or their guests, the Association may assess the costs of repairing the damage exclusively against the Owner's Unit to the extent not covered by insurance.

6.4.8 If Common Expense liabilities are reallocated for any purpose authorized by this Declaration, Assessments and any installment thereof not yet due shall be recalculated in accordance with the reallocated Common Expense liabilities.

Assessments levied under Sections 6.4.1 through 6.4.7 may, at the Board's discretion, be assessed as a part of, or in addition to, other Assessments levied under Section 6.1 or 6.2.

6.5 Working Capital Fund. The Declarant may establish a working capital fund to meet unforeseen expenditures or to purchase additional equipment or services during the Association's beginning years of operation. The Board may include in each subsequent annual budget a reasonable amount of working capital, based upon the anticipated needs of the Association for the year in question. If established, there shall be contributed by each purchaser of a Unit, on a one-time basis upon the initial purchase of each Unit from Declarant, an amount equal to two months installments of the estimated annual Assessment, including the Association's portion of the Master Annual Assessment, for the Unit, and (i) the contributions to this fund are in addition to the regular installments of annual Assessments; (ii) the portion of the funds representing the Unit's share of two months' installments of Master Annual Assessments shall be deposited into a segregated Master Association account; and (iii) the remaining funds shall be deposited into a segregated Association account no later than the termination of the Declarant Control Period. Funds deposited in said account shall not be used to defray any of Declarant's expenses, reserve contributions or construction costs, nor to make up any budget deficits during the Declarant Control Period. However, upon the closing of the initial sale of a Unit, Declarant may reimburse itself from funds collected from the purchaser at the closing for any prior contributions made by Declarant to the working capital fund with respect to that Unit.

6.6 Liability of Owners for Assessments. Subject to Section 6.7, the obligation of an Owner to pay Assessments shall commence at the later of (i) the time at which the Owner acquires title to the Unit, or (ii) the due date of the first Assessment levied by the Board. The Owner at the time an Assessment is payable with respect to the Unit shall be personally liable for the share of the Common Expenses assessed against such Unit. Such liability shall be joint and several where there are multiple Owners of the Unit. Subject to Section 6.7, the liability is absolute and unconditional and no Owner is exempt from liability for payment of Assessments by right of set-off, by waiver of use or enjoyment of any part of the Property, by absence from or abandonment of the Unit, by the waiver of any other rights, or by reason of any claim against the Association or its officers, directors or agents, or for their failure to fulfill any duties under the Governing Documents.

6.7 Declarant Exemption. The Declarant and the Master Developer, and any Unit owned by either of them, are exempt from Assessments and Assessment liens until a certificate

of occupancy (or similar approval) has been issued by the City with respect to a Dwelling located in such Unit.

6.8 Assessment Lien. The Association has a lien on a Unit for any Assessment levied against that Unit from the time the Assessment becomes due. If an Assessment is payable in installments, the full amount of the Assessment is a lien from the time the first installment thereof becomes due. Fees, charges, late charges, fines and interest charges imposed by the Association pursuant to this Declaration are liens, and are enforceable as Assessments, under this Section 6. Recording of the Declaration constitutes record notice and perfection of any lien under this Section 6, and no further recordation of any notice of or claim for the lien is required. The release of the lien shall not release the Owner from personal liability unless agreed to in writing by the Association.

6.9 Foreclosure of Lien; Remedies. A lien for Assessments may be enforced and foreclosed by the Association or any other person specified in the Bylaws, in the same manner, and subject to the same requirements, as a foreclosure of mortgages on real property in the State of Wisconsin. The Association may recover costs and actual attorneys' fees. The Association, or its authorized representative, shall have the power to bid in at the foreclosure sale and to acquire, hold, lease, mortgage and convey any Unit so acquired. The Owner and any other Person claiming an interest in the Unit, by the acceptance or assertion of any interest in the Unit, grants to the Association a power of sale and full authority to accomplish the foreclosure. The Association shall, in addition to its other remedies, have the right to pursue any other remedy at law or in equity against the Owner who fails to pay any Assessment or charge against the Unit. Suit for any deficiency following foreclosure may be maintained in the same proceeding.

6.10 Lien Priority; Foreclosure. A lien for Assessments is prior to all other liens and encumbrances on a Unit except (i) liens for general and special taxes; (ii) all sums unpaid on a first mortgage against the Unit recorded prior to the making of the Assessment; (iii) liens and encumbrances recorded before the Declaration; and (iv) mechanic's liens filed prior to the making of the Assessment.

6.11 Taxes. Taxes and other charges and fees which would normally be levied against the Common Elements by governmental authorities, shall be allocated equally among and levied against the Units, and shall be a lien against each Unit in the same manner as a lien for taxes levied against the Unit alone.

6.12 Voluntary Conveyances; Statement of Assessments. In a voluntary conveyance of a Unit, the buyer shall not be personally liable for any unpaid Assessments and other charges made by the Association against the seller or the seller's Unit prior to the time of conveyance to the buyer, unless expressly assumed by the buyer. However, the lien of such Assessment if a statement of lien is filed within two years after the date the Assessment becomes due, shall remain against the Unit until released. Any seller or buyer shall be entitled to a statement from the Association setting forth the amount of the unpaid Assessments against the Unit, including all Assessments payable in the Association's current fiscal year, which statement shall be binding on the Association, seller and buyer.

SECTION 7
RESTRICTIONS ON USE OF PROPERTY

All Owners and Occupants, and all secured parties, by their acceptance or assertion of an interest in the Property, or by their occupancy of a Unit, covenant and agree that, in addition to any other restrictions which may be imposed by the Master Governing Documents or the Governing Documents, the occupancy, use, operation, alienation and conveyance of the Property shall be subject to the following restrictions:

7.1 General. The Property shall be owned, conveyed, encumbered, leased, used and occupied subject to the Master Governing Documents and the Governing Documents, as amended from time to time. All covenants, restrictions and obligations set forth in the Master Governing Documents and the Governing Documents are in furtherance of a plan for the Property, and shall run with the Property and be a burden and benefit to all Owners and Occupants and to any other Person acquiring or owning an interest in the Property, their heirs, personal representatives, successors and assigns.

7.2 Subdivision Prohibited. No Unit nor any part of the Common Elements may be subdivided or partitioned without the prior written approval of the Architectural Review Committee, the Board, any governmental authorities having jurisdiction over the Property, the Owners of any Units affected, and any secured parties holding first mortgages on any Units affected.

7.3 Residential Use. The Units shall be used by Owners and Occupants and their guests exclusively as private, single family residential dwellings, and not for transient, hotel, commercial, business or other non-residential purposes, except as provided in Section 7.4. Any lease of a Unit (except for occupancy by guests with the consent of the Owner) for a period of less than thirty days, or any occupancy which includes services customarily furnished to hotel guests, shall be presumed to be for transient purposes.

7.4 Business Use Restricted. No business, trade, occupation or profession of any kind, whether carried on for profit or otherwise, shall be conducted, maintained or permitted in any Unit or the Common Elements, except:

7.4.1 An Owner or Occupant may maintain a home occupation in such Owner or Occupant's Dwelling; provided, that such use (i) is incidental to the residential use; (ii) does not involve physical alteration of the Dwelling or Unit visible from the exterior; (iii) is in compliance with all governmental laws, ordinances and regulations; (iv) does not involve observable business activity such as signs, advertising displays, unusual numbers of deliveries, or unusual levels of pedestrian or vehicular traffic to and from the Unit; (v) does not involve employees; and (vi) does not otherwise involve activity which disturbs the quiet enjoyment of the Property by other Owners or Occupants.

7.4.2 The Association may maintain offices on the Property for management and related purposes.

7.4.3 Declarant, or a builder authorized by Declarant, may maintain offices, sales facilities and other business facilities on the Property in connection with the exercise of its declarant rights.

7.5 Leasing. Leasing of Units shall be allowed, subject to reasonable regulation by the Association, and subject to the following conditions: (i) no Unit shall be leased for transient or hotel purposes; (ii) no Unit may be subleased; (iii) a Dwelling must be leased in its entirety (not by room) unless simultaneously occupied by the Owner; (iv) the lease shall be in writing; (v) the lease shall provide that it is subject to the Master Governing Documents, the Governing Documents, the Master Rules and the Rules and Regulations, and that any failure of the lessee to comply with the terms of such documents shall be a default under the lease; and (vi) if required by the Board the prior written approval of the Board, which approval should not be unreasonably withheld. Each Owner shall register with the Secretary of the Association, if the Owner's Unit is not occupied by the Owner as the Owner's principal or secondary residence, (i) the name and address of each Occupant of the Unit; (ii) the address of the Unit; and (iii) the scheduled dates of commencement and expiration of occupancy of the Unit by the Occupant. Each Owner shall have a continuing obligation to advise the Association in writing of any changes in the foregoing information. The Association may impose such reasonable Rules and Regulations as may be necessary to implement procedures for the leasing of Units, consistent with this Section.

7.6 Storage and Parking. Personal property may not be stored, displayed or otherwise left outside the Dwelling, except as authorized by the Board. The Alleyways, walkways, driveways and portions of the Common Elements used for access to and from the Units, may not be obstructed, or used for parking, storage, activities or any purpose other than access and authorized parking. Garages and parking areas on the Property shall be used only for parking of vehicles owned or leased by Owners and Occupants and their guests, and such other incidental uses as may be authorized by this Declaration or in writing by the Board. Notwithstanding the foregoing, no boats, snowmobiles, trailers, camping vehicles, buses, camper tops, "all-terrain vehicles", tractors/trailers, trucks in excess of 9,000 pounds gross weight, or unlicensed or inoperable vehicles shall at any time be stored or parked on any Unit outside of a garage or on any part of the Common Elements, and no vehicle may be parked outside a garage for more than 48 consecutive hours, without the express written consent of the Board, which may be withheld without stated reason. The use of garages and driveways shall be subject to further Rules and Regulations adopted by the Board from time to time.

7.7 Alleyways. Use of the Alleyways located in the Property shall be limited to vehicular and pedestrian ingress and egress and vehicular maneuvering. Parking in the Alleyways is prohibited and the Association is authorized to remove illegally parked or stored vehicles and personal property from the Alleyways. Any use by any Person of the Alleyway that impairs the use of the Alleyway by other permitted users is prohibited. The Association shall have exclusive authority to control, operate and administer the Alleyways and may establish such reasonable Rules and Regulations governing the use of the Alleyways as it deems necessary from time to time.

7.8 Pets. Only dogs, cats, small birds and fish, and other animals generally recognized as domestic household pets (collectively referred to as "pets") may be kept on the Property, subject to the conditions set forth in this Section.

7.8.1 Rules and Regulations may be adopted by the Association to regulate pets on the Property, including, but not limited to the size, type and number of pets allowed to be kept in a Dwelling.

7.8.2 Pets shall be kept solely as domestic household pets and/or as statutorily authorized "service animals" used by disabled persons, and not for any other purpose. No animal of any kind shall be raised or bred, or kept for business or commercial purposes by any Person upon any part of the Property.

7.8.3 No pet shall be allowed to make noise at a level which disturbs Owners and Occupants, nor to become a nuisance or a threat to the safety of others.

7.8.4 Pets shall be housed only within the Dwellings. No structure, fence or enclosure for the care, housing or confinement of any pet shall be constructed or maintained on any part of the Property, except as approved pursuant to Section 8.

7.8.5 Pets shall be under control at all times when outside the Dwelling.

7.8.6 Owners and Occupants keeping pets within their Dwellings are responsible for the pet's behavior and for complying with municipal pet laws, ordinances and regulations. An Owner or Occupant is liable to the Master Association or the Association for the cost of repair of any damage to the Master Common Elements or the Property, or the expenses associated with any personal injury, caused by an animal kept within that Owner or Occupant's Unit.

7.9 Quiet Enjoyment; Interference Prohibited. All Owners and Occupants and their guests shall have a right of quiet enjoyment in their respective Units. The Property shall be occupied and used in such a manner as will not cause a nuisance, nor unduly restrict, interfere with or impede the use and quiet enjoyment of the Property by other Owners and Occupants and their guests.

7.10 Compliance with Law. No use shall be made of the Property which would violate any then existing municipal codes or ordinances, or state or federal laws, nor shall any act or use be permitted which could cause waste to the Property, cause a material increase in insurance rates on the Property, or otherwise cause any unusual liability, health or safety risk, or expense, for the Association or any Owner or Occupant.

7.11 Alterations. Except for those made by Declarant in consideration of its initial sale of a Unit, no alterations (as defined in Section 8) shall be made, or caused or allowed to be made, in any part of the Common Elements, or in any part of the Unit which affects the Common Elements or another Unit or which is visible from the exterior of the Dwelling, without the prior written authorization of the Architectural Review Committee as provided in Section 8 of this Declaration and Section 8 of the Master Declaration.

7.12 Time Shares Prohibited. The time share form of ownership, or any comparable form of lease, occupancy rights, ownership, or right-to-use plans, which has the effect of dividing the ownership or occupancy of a Unit into separate time periods, is prohibited.

7.13 Access to Units. In case of emergency, the Units are subject to entry, without notice and at any time, by an officer or member of the Board or the Master Board, by the Association's management agents or by any public safety personnel. Entry is also authorized for maintenance purposes under Sections 9 and 13, and for enforcement purposes under Section 14.

7.14 Ponds, Marshes and Wetlands. Ponds, marshes and wetland areas, if any, and whether natural or otherwise, shall be maintained in substantially the same condition as originally established or constructed by the Declarant, subject only to (i) changes authorized by the Master Association consistent with all statutes, requirements, rules and regulations imposed on such areas and items by governmental authorities having jurisdiction, and (ii) the prior approval of any such governmental authorities, if required. No cutting, mowing, trimming, draining, dredging or other alteration of such areas and items shall be permitted, except as authorized by this Section 7.14, it being the intention that such areas and items remain and be maintained in a substantially natural condition, and subject to natural changes.

SECTION 8 ARCHITECTURAL STANDARDS

One of the purposes of this Declaration and the Master Declaration is to ensure that the Units and exteriors of the Dwellings located thereon be kept architecturally attractive in appearance. Therefore, except as expressly provided in Section 8 of the Master Declaration, no structure, building, addition, deck, patio, fence, wall, enclosure, window, exterior door, antenna or other type of sending or receiving apparatus, sign, display, decoration, color change, shrubbery, material topographical or landscaping change, nor any other exterior improvements to or alteration of any Dwelling or any other part of the Unit which affects the Common Elements or another Unit, or which is visible from the exterior of the Dwelling (collectively referred to as "alterations"), shall be commenced, erected, installed or maintained, unless and until the plans and specifications showing the type, dimensions, color, materials and location of the alterations have been approved in writing (i) by the A.R.C. established by Section 8 of the Master Declaration, or (ii) by the Board if the A.R.C. delegates its architectural review functions for the Property to the Association. Applications for approval of alterations shall be submitted to the A.R.C. or the Board, as applicable, and processed substantially in accordance with the procedures and standards as established by or referenced in Section 8 of the Master Declaration. Notwithstanding any delegation of architectural review functions for the Property to the Association, the A.R.C. shall have the overriding power to enforce the procedures and standards established by Section 8 of the Master Declaration if the A.R.C. determines the Association has or is failing to do so. The Declarant's written consent shall also be required for alterations until each Unit contains a Dwelling for which a certificate of occupancy or other comparable certification has been issued by the City. Master Developer's written consent shall also be required until each Unit (as defined in the Master Declaration) contains or constitutes a Dwelling for which a Certificate of Occupancy or comparable certification has been issued by the City and the Master Developer no longer has the right to subject Additional Real Estate to the Master Declaration.

SECTION 9 MAINTENANCE

9.1 Maintenance by Association. The maintenance obligations of the Association are as follows:

9.1.1 The Association shall provide for all maintenance, repair and replacement of the Common Elements, including but not limited to Alleyways, ornamental lighting (including electric charges) and other improvements in the Common Elements.

9.1.2 For the purpose of preserving the architectural character, quality, and high standards for appearance of the Property, the Association shall provide for exterior maintenance upon the Dwellings and/or Units, subject to the following:

9.1.2.1 The Association shall maintain, repair and replace lawn irrigation systems and equipment, roofs, gutters, downspouts, exterior siding and other building surfaces. In addition, the Association shall provide for lawn, shrub and tree maintenance in the yard areas of the Units and shall provide for irrigation of the lawns in the yard areas of the Units.

9.1.2.2 The Association shall maintain, repair and replace garage doors and exterior entry doors (except hardware and mechanical equipment), exterior door and window frames, porches, patios, decks, chimney exteriors, driveways and sidewalks.

9.1.2.3 The Association shall maintain, repair and replace those parts of the individual Dwelling sanitary sewer connection lines and water connection lines and related equipment, located within the Property between the exterior wall of each Dwelling served and the boundary of any dedicated public right-of-way or public easement .

9.1.2.4 The Association shall provide snow removal from the paved portion of the Alleyways, driveways, sidewalks located in the Unit (but not stoops, porches, patios or decks) or Common Elements and any sidewalks located in the public street right-of-way located adjacent to the Property.

9.1.2.5 The Association shall maintain drainage areas, ponds, and storm water drains, lines and related equipment located in the Common Elements and not dedicated to the public.

9.1.2.6 The Association's obligations for maintenance shall exclude any items not specifically required to be maintained by the Association under this Section 9.1.2, including but not limited to foundations and foundation walls, Dwelling walls, floors and ceilings, structural components, interior parts of the Dwellings, door and window hardware, mechanical, electrical, heating, air conditioning and plumbing systems, private fences, screens and glass, unless such items are expressly approved under Section 9.2.

9.1.2.7 The Association shall have the easements described in Section 13 in connection with the performance of its obligations under this Section 9.

9.1.2.8 The Association is responsible to pay private fire protection charges, if any, by the City of Hudson Water Utility.

9.1.3 In the event the Association fails to perform any of its obligations set forth in Section 9.1.1, 9.1.2.3 or 9.1.2.5 above, the City may provide written notice to the Association regarding the Association's failure to perform its obligations, which notice shall specifically describe the maintenance, repair or replacement which the Association has failed to provide. If the Association fails to provide the maintenance, repair or

replacement described in the City's notice within thirty days following the Association's receipt of the City's notice, the City may, but shall not be obligated, to enter upon the Property and perform the maintenance, repair or replacement described in the City's notice. The costs and expenses incurred by the City in performing such maintenance, repair or replacement shall be deemed for the benefit of all Units constituting part of the Property, notwithstanding that said work was performed only on the Common Elements, and shall be considered a special charge pursuant to Wisconsin Statutes Section 66.0627 which may at the City's option be charged back proratably against the property tax bill of each Unit constituting a part of the Property. The City shall have no liability for property damage or personal injury that may result from its work performed pursuant to this provision, except for damage or injury caused by the negligent or intentional acts of the City, its agents, employees or contractors, subject to all defenses, immunities and liability limitations available to the City under Wisconsin law.

9.2 Optional Maintenance by Association. In addition to the maintenance described in Section 9.1, the Association may, with the approval of the Board and a majority of the total votes in the Association, undertake to provide additional exterior maintenance to the Units or Dwellings, to the extent that such maintenance is not expressly excluded by Section 9.1.2.

9.3 Maintenance by Owner. Except for the exterior maintenance required to be provided by the Association under Section 9.1.2.1 or 9.1.2.2, all maintenance of the Dwellings and Units shall be the sole responsibility and expense of the Owners thereof. Subject to Section 9.1.2.2, the Limited Common Elements allocated to a Unit shall be maintained by the Owner of that Unit. The Association may require that any exterior maintenance to be performed by the Owner be accomplished pursuant to uniform standards established by the Association. The Association may, upon fifteen days' prior notice to the Owner, also undertake any exterior maintenance which the responsible Owner fails to or improperly performs, and assess the Unit for the cost thereof. Such cost shall be a personal obligation of the Owner and a lien against the Owner's Unit. The Owners and Occupants shall have a duty to promptly notify the Association of defects in or damage to those parts of the Property which the Association is obligated to maintain. The Owner of each Unit shall be responsible for payment of water and sanitary sewer and other utility charges to the Unit.

9.4 Damage Caused by Owner. Notwithstanding any provision to the contrary in this Declaration, if, in the judgment of the Association, the need for maintenance of any part of the Property is caused by the act or omission of an Owner or Occupant, or his or her guests, or by a condition in a Unit which the Owner or Occupant has caused or allowed to exist after notice from the Association, the Association may cause such damage or condition to be repaired or corrected (and enter the yard area of upon any Unit to do so), and the cost thereof may be charged and assessed against the Unit of the Owner responsible for the damage. Such cost shall be a personal obligation of the Owner and a lien against the Owner's Unit. In the case of party walls between Dwellings, the Owners of the affected Dwellings shall be liable as provided in Section 10.

SECTION 10 PARTY WALLS

10.1 General Rules of Law to Apply. Each wall built as part of the original construction of Dwellings and located on the boundary line between Units shall constitute a party wall, and, to the extent not inconsistent with the provisions of this Section, the general rules of law regarding party walls and liability for property damage due to negligent or willful acts or omissions shall apply thereto.

10.2 Repair and Maintenance. The Owners of the Units which share the party wall shall be responsible for the maintenance, repair and replacement of party wall in equal proportions; provided, (i) that any maintenance, repair or replacement necessary due to the acts or omissions of a certain Owner or Occupant sharing such party wall shall be paid for by such Owner, and (ii) that the Association may contract for and supervise the repair of damage caused by an Owner or Occupant and assess the Owners for their respective shares of the cost to the extent not covered by insurance. Such cost shall be a personal obligation of the Owner and a lien against the Owner's Unit.

10.3 Destruction by Fire or Other Casualty. If a party wall is destroyed or damaged by fire or other casualty, any Owner who has use of the party wall may, with the consent of the Association, restore it, and the other Owner shall promptly reimburse the Owner who restored the wall for his or her share of the cost of restoration thereof; provided, however, that the cost of restoration resulting from destruction or other casualty resulting from the acts or omissions of certain Owners shall be the financial responsibility of such Owners, and the Association may assess the responsible Owners for their share of the costs, without prejudice to the right of an Owner to recover a larger contribution from the other Owner. Insurance claims shall be made promptly following any casualty.

10.4 Weatherproofing. Notwithstanding any other provision of this Section, any Owner who, by his or her negligent or willful act, causes a party wall to be exposed to the elements shall bear the whole cost of the repairs necessary for protection against such elements.

10.5 Right to Contribution Runs With Land. The right of any Owner to contribution from any other Owner under this Section shall be appurtenant to the Unit and shall pass to such Owner's assigns and successors in title.

10.6 Arbitration. In the event of any dispute arising concerning a party wall, and if the Owners of the affected Units do not resolve the dispute by a written agreement within thirty days of the event causing the dispute, the matter shall be submitted to binding arbitration under the rules of the American Arbitration Association (or under such other rules as the parties may unanimously agree), upon the written demand of the Association or any Owner whose Dwelling shares the party wall. A single arbitrator shall be used unless multiple arbitrators are agreed to by the parties. The Association shall, upon its request, be made a party to the arbitration, but cannot be compelled to be a party. Each party agrees that the decision of the arbitrators shall be final and conclusive of the questions involved. The fees of the arbitrators shall be shared equally by the parties, but each party shall pay its own attorneys' fees or other costs incurred in the arbitration.

SECTION 11 INSURANCE

11.1 Required Coverage. The Association shall obtain and maintain, at a minimum, a master policy or policies of insurance in accordance with the insurance requirements set forth herein, issued by a reputable insurance company or companies authorized to do business in the State of Wisconsin, as follows:

11.1.1 Property insurance in broad form covering risks of physical loss in an amount equal to one hundred percent of the insurable "replacement cost" of the Property, less deductibles, exclusive of land, footings, excavation and other items normally excluded from coverage (but including all building service equipment and machinery). If authorized by the Board, the policy may also exclude ceiling or wall finishing materials, floor coverings, cabinetry, finished millwork, electrical or plumbing fixtures serving a single Unit, built-in appliances, or other improvements and betterments, regardless of when installed. The policy or policies shall cover personal property owned by the Association. The policy or policies shall also contain "Inflation Guard" and "Agreed Amount" endorsements, if reasonably available. Such policy or policies shall include such additional endorsements, coverages and limits with respect to the foregoing and other hazards as may be required from time to time by the regulations of the Federal National Mortgage Association ("FNMA"), the Federal Housing Administration ("FHA") or the Secretary of Veterans Affairs ("VA"), if required by one of such agencies as a precondition to their purchase, financing, insuring or guarantee of a mortgage on a Unit. The Board may also, on behalf of the Association, enter into binding written agreements with a mortgagee, or insurer, guarantor, or servicer of a mortgage, obligating the Association to keep certain specified coverages or endorsements in effect.

11.1.2 Comprehensive public liability insurance covering the use, operation and maintenance of the Common Elements, with minimum limits of One Million Dollars per occurrence, against claims for death, bodily injury and property damage, and such other risks as are customarily covered by such policies for projects similar in construction, location and use to the Property. The policy shall contain a "severability of interest" endorsement which shall preclude the insurer from denying the claim of an Owner or Occupant because of negligent acts of the Association or other Owners or Occupants. The policy shall include additional endorsements, coverages and limits necessary to comply with the regulations of the FNMA, the FHA or VA, if required by one of such agencies as a precondition to the purchase, financing, insuring or guarantee of a mortgage on a Unit.

11.1.3 Fidelity bond or insurance coverage against dishonest acts on the part of directors, officers, managers, trustees, employees or persons responsible for handling funds belonging to or administered by the Association, if deemed to be advisable by the Board or required by the regulations of any financing-related institution as a precondition to the purchase, insuring, guarantee, or financing of a mortgage on a Unit. The fidelity bond or insurance shall name the Association as the named insured, and shall comply with the regulations of the FNMA, the FHA or VA, if required by one of such agencies as a precondition to the purchase, financing, insuring, or guarantee of a mortgage on a Unit. An appropriate endorsement to the policy to cover any persons who serve without

compensation shall be added if the policy would not otherwise cover volunteers, or a waiver of defense based upon the exclusion of persons serving without compensation shall be added.

11.1.4 Workers' Compensation insurance as applicable and required by law.

11.1.5 Directors and officers liability insurance with such reasonable limits and coverages as the Board shall determine from time to time.

11.1.6 Such other insurance as the Board may determine from time to time to be in the best interests of the Association and the Owners.

11.2 Premiums; Improvements; Deductibles. Except as provided in Section 6.4, all insurance premiums shall be assessed and paid as an annual Assessment. If improvements and betterments to the Units are covered, any increased cost may be assessed against the Units affected. The Association may, in the case of a claim for damage to a Unit or Units, (i) pay the deductible amount as a Common Expense; (ii) assess the deductible amount against the Units affected in any reasonable manner; or (iii) require the Owners of the Units affected to pay the deductible amount directly. The Association's decision as to who shall be charged with paying the deductible amount may, but need not, be based on fault.

11.3 Loss Payee; Insurance Trustee. All insurance coverage maintained by the Association shall be written in the name of, and the proceeds thereof shall be payable to, the Association (or a qualified insurance trustee selected by it) as trustee for the benefit of the Owners and secured parties, including mortgagees, which suffer loss. The Association, or any insurance trustee selected by it, shall have exclusive authority to negotiate, settle and collect upon any claims or losses under any insurance policy maintained by the Association.

11.4 Required Policy Provisions. All policies of property insurance carried by the Association shall provide that:

11.4.1 Each Owner and secured party is an insured Person under the policy with respect to liability arising out of the Owner's interest in the Common Elements or membership in the Association.

11.4.2 The insurer waives its right to subrogation under the policy against any Owner or member of the Owner's household and against the Association and members of the Board.

11.4.3 The coverage shall not be voided by or conditioned upon (i) any act or omission of an Owner or mortgagee, unless acting within the scope of authority on behalf of the Association, or (ii) any failure of the Association to comply with any warranty or condition regarding any portion of the Property over which the Association has no control.

11.4.4 If at the time of a loss under the policy there is other insurance in the name of an Owner covering the same property covered by the policy, the Association's policy is primary.

11.5 Cancellation; Notice of Loss. Property insurance and comprehensive liability insurance policies maintained by the Association shall provide that the policies shall not be canceled or substantially modified, for any reason, without at least thirty days prior written notice to the Association and to all secured parties holding first mortgages on Units.

11.6 Restoration in Lieu of Cash Settlement. All policies of property insurance maintained by the Association shall provide that, despite any provisions giving the insurer the right to elect to restore damage in lieu of a cash settlement, such option shall not be exercisable (i) without the prior written approval of the Association (or any insurance trustee), or (ii) when in conflict with provisions of any insurance trust agreement to which the Association may be a party, or any requirement of law.

11.7 Owner's Personal Insurance. Each Owner shall obtain additional personal insurance coverage (commonly known as "gap coverage" or an "HO6" policy) at his or her own expense covering fire and other casualty to the interior of the Unit, personal property and the Owner's personal liability. Insurance policies maintained by Owners are without contribution as against the insurance purchased by the Association, except as to deductible amounts or other items not covered under the Association's policies.

SECTION 12 RECONSTRUCTION, CONDEMNATION AND EMINENT DOMAIN

12.1 Reconstruction. The following provisions shall govern the obligations and procedures for the repair, reconstruction or disposition of the Property following damage or destruction thereof.

12.1.1 Any portion of the Property which is damaged or destroyed as a result of a loss covered by the Association's insurance shall be promptly repaired or replaced by the Association unless:

12.1.1.1 Repair or replacement would be illegal under any state or local health or safety statute or ordinance, or

12.1.1.2 Eighty percent of the Owners, including every Owner and every holder of a first mortgage of each Unit in a Building containing or having a Unit or allocated Limited Common Element which will not be rebuilt, vote not to rebuild.

12.1.2 The cost of repair or replacement of the Common Elements in excess of insurance proceeds and reserves shall be paid as a Common Expense. The cost of repair of a Unit in excess of the insurance proceeds from the blanket or master policy secured by the Association shall be a common expense payable from the Association's funds or assessable equally against all Units as a special Assessment, except, the cost of repair of betterments or improvements not covered by the Association's insurance shall be paid by the respective Owner.

12.1.3 Repair or replacement of the Property which is damaged or destroyed shall be accomplished as follows:

12.1.3.1 All insurance proceeds paid to the Association or insurance trustee shall be deposited in escrow with a title insurance company or other depository acceptable to the Association or insurance trustee and mortgagees of record.

12.1.3.2 Within thirty days after the insurance proceeds are deposited in accordance with subparagraph 12.1.3.1 above, the Association shall enter into a firm lump sum contract with a qualified builder providing for the reconstruction or remodeling of the Dwelling or Building, to substantially the same condition as existed immediately prior to the insured loss; provided, however, that if such contract shall be entered into by the Association for an amount in excess of the insurance proceeds then held by the title company for said Dwelling or Building, the Association and Owner or Owners shall within thirty days deposit additional funds as required to be contributed pursuant to paragraph 12.1.2 above to cover all construction and restoration costs as determined by the Association, insurance trustee, if any, and mortgagee.

12.1.3.3 Reconstruction and remodeling shall be commenced and completed with due diligence, and in no event shall said work be completed later than 180 days (weather permitting) after said insurance proceeds are deposited in escrow as aforesaid.

12.1.3.4 Section 8 of this Declaration entitled "Architectural Standards" shall apply to all said reconstruction and remodeling.

12.1.3.5 If the Owner fails to deposit funds as required in subsection 12.1.3.2 above, the Association and mortgagees of record of the Unit affected shall have the right, but not the obligation, to deposit such funds as was required to be deposited by the Owner to permit construction as herein provided, and any such deposit or payment shall be a lien upon the Unit, subordinated, however, to the interests of mortgagees of record.

12.1.3.6 Disbursement of funds on deposit pursuant to this Section 12.1.3 shall be made by a title insurance company or other agent selected by the Association and the affected mortgagees of record in accordance with standard construction disbursement procedures.

12.1.4 The following provisions shall govern the distribution of insurance proceeds where less than the entire Property is repaired or replaced.

12.1.4.1 The insurance proceeds attributable to the damaged Common Elements shall be used to restore the damaged area to substantially the same condition as prior to the damage and in a manner structurally and aesthetically compatible with the remainder of the Property.

12.1.4.2 The insurance proceeds attributable to Units and Limited Common Elements which are not rebuilt shall be distributed to the Owners of those Units, including Units to which the Limited Common Elements were allocated, and the secured parties of those Units as their interests may appear.

12.1.4.3 The remainder of the proceeds shall be distributed to all the Owners and secured parties as their interests may appear in proportion to their Common Element interests.

12.1.5 If the Owners and holders of first mortgagees vote not to rebuild a Unit pursuant to Section 12.1.1, that Unit's entire Common Element interest, vote in the Association, and the Common Expense liability shall be automatically reallocated pursuant to Section 4.2, and the Association shall promptly prepare, execute and record an amendment to this Declaration reflecting the reallocations.

12.2 Condemnation and Eminent Domain. In the event of a taking of any part of the Property by condemnation or taking under the power of eminent domain, the following provisions shall govern.

12.2.1 Notice shall be given pursuant to Section 16.10.

12.2.2 The Association shall be the attorney-in-fact to represent the Owners in any related proceedings, negotiations, settlements or agreements.

12.2.3 Any awards or proceeds shall be payable to the Association for the benefit of the Owners and the mortgagees of their Units.

12.2.4 Mortgagees shall be entitled to priority for condemnation awards as their interests may appear.

12.2.5 In the event of a taking or acquisition of all or a part of the Common Elements by a condemning authority, the award or proceeds of settlement shall be payable to the Association for the use and benefit of the Owners and their mortgagees as their interests may appear. In the event of a partial taking of the Common Elements (or conveyance in lieu thereof) the Association shall promptly cause the remaining portions of the Common Elements to be restored functionally and aesthetically to reasonably the same condition as before the taking, using so much of the proceeds of such taking for such purpose as shall be reasonably necessary. In the event of a total taking of the Common Elements (or conveyance in lieu thereof), the proceeds shall be allocated to all Owners equally, payable jointly to the respective Owners and mortgage holders thereof.

12.2.6 Every Owner is entitled to the entire award for the taking of all or part of their respective Unit or Limited Common Element and for consequential damages to their Unit.

12.2.7 Any remnant of a Unit remaining after part of a Unit is taken pursuant to condemnation or eminent domain is thereafter a Common Element.

SECTION 13 EASEMENTS

13.1 Access. Each Unit shall be the beneficiary of a nonexclusive easement for access to and from a public roadway on and across the Private Drives and such other portions of the Common Elements designated for use as roadways or walkways, as originally constructed,

shown on the Plat or otherwise designated by the Association, subject to any restrictions authorized by the Master Governing Documents, the Governing Documents or the Rules and Regulations.

13.2 Use and Enjoyment. Each Unit shall be the beneficiary of nonexclusive easements for use and enjoyment on and across the Common Elements, and for use and enjoyment of any Limited Common Elements allocated to the Unit, subject to any restrictions authorized by the Governing Documents.

13.3 Structural Support. Each Unit and the Common Elements shall be subject to and the beneficiary of nonexclusive easements for structural support in all walls, columns, joists, girders and other structural components located in or passing through or shared with another Unit or the Common Elements.

13.4 Encroachments. Each Unit and the Common Elements, and the rights of the Owners and Occupants therein, shall be subject to nonexclusive easements in favor of the adjoining Units for minor encroachments caused by the construction, reconstruction, repair, shifting, settlement or movement of any part of the Property, and for improvements which are part of the original construction of the Property or which are added in compliance with Section 8. If there is an encroachment upon another Unit or the Common Elements as a result of any of the aforementioned causes, an appurtenant easement shall exist for the encroachment, for the use, enjoyment and habitation of any encroaching improvement, and for the maintenance thereof. However, with respect to improvements or alterations added pursuant to Section 8, no easement shall exist unless the resulting encroachment is minor and the proposed improvements have been approved and constructed as required by this Declaration. Such easements shall continue for as long as the encroachment exists and shall not affect the marketability of title.

13.5 Drainage Easements. The Common Elements and the yard areas of the Units shall be subject to and benefited by nonexclusive easements for storm water drainage over those parts of the Property which are designed, improved or graded for such purposes.

13.6 Maintenance, Repair, Replacement and Reconstruction. Each Unit, and the rights of the Owners and Occupants thereof, and the Common Elements shall be subject to and benefited by nonexclusive easements in favor of the Master Association and the Association for the maintenance, repair, replacement and reconstruction of the Common Elements, the Dwellings and other improvements located within the Units, and utilities serving the Units, to the extent necessary to fulfill the Master Association or Association's obligations under the Master Governing Documents or the Governing Documents. Each Owner shall afford to the Master Association, the Association and their management agents and employees, access at reasonable times and upon reasonable notice, to and through the Unit and its Limited Common Element for maintenance, repair and replacement; provided that access may be had without notice and at any time in case of emergency.

13.7 Utilities, Services and Operating Systems. The Common Elements and the Units shall be subject to and benefited by nonexclusive easements in favor of the City, the Master Association, the Association and all utility companies and other service providers for the installation, use, maintenance, repair and replacement of all utilities, services and common operating systems, such as natural gas, electricity, telephone, cable TV, internet and other

electronic communications, water, sewer, septic systems, wells, and similar services, irrigation systems, fire control systems and other common operating systems, and metering and control devices, which exist, which are constructed as part of the development of the Property, which are approved by the City, which are approved by the Master Association under authority contained in the Master Governing Documents, which are approved by the Association under authority contained in the Governing Documents or the Act, or which are described or referred to in the Plat, the Master Declaration, this Declaration or other recorded instruments. Each Unit, and the rights of the Owners and Occupants thereof, shall also be subject to and benefited by a non-exclusive easement in favor of the other Units, the Common Elements, the Master Association and the Association for all such utilities, services and systems. Utilities and related services or systems shall be installed, used, maintained and repaired so as not to interfere with the use and quiet enjoyment of the Units by the Owners and Occupants, nor affect the structural or architectural integrity of the Dwellings or Common Element improvements.

13.8 Emergency Access to Units. In case of emergency, all Units and Limited Common Elements are subject to an easement, without notice and at any time, in favor of the Master Association and the Association for access by their management agents, and in favor of fire, police or other public safety personnel. The Board may require that an Owner or Occupant leave keys to the Unit with another Owner or Occupant of his or her choice, and advise the manager or Board of the location(s) of the keys, so as to allow access for emergencies when the Owner or Occupant is absent for extended periods.

13.9 Trails. Certain parts of the Common Elements may be subject to public trail easements as described in the Master Declaration or in other recorded easement instruments.

13.10 Project Signs. Declarant shall have the right to erect and maintain temporary and permanent signs and related monuments identifying the project on the Common Elements and on Units owned by it for so long as it owns a Unit for sale. Those parts of the Property on which permanent monument signs or related decorative improvements are located shall be subject to nonexclusive easements in favor of the Association for the continuing use, maintenance, repair and replacement of said signs and improvements.

13.11 Declarant and Master Developer's Easements. Declarant shall have and be the beneficiary of exclusive easements for the exercise of its declarant rights as described in the Governing Documents, and the Master Developer shall have easements as described in the Master Governing Documents.

13.12 Other Easements. The Property shall be subject to such other easements as may be authorized by the Master Association under authority contained in the Master Governing Documents, by the Association under authority contained in the Governing Documents or recorded against the Property by reason of the City's requirements in connection with the development of the Property.

13.13 Continuation, Scope and Conflict of Easements. The easements set forth in this Section (i) shall run with the land and shall be appurtenant to the benefited Property; (ii) shall supplement and not limit any easements described elsewhere in the Master Declaration, this Declaration, or otherwise recorded; (iii) shall be permanent, subject only to termination in accordance with the terms of the easement; and (iv) shall include reasonable access to the

easement areas over and through the Property for purposes of construction, maintenance, repair, replacement and reconstruction.

13.14 Non Interference; Impairment Prohibited. All Persons exercising easement rights shall do so in a reasonable manner so as not to materially interfere with the operation of the Property or cause damage to the Property, and shall be financially liable for all costs of repair of any part of the Property which is damaged by the Person's exercise of the easement rights. No Person shall impair, obstruct or cause damage to any easement area, or improvements or equipment installed therein. Notwithstanding anything in this Declaration to the contrary, no Owner or Occupant shall be denied reasonable access to his or her Unit or the right to utility services thereto.

13.15 Benefit of Easements. All easements benefiting a Unit shall benefit the Owners and Occupants of the Unit, and their families and guests. However, an Owner who has delegated the right to occupy the Unit to an Occupant or Occupants, whether by a lease or otherwise, does not have the use and other easements rights in the Property during such delegated occupancy, except (i) as a guest of an Owner or Occupant, or (ii) in connection with the inspection of the Unit or recovery of possession of the Unit pursuant to law.

SECTION 14 COMPLIANCE AND REMEDIES

Each Owner and Occupant, and any other Person owning or acquiring any interest in the Property, shall be governed by and comply with the provisions of the Master Governing Documents, the Governing Documents, the Master Rules, the Rules and Regulations, and such amendments thereto as may be made from time to time, and the decisions of the Master Association and the Association. A failure to comply shall entitle the Association to the relief set forth in this Section, in addition to the rights and remedies authorized elsewhere by the Master Governing Documents and the Governing Documents.

14.1 Entitlement to Relief. Legal relief may be sought by the Master Association or the Association against any Owner, or by an Owner against the Association or another Owner, to enforce compliance with the Master Governing Documents, the Master Rules, the Governing Documents, the Rules and Regulations or the decisions of the Association. However, no Owner may withhold any Assessments payable to the Association or portion thereof payable to the Master Association, nor take or omit other action in violation of the Master Governing Documents, the Master Rules, the Governing Documents or the Rules and Regulations, as a measure to enforce such Owner's position, or for any other reason.

14.2 Remedies. In addition to any other remedies or sanctions, expressed or implied, administrative or legal, the Association shall have the right, but not the obligation, to implement any one or more of the following actions against Owners and Occupants and/or their guests, who violate the provisions of the Master Governing Document, the Master Rules, the Governing Documents or the Rules and Regulations:

14.2.1 Commence legal action for damages or equitable relief in any court of competent jurisdiction.

14.2.2 Impose late charges of up to the greater of twenty dollars, or fifteen percent of the amount past due, for each past due Assessment or installment thereof, and impose interest at the highest rate permitted by law accruing beginning on the first day of the month after the Assessment or installment was due.

14.2.3 In the event of default of more than thirty days in the payment of any Assessment or installment thereof, all remaining installments of Assessments assessed against the Unit owned by the defaulting Owner may be accelerated and shall then be payable in full if all delinquent Assessments or installments thereof, together with all attorneys' fees and other professional fees, costs and late charges, are not paid in full prior to the effective date of the acceleration. Not less than ten days advance written notice of the effective date of the acceleration shall be given to the defaulting Owner.

14.2.4 Impose reasonable fines, penalties or charges for each violation of the Master Governing Documents, the Master Rules, the Governing Documents or the Rules and Regulations.

14.2.5 Suspend the rights of any Owner or Occupant and their guests to use any Common Element amenities; provided, that the suspension of use rights shall not apply to Limited Common Elements or those portions of the Common Elements providing utilities service and access to the Unit. Such suspensions shall be limited to periods of default by such Owners and Occupants in their obligations under the Governing Documents, and for up to thirty days thereafter, for each violation.

14.2.6 Restore any portions of any Master Common Elements, Common Elements, Unit, or Limited Common Elements damaged or altered, or allowed to be damaged or altered, by any Owner or Occupant or their guests in violation of the Master Governing Documents or the Governing Documents, and to assess the cost of such restoration against the responsible Owners and their Units.

14.2.7 Enter any Unit or Limited Common Element in which, or as to which, a violation or breach of the Master Governing Documents or the Governing Documents exists which materially affects, or is likely to materially affect in the near future, the health or safety of the other Owners or Occupants, or their guests, or the safety or soundness of any Dwelling or other part of the Property or the property of the Owners or Occupants, and to summarily abate and remove, at the expense of the offending Owner or Occupant, any structure, thing or condition in the Unit or Limited Common Elements which is causing the violation; provided, that any improvements which are a part of a Dwelling may be altered or removed only pursuant to a court order or with the agreement of the Owner.

14.2.8 Foreclose any lien arising under the provisions of the Governing Documents or under law.

14.3 Rights to Hearing. Before the imposition of any of the remedies authorized by Section 14.2.4, 14.2.5, 14.2.6 or 14.2.7, the Board shall, upon written request of the offender, grant to the offender an opportunity for a fair and equitable hearing. The offender shall be given notice of the nature of the violation and the right to a hearing, and at least ten days within which to request a hearing. The hearing shall be scheduled by the Board and held within thirty days of

receipt of the hearing request by the Board, and with at least ten days' prior written notice to the offender. If the offender fails to timely request a hearing or to appear at the hearing, then the right to a hearing shall be deemed waived and the Board may take such action as it deems appropriate. The decision of the Board and the rules for the conduct of hearings established by the Board shall be final and binding on all parties. The Board's decision shall be delivered in writing to the offender within ten days following the hearing, if not delivered to the offender at the hearing.

14.4 Lien for Charges, Etc. All charges, fines, expenses, penalties or interest imposed under this Section shall be a lien against the Unit of the Owner or Occupant against whom the same are imposed and the personal obligation of such Owner in the same manner and with the same priority and effect as Assessments under Section 6. The lien shall attach as of the date of imposition of the remedy, but shall not be final as to violations for which a hearing is held until the Board makes a written decision at or following the hearing. All remedies shall be cumulative, and the exercise of, or failure to exercise, any remedy shall not be deemed a waiver of the Association's right to pursue any others.

14.5 Costs and Fees. With respect to any collection measures, or any other measure or action, legal, administrative, or otherwise, which the Association takes to enforce the provisions of the Master Governing Documents, the Master Rules, the Governing Documents or Rules and Regulations, whether or not finally determined by a court or arbitrator, the Association may assess the Unit owned by the violator with any expenses incurred in connection with such enforcement, including without limitation fines or charges previously imposed by the Association, reasonable attorneys' fees and other professional fees and costs and interest (at the highest rate allowed by law) on the delinquent amounts owed to the Association. Such expenses shall also include any collection or contingency fees or costs charged to the Association by a collection agency or other Person acting on behalf of the Association in collecting any delinquent amounts owed to the Association by an Owner or Occupant. Such collection or contingency fees or costs shall be the personal obligation of the Owner and shall be a lien against the Owner's Unit.

14.6 Liability for Acts of Owners and Occupants. An Owner shall be liable for the expense of any maintenance, repair or replacement of the Property rendered necessary by such Owner's acts or omissions, or by that of Occupants or guests in the Owner's Unit, to the extent that such expense is not covered by the proceeds of insurance carried by the Association or such Owner or Occupant. However, any insurance deductible amount and/or increase in insurance rates, resulting from the Owner's acts or omissions may be assessed against the Owner responsible for the condition and against his or her Unit.

14.7 Enforcement by Owners. The provisions of this Section shall not limit or impair the independent rights of other Owners to enforce the provisions of the Governing Documents or the Rules and Regulations as provided therein.

SECTION 15 AMENDMENTS

15.1 Approval Requirements. This Declaration may be amended only by the approval of:

15.1.1 The Board.

15.1.2 Owners of Units to which are allocated at least sixty-seven percent of the total votes in the Association, except that any amendment which changes the allocation of voting rights and Common Expense obligations described in Section 4.2 of this Declaration shall require unanimous approval.

15.1.3 The percentage of Eligible Mortgagees (based upon one vote per Unit financed) required by Section 16 as to certain amendments referenced by said Section.

15.1.4 Declarant as to certain amendments as provided in Section 17.8.

15.1.5 The City as to any amendment to Sections 9.1.1, 9.1.2.3, 9.1.2.5, 9.1.3 or this Section 15.1.5.

15.1.6 The Master Board as to any amendment which affects the Association's relationship to the Master Association, the delegation of rights or powers to the Master Association or any other rights or obligations relating to the Master Association

15.2 Procedures. Approval of the Owners may be obtained in writing or at a meeting of the Association duly held in accordance with the Bylaws. Consents of Eligible Mortgagees the Master Board or Declarant, if required, shall be in writing. The amendment shall be effective when recorded in the appropriate real estate records office where this Declaration is recorded. An affidavit by the Secretary of the Association as to the outcome of the vote, or the execution of the foregoing agreements or consents, shall be adequate evidence thereof for all purposes, including without limitation, the recording of the amendment.

SECTION 16 RIGHTS OF ELIGIBLE MORTGAGEES

Notwithstanding anything to the contrary in the Governing Documents, but subject to any applicable laws, Eligible Mortgagees shall have the following rights and protections:

16.1 Consent to Certain Amendments. Subject to Declarant's rights under Section 17, the written consent of Eligible Mortgagees representing at least fifty-one percent of the Units that are subject to first mortgages held by Eligible Mortgagees (based upon one vote per Unit financed) shall be required for any amendment to the Governing Documents which causes any change in provisions including the following: (i) voting rights; (ii) increases in Assessments over twenty-five percent; (iii) Assessment liens, or priority of Assessment liens; (iv) reductions in reserves for maintenance, repair and replacement of Common Elements; (v) responsibility for maintenance and repairs; (vi) reallocation of interests in the Common Elements or Limited Common Elements, or rights to their use; (vii) redefinition of any Unit boundaries; (viii) convertibility of Units into Common Elements or vice versa; (ix) expansion or contraction of the Property or the addition, annexation or withdrawal of property to or from the Property; (x) hazard or fidelity insurance requirements; (xi) imposition of restrictions on the leasing of Units; (xii) imposition of any restrictions on an Owner's right to sell or transfer his or her Unit; (xiii) a decision by the Association (if the community involves fifty or more Units) to establish self management when professional management is in effect as required previously by the Governing Documents or an Eligible Mortgagee; (xiv) restoration or repair of the Property (after

a hazard damage or partial condemnation) in a manner other than that specified in the Governing Documents; (xv) any action to terminate the legal status of the community after substantial destruction or condemnation occurs; or (xvi) any provisions that expressly benefit Eligible Mortgagees, or insurers or guarantors of mortgages.

16.2 Consent to Certain Actions. Subject to Declarant's rights under Section 17, the written consent of Eligible Mortgagees representing at least sixty-seven percent of the Units that are subject to first mortgages held by Eligible Mortgagees (based upon one vote per Unit financed) shall be required to (i) abandon or terminate the community; (ii) change the allocations of voting rights, Common Expense obligations or interests in the Common Elements; (iii) partition or subdivide a Unit except as permitted by statute; (iv) abandon, partition, subdivide, encumber or sell any Common Elements; or (v) use hazard insurance proceeds for other than the repair, replacement or reconstruction of the Property, except as otherwise provided by law.

16.3 Consent to Subdivision. No Unit may be partitioned or subdivided without the prior written approval of the Owner and Eligible Mortgagee thereof, and the Association.

16.4 No Right of First Refusal. The right of an Owner to sell, transfer or otherwise convey his or her Unit shall not be subject to any right of first refusal or similar restrictions.

16.5 Priority of Lien. Any Person who comes into possession of a Unit by foreclosure of the first mortgage on a Unit, or by deed or assignment in lieu of foreclosure of the first mortgage on a Unit, takes the Unit free of any claims for unpaid Assessments or any other charges or liens imposed against the Unit by the Association which have accrued against such Unit prior to the acquisition of possession of the Unit by said Person; (i) except as provided in Section 6.10, and (ii) except that any unreimbursed Assessments or charges may be reallocated among all Units in accordance with their interests in the Common Elements.

16.6 Priority of Taxes and Other Charges. All taxes, Assessments and charges which may become liens prior to the first mortgage under state law shall relate only to the individual Units and not to the Property as a whole.

16.7 Priority for Condemnation Awards. No provision of the Governing Documents shall give an Owner, or any other party, priority over any rights of the mortgagee of the Unit pursuant to its mortgage in the case of a distribution to such Owner of insurance proceeds or condemnation awards for losses to or a taking of the Unit and/or the Common Elements. The Association shall give written notice to all Eligible Mortgagees of any condemnation or eminent domain proceeding affecting the Property promptly upon receipt of notice from the condemning authority.

16.8 Requirements for Management Agreements. The term of any agreement for professional management of the Property may not exceed two years. Any such agreement must provide at a minimum for termination without penalty or termination fee by either party, (i) with cause upon thirty days prior written notice, and (ii) without cause upon ninety days prior written notice.

16.9 Access to Books and Records/Audit. Eligible Mortgagees shall have the right to examine the books and records of the Association upon reasonable notice, for a proper purpose

and during normal business hours, and to receive free of charge, upon written request, copies of the Association's annual reports and other financial statements. Financial statements, including those which are audited, shall be available within one hundred twenty days of the end of the Association's fiscal year. If the community consists of fewer than fifty Units, FNMA, or any institutional guarantor or insurer of a mortgage loan against a Unit, may require that, at its own expense, an audit of the Association's financial statements be made for the preceding year, in which case the Association shall cooperate in having an audit made and a copy given to the requesting party. If the community consists of fifty or more Units, the Association shall provide the requested audit at its expense.

16.10 Notice Requirements. Eligible Mortgagees shall be entitled to timely written notice of:

16.10.1 a condemnation loss or any casualty loss which affects a material portion of the Property or the Unit securing the mortgage;

16.10.2 a sixty day delinquency in the payment of Assessments or charges owed by the Owner of a Unit on which it holds a mortgage;

16.10.3 a lapse, cancellation or material modification of any insurance policy maintained by the Association; and

16.10.4 a proposed action which requires the consent of a specified percentage of Eligible Mortgagees.

SECTION 17 DECLARANT RIGHTS

Declarant hereby reserves exclusive and unconditional authority to exercise the following declarant rights for as long as it owns a Unit, or for such shorter period as may be specifically indicated:

17.1 Complete Improvements. To complete all the Units and other improvements indicated on the Plat, or otherwise included in Declarant's development plans, authorized by the City or allowed by the Declaration, and to make alterations in the Units and Common Elements to accommodate the exercise of any declarant rights.

17.2 Relocate Boundaries and Alter Units. To relocate boundaries between Units and to otherwise alter Units owned by it, to the extent permitted by the City.

17.3 Sales Facilities. To construct, operate and maintain a sales office, management office, model Dwellings, and other development, sales and rental facilities within the Common Elements, and within any Units owned or leased by Declarant from time to time, located anywhere on the Property.

17.4 Signs. To erect and maintain signs and other sales displays offering the Units for sale or lease, on any Unit owned by Declarant and on the Common Elements.

17.5 Easements. To have and use easements, for itself, its employees, contractors, representatives, agents and prospective purchasers through and over the Common Elements and the yard areas of the Units for the purpose of exercising its special rights.

17.6 Control of Association. To control the operation and administration of the Association, including without limitation the power to appoint and remove the members of the Board until the earliest of: (i) voluntary surrender of control by Declarant; (ii) an Association meeting which shall be held within sixty days after conveyance to Owners other than Declarant of seventy-five percent of the total number of Units authorized to be included in the Property; or (iii) the date five years following the date of the first conveyance of a Unit to an Owner other than Declarant. Notwithstanding the foregoing, the Owners other than Declarant shall have the right to nominate and elect not less than thirty-three and one-third percent of the directors at a meeting of the Owners which shall be held within sixty days following the conveyance by Declarant of fifty percent of the total number of Units authorized to be included in the Property.

17.7 Consent to Certain Amendments. Until such time as Declarant no longer owns any Unit for initial sale, Declarant's written consent shall be required for any amendment to the Governing Documents or Rules and Regulations which directly or indirectly affects Declarant's rights under the Governing Documents.

SECTION 18 RIGHTS TO ADD ADDITIONAL REAL ESTATE, RELOCATE BOUNDARIES AND SUBDIVIDE UNITS

18.1 Developer's Rights to Add Additional Real Estate. Developer reserves the exclusive authority to add the Additional Real Estate to the Property, by executing (together with any other owner of the parcel) and recording an amendment to this Declaration adding such property, subject to the following conditions:

18.1.1 The right of Developer to add the Additional Real Estate to Property shall terminate ten years after the date of recording of this Declaration or upon earlier express written withdrawal of such right by Developer or a successor Developer, unless extended by a vote of the Owners. There are no other limitations on Developer's rights hereunder, except as may be imposed by law.

18.1.2 The Additional Real Estate is described in Exhibit C, and may include up to eighty-two additional Units. The Additional Real Estate may be added to the Property in parcels consisting of one or more platted lots, or portions thereof, with or without Common Elements.

18.1.3 There are no assurances as to the times at which any part of the Additional Real Estate will be added to the Property, the order in which it will be added, the number of parcels per phase nor the size of the parcels. Developer has no obligation to add the Additional Real Estate to the Property. The Additional Real Estate may be developed by Developer or its affiliates or successors in interest for other purposes, subject only to approval by the appropriate governmental authorities.

18.1.4 All Units created on the Additional Real Estate shall be restricted exclusively to residential use.

18.1.5 The provisions of this Declaration affecting the use, occupancy and alienation of Units shall apply to all Units created on the Additional Real Estate.

18.1.6 An amendment to the Master Declaration subjecting the Additional Real Estate to the Master Declaration shall be recorded upon or before the recording of the amendment to this Declaration adding said Additional Real Estate.

18.2 Rights to Relocate Boundaries and Subdivide Units. Unit boundaries may be relocated and additional Units may be created by the subdivision of a Unit into two or more Units, by Developer, subject (i) to approval required by the City and (ii) to the requirements of the Master Declaration.

SECTION 19 MISCELLANEOUS

19.1 Severability. If any term, covenant, or provision of this instrument or any exhibit attached hereto is held to be invalid or unenforceable for any reason whatsoever, such determination shall not be deemed to alter, affect or impair in any manner whatsoever any other portion of this Declaration or exhibits attached hereto.

19.2 Construction. Where applicable, the masculine gender of any word used herein shall mean the feminine or neutral gender, or vice versa, and the singular of any word used herein shall mean the plural, or vice versa.

19.3 Tender of Claims. In the event that any incident occurs which could reasonably give rise to a demand by the Association against Declarant for indemnification, the Association shall promptly tender the defense of the action to its insurance carrier, and give Declarant (i) written notice of such tender; (ii) written notice of the specific nature of the action; and (iii) an opportunity to defend against the action.

19.4 Notices. Unless specifically provided otherwise in the Governing Documents, all notices required to be given by or to the Association, the Board, the Association officers, or the Owners or Occupants shall be in writing and shall be effective upon hand delivery, or mailing if properly addressed with postage prepaid and deposited in the United States mail; except that registrations pursuant to Section 2.2 of the Bylaws shall be effective upon receipt by the Association.

19.5 Conflicts Among Documents. In the event of any conflict between the provisions of the Master Governing Documents and the Governing Documents or Rules and Regulations, the Master Governing Documents shall control. As among this Declaration, the Bylaws and the Rules and Regulations, the Declaration shall control. The Bylaws shall control as against the Rules and Regulations.

19.6 Duration of Covenants. The covenants, conditions, restrictions, easements, liens and charges contained in this Declaration shall be perpetual, subject only to termination as provided in this Declaration.

IN WITNESS WHEREOF, the undersigned has executed this instrument the day and year first set forth above.

BRIGHTKEYS HOMES OF HERITAGE
GREENS, LLC,
a Minnesota limited liability company

By: Amber Fouts
Title: Assistant Treasurer

STATE OF Minnesota
) ss.
COUNTY OF Washington

The foregoing instrument was acknowledged before me this 14th day of August 2006, by Amber Fouts, the Asst. Treas. of BrightKEYS Homes of Heritage Greens, LLC, a Minnesota limited liability company, on behalf of said company.

Pamela J. Olsen
Notary Public

THIS INSTRUMENT WAS DRAFTED BY:
J. Patrick Brinkman, Esq.
FELHABER, LARSON, FENLON & VOGT, P.A.
Attorneys at Law
220 South Sixth Street, Suite 2200
Minneapolis, Minnesota 55402-4302
(612) 373-8420



HERITAGE GREENS PAIRED HOMES

EXHIBIT A TO DECLARATION

SCHEDULE OF UNITS/LEGAL DESCRIPTION OF THE PROPERTY

Legal Description of the Property:

Lots 105 through 122, inclusive, and Outlots 9 and 10, Heritage Greens
Second Addition, St. Croix County, Wisconsin.

Schedule of Units:

Lots 105 through 122, inclusive, Heritage Greens Second Addition,
St. Croix County, Wisconsin.

HERITAGE GREENS PAIRED HOMES

EXHIBIT B TO DECLARATION

LEGAL DESCRIPTION OF COMMON ELEMENTS

Outlots 9 and 10, Heritage Greens Second Addition, St. Croix County, Wisconsin.

**HERITAGE GREENS PAIRED HOMES
EXHIBIT C TO DECLARATION
ADDITIONAL REAL ESTATE**

Lots 41 through 45, inclusive, Heritage Greens First Addition, St. Croix County, Wisconsin;

and

Lots 123 through 130, inclusive, Heritage Greens Second Addition, St. Croix County, Wisconsin;

and

S ½ of SW ¼ of SW ¼; S ½ of SE ¼ of SW ¼; N ½ of SE ¼ of SW ¼; N ¼ of SW ¼ of SW ¼; NW ¼ of SW ¼; That part of the SW ¼ of NW ¼ lying Sly of the town road except Lot 1 of Certified Survey Map in Vol. 1, Page 231; That part of the SE ¼ of NW ¼ lying Sly of the town road except Certified Survey Map in Vol. 6, Page 1510 and the NE ¼ of SW ¼ except Certified Survey Map in Vol. 6, Page 1510 and is to all parts herein except part to State of Wisconsin, Department of Transportation dated June 23, 1995, recorded July 18, 1995 in Vol. 1131, Page 116, Doc. No. 531406 and in Vol. 1131, Page 119, Doc. No. 531407, all in Section 33, Township 29 North, Range 19 West, St. Croix County, Wisconsin, but excluding those parts thereof platted as Heritage Greens, Heritage Greens First Addition and Heritage Greens Second Addition, St. Croix County, Wisconsin;

and

That parcel of land located in the SW ¼ of the SW ¼ of Section 33, T29N, R19w, City of Hudson, St. Croix County, Wisconsin, more fully described as follows:

Commencing at the SW corner of said Section 33:

Thence N00°20'14"E along the west line of the SW ¼, 25.08' to the POINT OF BEGINNING:

Thence continuing N00°20'14"E along said line 695.81';

Thence N83°36'43"E 176.91';

Thence southeasterly 52.95' along the arc of a 200.00' radius curve concave easterly and having a long chord that bears S13°58'23"E 52.80';

Thence S21°33'28"E 81.10';

Thence southerly 104.13' along the arc of a 225.00' radius curve concave westerly and having a long chord that bears S08°17'58"E 103.20';

Thence S85°33'01"E 146.27';

Thence easterly 38.63' along the arc of a 43.00' radius curve concave southwesterly and having a long chord that bears S59°48'53.5"E 37.34';

Thence S34°04'46"E 195.07';

Thence S69°44'09"W 197.60';

Thence S36°45'18"E 234.83' to a point on the northerly right-of-way line of Hanley Road;

Thence S85°25'24"W along said line 481.46' to the point of beginning.

HERITAGE GREENS PAIRED HOMES
CONSENT AND JOINDER BY MORTGAGEE

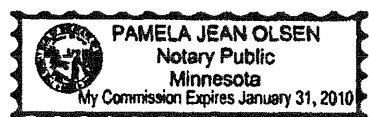
Allen Omernik, a Wisc. Banking corporation (the "Mortgagee"), is a mortgagee of portions of real property described in the Declaration of Heritage Greens Paired Homes (the "Declaration") by at least one Mortgage recorded in the office of the St. Croix County Recorder (the "Mortgages"). Mortgagee hereby consents to and joins in this Declaration; provided, that by consenting to and joining in this Declaration, the Mortgagee does not in any manner constitute itself or obligate itself as a Declarant as defined in the Declaration nor does such consent and joinder modify or amend the terms and conditions of the Mortgage and other loan documents executed and delivered by Declarant to Mortgagee; and provided further that the Mortgage shall be and remain a lien on the property described therein, prior to any Assessment liens or other liens imposed under the Declaration, until released or satisfied.

IN WITNESS WHEREOF, the Mortgagee has caused this Consent and Joinder to be executed on the 10th day of August, 2006.

By: _____
Its: _____

STATE OF Minnesota
) ss.
COUNTY OF Washington

The foregoing instrument was acknowledged before me this 10th day of August, 2006, by Allen Omernik, the Vice President of Citizens State Bank a Wisconsin Banking corporation, on behalf of said corporation.



Pamela J. Olsen
Notary Public