

**DECLARATION OF CONDOMINIUM OWNERSHIP
AND OF EASEMENTS, RESTRICTIONS, COVENANTS AND
CONDITIONS FOR EASTRIDGE CONDOMINIUMS**

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DECLARATION OF CONDOMINIUM OWNERSHIP
AND OF EASEMENTS, RESTRICTIONS, COVENANTS AND CONDITIONS FOR
EASTRIDGE CONDOMINIUMS

THIS DECLARATION, made this 28th day of May, 1982, by EAST RIDGE PARTNERS, hereinafter referred to as "Declarant."

WITNESSETH:

WHEREAS, Declarant is the owner in fee simple of certain real estate hereinafter described, in the City of Wausau, Marathon County, Wisconsin; and

WHEREAS, Declarant intends to, and does hereby submit and subject such real estate, together with all buildings, structures, improvements and other permanent fixtures of whatsoever kind thereon, and all rights and privileges belonging or in any way pertaining thereto, to the provisions of the Wisconsin Condominium Ownership Act, Chapter 703, Wisconsin Statutes, hereinafter called the "Act."

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

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

NOW, THEREFORE, Declarant as the title holder of the real estate hereinabove referred to and described at greater length hereinafter, and for the purposes above set forth, DECLARES AS FOLLOWS:

ARTICLE I

LEGAL DESCRIPTION OF LAND, NAME, ADDRESS, COVENANTS AND DEFINITIONS

Section 1. **LEGAL DESCRIPTION OF LAND:** The real estate which is hereby submitted to the provisions of the Act is legally described as follows:

That parcel of land described in Certified Survey Map No. 2830, and recorded in Volume 10 of Certified Survey Maps on page 303, in the office of the Register of Deeds in and for Marathon County, Wisconsin, being part of Government Lot Three (3) of Section Thirty-six (36), Township Twenty-nine (29) North, Range Seven (7) East, in the City of Wausau, Marathon County, Wisconsin.

Section 2. **NAME:** The real estate described in ARTICLE I, Section 1, and all improvements thereon and appurtenances thereto shall be known as EASTRIDGE CONDOMINIUMS.

Section 3. **ADDRESS:** The address of EASTRIDGE CONDOMINIUMS will be 1212 Grand Avenue, Wausau, Wisconsin, 54401. County, Wisconsin.

Section 4. **COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS:** The real estate is, on the date this Declaration is recorded, subject to:

- (a) General taxes not yet due and payable
- (b) Easements and rights in favor of gas, electric, telephone and water utilities serving the real estate
- (c) All easements, covenants and restriction of record
- (d) Municipal and zoning ordinances

Section 5. **DEFINITIONS:** For the purpose of brevity and clarity, certain words and terms used in this Declaration are defined as follows:

- (a) “Act” means the Wisconsin Condominium Ownership Act, Chapter 703 of the Wisconsin Statutes.
- (b) “Articles” means the Articles of Incorporation of the Association and any amendments thereto.
- (c) “Assessment” or “Assessments” means the charges made by the

Association to a Unit Owner for the cost of maintaining, repairing and managing the Condominium, Property and includes, but is not limited to, amounts necessary to meet Common Expenses. It also includes supplemental or special Assessments duly adopted by the Association.

- (d) “Association” means EASTRIDGE CONDOMINIUMS HOMEOWNERS ASSOCIATION, INC., a Wisconsin nonstock and nonprofit corporation, its successors and assigns.
- (e) “Board” means the duly qualified members of the Board of Directors of the Association.
- (f) “Bylaws” means the Bylaws adopted by the Association and any amendments thereto.
- (g) “Common Elements” means those portions of the Condominium Property not included within the Units, including personal property used for the enjoyment, maintenance and operation of the Condominium.
- (h) “Common Expenses” means: (i) expenses of administration, maintenance, operation, insurance, repair and betterment of the Common Elements, including those portions of the Units maintained and repaired by the Association, if any, and all other costs and expenses required to fulfill the duties of the Association; (ii) all expenses declared to be Common Expenses by this Declaration and the Articles and Bylaws of the Association and (iii) any valid charge imposed against the entire Condominium Property.
- (i) “Common Surplus” means all receipts of the Association, including but not limited to Assessments, rents, profits and revenues in excess of the aggregate amount of Common Expenses.
- (j) “Condominium” means the Condominium., Property subjected to the Act through the Declaration.
- (k) “Condominium Instruments” means the Declaration, plats and plans of this Condominium and any exhibits or schedules attached thereto.

- (l) "Condominium Property" means the real estate and any improvements thereon subjected to the Act through the Declaration.
- (m) "Declarant" means EASTRIDGE PARTNERS.
- (n) Declaration" means this Declaration of Condominium Ownership for EASTRIDGE CONDOMINIUMS.
- (o) "Limited Common Elements" means those Common Elements identified in this Declaration as reserved for the exclusive use of one or more but less than all Unit Owners.
- (p) Majority" or "Majority of Unit Owners" means the Unit Owners with more than fifty percent (50%) of the votes assigned to the Units in this Declaration.
- (q) "Mortgage" means any Mortgage, land contract or other instrument creating a security interest in a Unit or Units.
- (r) "Mortgagee" means the holder of any recorded Mortgage or instrument creating a security interest in a Unit or Units or a land contract vendor of a Unit or Units.
- (s) "Rules and Regulations" means the Rules and Regulations adopted by the Association governing the use of the Condominium Property and any amendments thereto.
- (t) "Unit" means a part of the Condominium intended for any type of independent use, including one or more cubicles of air at one or more levels of space or one or more rooms or enclosed spaces located on one or more floors or parts thereof.
- (u) "Unit Number" means the number, letter or combination thereof used to identify a Unit in this Declaration, the plats and plans of this Condominium and any exhibits or schedules attached thereto.
- (v) "Unit Owner" means a person, combination of persons, trust, partnership, corporation or any other legal entity that holds legal title to a Unit or has equitable ownership as a land contract vendee.

ARTICLE II

PROPERTY AND UNITS: SUBMISSION TO ACT

Section 1. SUBMISSION OF PROPERTY TO THE ACT: The Declarant hereby submits the real estate described in ARTICLE I, Section 1, and all buildings and improvements constructed or to be constructed thereon to the provisions of the Act.

Section 2. CODE IDENTIFICATION: Each Unit shall be specifically designated by its Unit Number as set forth herein. Every deed, lease, mortgage, or other instrument may legally describe a Unit by its Unit Number and every such description shall be deemed good and sufficient for all purposes, as provided in the Act.

Section 3. DESCRIPTION OF RESIDENTIAL BUILDING: The building to be constructed on the real estate described in ARTICLE I, Section 1, will contain thirty-two (32) Units, consisting of twenty-six 2-bedroom Units and six 1-bedroom Units. The building will have three levels. The basement level will include underground parking, storage space and walks and drives for access purposes. The ground level will contain sixteen (16) Units, adjacent patios, a main hallway, a main entrance with lobby and vestibule and two (2) rear entrances. The second level will also contain sixteen (16) Units, adjacent balconies, a main hallway and two (2) rear stairways. All Units will have access to the hydraulic passenger elevator located in the eastern portion of the building.

The structure of the building will be principally wood frame and precast concrete systems. A combination of brick and prefinished exterior siding will be utilized for the exterior finish. The building will be located on the real estate as indicated in Exhibit A which is attached hereto and incorporated herein.

The one bedroom Units will be approximately 855 square feet in dimension and the two bedroom Units will be approximately 1,140 square feet in dimension, except for Unit No. 16 and Unit No. 32 which will be 1,026 square feet in dimension. Each Unit will have a kitchenette, living area and appropriate closet space. The one bedroom Units will have one full bathroom whereas the two bedroom Units will have either one and one-half or two full bathrooms. All Units will be furnished with appliances including: refrigerator, range, rangehood, garbage disposal, dishwasher, washer and dryer, electric hot water heater and air conditioning unit. Appurtenant Limited Common Elements will consist of a balcony or patio and storage space assigned in the basement level. Further, each Unit will be assigned either one (1) or two (2) underground parking spaces. All Units will contain separate self contained utilities. Heat will be furnished by electric baseboard heating elements and each Unit will be independently metered. The Units are more particularly described in Exhibit A which is attached hereto and incorporated herein. The location of each Unit in the

building, the designation of each Unit, and the immediate Common Elements and limited Common Elements to which each Unit will have access are shown on Exhibit A which is attached hereto and incorporated herein.

Section 4. **BOUNDARIES OF UNITS:** The outer Boundaries of each Unit are formed by the interior surfaces of the perimeter walls, floors, ceilings, windows, window frames, doors and door frames of the building as said Boundaries are shown on the building and floor plans attached hereto as Exhibit A together with all fixtures and improvements therein contained.

The Units are designated by identifying letters 1-32 consisting of one (1) level, each, and the location, approximate area, number of rooms, immediate Limited Common Elements and Common Elements to which the Units have access, and further details identifying and describing the Units are set forth in Exhibit A attached hereto.

Section 5. **CHANGES TO UNITS DURING CONSTRUCTION:** Declarant reserves the right to make changes within Units during construction of the improvements as long as those changes do not change the size of a Unit for which an Offer to Purchase has been executed and delivered, unless such change is approved by the purchaser affected by such change.

ARTICLE III

COMMON ELEMENTS AND LIMITED COMMON ELEMENTS

Section 1. **COMMON ELEMENTS:** The Common Elements shall consist of:

- (a) The land on which the building is located;
- (b) The foundations, columns, girders, beams, supports, main walls, and roof of the building, (structural columns located within the boundaries of a Unit shall be part of the Common Elements);
- (c) All apparatus, equipment, and installations used to provide common services to the building, such as the elevator, power, light, gas, hot and cold water, heating, refrigeration, incinerating, and sewer including tanks, pumps, controls, fans, compressors, ducts, electrical wiring, and conduits, and public utility lines;
- (d) All outside walkways, driveways, outside visitor• s parking area, entrances, exits, yards, and landscaping; and
- (e) All other portions of the Condominium Property, except individual Units.

Section 2. LIMITED COMMON ELEMENTS: The Limited Common Elements are those Common Elements contiguous to and serving exclusively a single Unit or adjoining Units as an inseparable appurtenance thereto. Such Limited Common Elements shall be reserved for the exclusive use of the Unit Owner of the Unit to which they are appurtenant. The Limited Common Elements shall consist of:

- (a) The balcony attached to each Unit on the second level of the building;
- (b) The patio attached to each Unit on the ground level of the building;
- (c) The entrances and exits for each Unit;
- (d) The designated storage space for each Unit located in the basement level of the building;
- (e) The designated underground parking space or spaces for each Unit located in the basement level of the building;

Section 3. PERCENTAGE OF OWNERSHIP IN COMMON ELEMENTS: Each Unit Owner shall own an undivided interest in the Common Elements as a tenant in common with all other Unit Owners and, except as otherwise limited in this Declaration, shall have the right to use and occupy the Common Elements for all purposes incident to the use and occupancy of his Unit as a place of residence, and such other incidental uses permitted by this Declaration, which rights shall be appurtenant to and run with his Unit. Each Unit Owner's percentage of ownership in the Common Elements shall be proportionate to the relative size of the Owner's Unit. The Owners of the two bedroom Units numbered 1, 2, 3, 4, 6, 7, 8, 9, 10, 11, 12, 14, 17, 18, 19, 20, 22, 23, 24, 25, 26, 27, 28, and 30 shall have a 3.30% percentage of ownership in the Common Elements. The Owners of the small two bedroom Units numbered 16 and 32 shall have a 2.96% percentage of ownership in the Common Elements. The Owners of the one bedroom Units numbered 5, 13, 15, 21, 29, and 31 shall have a 2.48 percentage of ownership in the Common Elements shall be subject to such easements as Declarant has granted or may hereafter grant to public utilities.

Section 4. NO PARTITION OF COMMON ELEMENTS: There shall be no partition of Common Elements through judicial proceedings or otherwise until this Declaration is terminated and the property is withdrawn from its terms or from the terms of the applicable statutes regarding condominium ownership. Provided, however, that if any Unit shall be owned by two or more co-owners as tenants in common or as joint tenants, nothing contained herein shall be deemed to prohibit a voluntary or judicial partition of said single Unit as between such co-owners. No Unit may be subdivided.

ARTICLE IV

EASEMENTS

Section 1. UTILITIES: Utility easements are reserved as may be required for utility services in order to serve the Condominium and Units. Easements are also reserved, as may be required, desirable, or necessary, for the furnishing of utility services to the Common Elements, the Condominium Property generally, adjacent real property which is not a part of this Condominium, or to other Condominiums which may be developed on adjacent real property. Easements shall include, but shall not be limited to, easements for water mains and pipes, sewer lines, gas mains and telephone wires and equipment (including power transformers). All such easements shall be of such dimensions and location as to permit, in a reasonable manner, the installation, maintenance, repair, replacement and relocation of the improvements, devices, appliances or facilities providing such utility services.

Section 2. ENCROACHMENTS: The Condominium Property is subject to easements for encroachments which now exist or hereafter exist caused by settlement or movement of any improvements upon the Condominium Property or caused by minor inaccuracies in construction or reconstruction, which encroachments shall be permitted to remain undisturbed. The encroachments shall give rise to an easement for the same and the maintenance thereof, which shall continue until such encroachments may no longer exist. In no event, shall a valid easement for any encroachment be created in favor of any Unit Owner if such encroachment occurred due to the willful conduct of said Unit Owner.

Section 3. UNIT OWNER: Each Unit Owner shall have an easement for ingress and egress over, upon and across those Common Elements or Limited Common Elements necessary for access to said Unit Owner's Unit. Such rights shall be appurtenant to and pass with the title to each Unit.

Section 4. DECLARANT: Easements, including but not limited to ingress and egress, are hereby reserved and shall exist through and over the Condominium Property as may be required, convenient or desired by the Declarant for the development of real property located adjacent to the Condominium Property. Said easements shall continue until any improvements constructed on said adjacent real estate are completely sold. Neither the Unit Owners nor the Association shall interfere with the development and/or sale of said adjacent property and improvements to constructed thereon.

ARTICLE V

USE RESTRICTIONS

Section 1. UNITS: Each Unit shall be occupied only as a

residence by a singles family, its servants and guests. No trade or business of any kind may be carried on in any Unit.

Section 2. **COMMON ELEMENTS:** The common Elements shall be used only for the purposes for which they are intended, including but not limited to the furnishing of services and facilities for the enjoyment of Unit Owners.

Section 3. **NUISANCES:** No nuisances shall be allowed upon the Condominium Property, nor shall any use or practice which is the source of annoyance to the Unit Owners or which interferes with the peaceful possession and proper use of the Condominium Property by Unit Owners. The Condominium Property shall be kept in a clean and sanitary condition, and no fire hazard shall be allowed to exist. No Unit Owner shall permit any use of his Unit or make any use of the Common Elements which will increase the rate of insurance upon the Condominium Property, unless such use is duly approved by the Board.

Section 4. **LAWFUL USE:** No improper, offensive or unlawful use shall be made of any part of the Condominium Property and all valid laws, zoning ordinances and regulations of all governmental bodies which require maintenance, modification, or repair of the Condominium Property shall be complied with by the Unit Owners and/or the Association in the same manner as the responsibility for maintenance and repair of the property concerned is set forth in ARTICLE VI hereof.

Section 5. **LEASING:** All leases or rental agreements relating to a Unit shall be in writing and specifically be subject to the requirements of this Declaration and the By-Laws. No Unit may be leased or rented for a period of less than thirty (30) days. No Unit shall be rented for transient or hotel purposes.

Section 6. **PARKING:** Each Unit Owner may lease to any other Unit Owner one (1) or both parking spaces appurtenant to his or her Unit. Such leases or rental agreements relating to the parking space(s) must be in writing and specifically be subject to the requirements of this declaration and the bylaws. Each parking space must be leased or rented on a month-to-month basis. No parking space may be rented for commercial purposes.

Section 7. **STORAGE SPACE:** Each Unit Owner may lease to any other Unit Owner storage space appurtenant to his or her Unit. Such leases or rental agreements relating to the storage spaces must be in writing and specifically be subject to the requirements of this Declaration and the Bylaws. Storage space must be leased or rented on a month-to-month basis. No storage space may be rented for

commercial purposes. Not storage space may be leased to any person not a member of the Association.

Section 8. SIGNS: No signs shall be displayed from a Unit or from the Condominium Property except those signs as shall have advance written approval of the Board or as are required by Declarant under ARTICLE V, Section 12 hereof.

Section 9. GARBAGE CONTAINERS: No garbage or rubbish containers shall be placed or kept in any Common Element except upon the approval of the Board.

Section 10. ANIMALS: The Association may, by Rules and Regulations, prohibit or limit the housing, raising or breeding of animals in any Unit or the Common Elements. No animal shall be permitted in any Common Element or Limited Common Element unless it is on a leash and attended by an adult. No animals may be kept, bred, or maintained for any commercial purpose or in numbers deemed unreasonable by the Board or as otherwise set forth in the Rules and Regulations.

Section 11. DELEGATION OF USE: Any Unit Owner may delegate, in accordance with the Bylaws, his right of enjoyment of the Common Elements to the members of his family, to the tenants of his Unit, to contract purchasers of his Unit who reside on the property or to guests.

Section 12. RULES AND REGULATIONS: The Rules and Regulations concerning the use and appearance of the Condominium Property may be amended by the Board in the manner provided by the Bylaws. The Rules and Regulations may provide for reasonable monetary fines against Unit Owners who violate or whose guests or tenants violate the Rules and Regulations or the provisions of this Declaration. Copies of the Rules and Regulations shall be furnished by the Association to all Unit Owners and residents of the Condominium on request.

Section 13. INDEMNIFICATION: No damage to or, waste of Condominium Property shall be committed by any Unit Owner or any guest of any Unit Owner, and each unit Owner shall indemnify and hold the Association and the other Unit Owners harmless against all losses or costs resulting from any such damage or waste caused by a Unit Owner or his guests to the Common Elements or the Units.

Section 14. DECLARANT'S USE: Until the Declarant has Closed the sales of all of the Units of the Condominium, neither the Unit Owners nor the Association shall interfere with the sale of Units. The Declarant may make such use of the unsold Units and Common Elements

without charge as may facilitate such sale, including but not limited to maintenance of a sales and administrative office, leases of unsold Units, model Units, the showing of the Condominium Property, the display of signs and such other uses which are normally associated with the sale and marketing of real property and Units.

ARTICLE VI

REPAIRS, MAINTENANCE AND ALTERATION

Section 1. BY UNIT OWNER: Each Unit Owner shall be responsible for keeping the interior of his Unit and all of the equipment, fixtures, and other appurtenances to the Unit in good order, condition and repair, and in a clean and sanitary condition, and shall be responsible for all decorating, painting, plastering, spackling and varnishing, which may at any time be necessary to maintain the good appearance and condition of the Unit. Without in any way limiting the foregoing, in addition to the decorating and keeping the interior of the Unit in good repair, each Unit Owner shall be responsible for the maintenance, repair and replacement of any windows, screens, doors, wallpapering, floor covering, hot water heater, plumbing fixtures, lighting fixtures, refrigerators, dishwashers, disposals, laundry equipment (such as washers and dryers), ranges or other equipment which may be in or connected with the Unit. Each Unit Owner shall keep the Limited Common Elements appurtenant to his Unit in a good, clean, sanitary and attractive condition. The expenses of maintaining and repairing a Unit shall be borne exclusively by the Unit Owner.

Section 2. BY THE ASSOCIATION: The Association shall be responsible for the management and control of the Common Elements except as otherwise provided herein and shall cause the same to be kept in good, clean, attractive and sanitary condition, order and repair. Without in any way limiting the foregoing, this shall include: all painting, repairing and decorating of the exterior of the building; repair of walks, driveways and stairways; maintenance and repair of all landscaping; maintenance and repair of the interior of the boundary walls, floors and ceilings of a Unit (except drywall, plastered surfaces or sheetrock and interior surfaces of the boundary walls) including but not limited to the outside walls of the building and all fixtures on its exterior, structural floor and ceiling slabs or joists, roofs, load-bearing columns and load-bearing walls; and maintaining and repairing the elevator, all conduits, ducts, plumbing, pipes, wiring and other facilities for the furnishing of utility services and contained in a portion of a Unit that services part or parts of the Condominium other

than the Unit in which they are contained. The Association shall also be responsible for the cutting of the grass in the yard and otherwise maintaining the landscape in the Common Elements. The Association shall be responsible for removing snow from the sidewalk or walks and driveway and visitor parking area appurtenant to the building. If a Unit Owner desires to remove snow from the walks appurtenant to his Unit, he may do so but he shall be under no duty to do so and he still must contribute to the Common Expense. The Association shall also be responsible for the removal of garbage and refuse. The cost of such maintenance and repairs by the Association shall be a Common Expense.

Section 3. **STRUCTURAL CHANGES:** A Unit Owner shall not, without first obtaining the written consent of the Association, make or permit to be made, any structural alteration, changes or improvements to his Unit, or in or to the exterior of any building or any Common Element. A Unit Owner shall not perform, or allow to be performed, any act or work which will impair the structural soundness or integrity of any building, or the safety of the property, or impair any easement or hereditament, without the prior written consent of the Association.

Section 4. **NEGLIGENCE:** All maintenance, repairs or replacements to a Unit or Common Element necessitated by the negligence, misuse, or abuse of a Unit Owner, shall be the responsibility of the Unit Owner causing such maintenance, repairs or replacements. The Association shall have the right to perform the required maintenance, repair or replacement and to assess the responsible Unit Owner for the cost of such maintenance, repair or replacement as a special Assessment. Until the special Assessment is paid, the cost of such maintenance, repair or replacement shall be treated as a Common Expense.

ARTICLE VII

INSURANCE

Section 1. **COVERAGE:** The Association shall obtain the following insurance coverages:

- (a) **CASUALTY:** All building and improvements on the Condominium Property shall be insured in an amount not less than the full replacement value thereof and all personal property included in the Common Elements and Limited Common Elements shall be insured for their full replacement value, except for those items normally excluded from coverage. The Board shall be responsible for determining the full replacement value of such property. The insurance coverage obtained by the

Association may be subject to such deductible clauses as are required in order to obtain coverage at a reasonable cost. Such coverage shall afford protection against: (i) loss or damage by fire and other hazards covered by a standard extended coverage endorsement and (ii) such other risks as from time to time shall be customarily covered with respect to similar buildings and improvements, including, but not limited to, vandalism and malicious mischief. The policy or policies shall state whether the following items are included within the coverage in order that Unit Owners may insure themselves if the items are not insured by the Association: air conditioners, water heaters, dishwashers, disposals, refrigerators, ranges, rangehoods, cabinets, washers, dryers, interior fixtures such as electrical and plumbing. fixtures, inside paint and other inside wall finishes, woodwork, and floor coverings. Any of the foregoing items which are to be financed by a mortgage to be purchased by the Federal National Mortgage Association (FNMA) must be included in. the coverage obtained by the Association.

The insurer for the coverage provided herein shall provide to the Association a "Special Condominium Endorsement" providing for the following: recognition of any insurance trust agreement; a waiver of the right of subrogation against Unit Owners individually; the insurance is not prejudice by any act or neglect of individual Unit Owners which is not in the control of such owners collectively; and the policy is primary in the event the Unit Owner has other insurance covering the same loss.

- (b) **PUBLIC LIABILITY:** Public liability insurance shall be carried at all times in amounts not less than \$1,000,000.00 for bodily injury, including. deaths of persons and property damage arising out of a single occurrence, and with coverage as shall be determined by the Board, including, but not limited to, all Common Elements, public ways and commercial spaces, hired automobile and nonowned automobile coverages and with cross-liability endorsement to cover liabilities of Unit Owners as a group to a Unit Owner.
- (c) **WORKERS COMPENSATION:** Workers Compensation insurance shall be carried if it is required under law.
- (d) **FIDELITY BONDS:** Blanket Fidelity Bonds shall be

maintained by the Association for all officers, directors and employees of the Association and, in the event a management agent is appointed by the Association to be responsible for funds of the Association, for all officers, directors and employees of the management agent. The Fidelity Bond coverage shall not be less than the estimated maximum of funds, including reserve funds, in the custody of the Association or management agent, but in no event shall the aggregate amount of such bonds be less than a sum equal to 3 months aggregate assessments on all units plus reserve funds.

- (e) OTHER: The Board, on behalf of the Association, may purchase such other insurance coverages as it may deem appropriate or necessary from time to time.

Section 2. NAMED INSURED: All insurance coverage shall be written in the name of the Association as Trustee for each of the Unit Owners in the percentages established in this Declaration and each of the Unit Owners mortgagee. All insurance policies purchased by the Association shall be issued by an insurance company authorized to do business in the State of Wisconsin.

Section 3. PREMIUMS: Premiums for insurance policies purchased by the Association shall be paid by the Association as a Common Expense, except that the amount of increase in premium occasioned by a special use of a Unit by a Unit Owner shall be assessed against such Unit Owner.

Section 4. RIGHTS OF MORTGAGEES: Copies of all insurance policies and all endorsements thereto shall be furnished by the Association to any Mortgagee of a Unit upon receipt of written request from any Mortgagee of a Unit for such copies of such policies. Such copies shall be furnished not more than ten (10) days after any written request is received from a Mortgagee of a Unit.

Insurance policies may not be cancelled or substantially modified without at least ten (10) days prior written notice to the Association and to the holders of the first mortgages listed in said policies.

Any holder, insurer or guarantor of a first mortgage, upon written request, shall be entitled to timely written notice of any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association.

In the event the Association fails to procure or pay the premiums when due for the insurance required under this Declaration, any Mortgagee shall have the right, at said Mortgagee's option to order

such insurance policies and to advance the cost of such insurance, and said Mortgagee shall be subrogated to the Assessment and lien rights of the Association as against the Unit Owners for the payment of such insurance premiums as a Common Expense.

Section 5. NO PREJUDICE TO UNIT OWNERS: The provisions contained in the insurance policies required under this Declaration shall be without prejudice to the right of each Unit Owner to insure his or her own Unit for personal benefit. Any Unit Owner may obtain insurance coverage at his or her own expense for his or her personal property and for his or her personal liability and living expense.

Section 6. ASSOCIATION AS TRUSTEE: All insurance policies and endorsements thereto shall be deposited with the Association as Trustee and such policies shall provide that payments for losses thereunder shall be paid to the Association as Trustee for the benefit of the Unit Owners and their Mortgagees. The Association is hereby irrevocably appointed agent, for each Unit Owner and for each Mortgagee to adjust all claims arising under insurance policies purchased by the Association and to execute and deliver releases upon the payment of claims. The rights of a Mortgagee under any standard Mortgage clause endorsement to such policies shall, notwithstanding anything to the contrary therein contained, at all times be subject to the provisions herein with respect to the application of insurance proceeds to reconstruction of the Unit, Units, or Common Elements. Payment by an insurance company to the Association as Trustee of the proceeds of any policy, and the receipt of release from the Association of the insurance company's liability under such policy shall constitute a full discharge of such insurance company and such company shall be under no obligation to inquire into the terms of any trust under which such proceeds may be held pursuant thereto, or to take notice of any standard Mortgage clause endorsement inconsistent with the provisions hereof, or to see to the application of any payment of the proceeds of any policy by the Association as Trustee.

Section 7. PROCEEDS: All proceeds covering property losses paid pursuant to insurance policies purchased by the Association shall be paid to the Association as Trustee for the benefit of the Unit Owners and their Mortgagees. The duty of the Association as Trustee shall be to receive such proceeds as are delivered to it and hold the same in trust for the purposes elsewhere stated in this Declaration and to hold said proceeds for the benefit of Unit Owners and their Mortgagees in the following shares: (i) an undivided share in the Common Elements appurtenant to the Unit Owner's Unit and (ii) in the event a Mortgagee endorsement has been issued for a Unit, the share of the Unit Owner shall be held in trust for the Mortgagee and the Unit Owner as their interest may appear, provided, however, that no Mortgagee shall have any right to determine or participate in the

determination as to whether or not any damaged property shall be reconstructed or repaired, and no Mortgagee shall have any right to apply or have applied to the reduction of a Mortgage debt any insurance proceeds except for distributions thereof made to the Unit Owner and Mortgagee pursuant to the provisions of this Declaration.

Section 8. DISTRIBUTION OF PROCEEDS: Proceeds of insurance policies received by the Association as Trustee shall be distributed to or for the benefit of the Unit Owners and their Mortgagees in the following manner:

- (a) RECONSTRUCTION AND REPAIR: If the damage for which the proceeds are paid is to be repaired or reconstructed by the Association in accordance with ARTICLE VIII of this Declaration, the insurance proceeds shall be paid to defray the cost of such reconstruction or repair. Any proceeds remaining after defraying such costs shall be distributed to the Unit Owners and their Mortgagees, remittances being payable jointly to said Unit. Owners and their Mortgagees.
- (b) FAILURE TO RECONSTRUCT OR REPAIR: If it is determined in accordance with the provisions of ARTICLE VIII of this Declaration that the damage for which the proceeds are paid shall not be reconstructed or repaired, the proceeds shall be distributed to the Unit Owners and their mortgagees, remittances being payable jointly to said Unit Owners and their Mortgagees.

ARTICLE VIII

RECONSTRUCTION OF REPAIR AFTER CASUALTY; EMINENT DOMAIN

Section 1. UPON OCCURRENCE: If the Condominium Property is damaged by casualty, the Board shall immediately do the following:

- (a) Contact all governmental authorities and the applicable insurance carrier and provide information to such authorities and carrier regarding the casualty;
- (b) Obtain reliable and detailed estimates of the cost to rebuild or repair the damaged property;
- (c) Ascertain the amount of insurance proceeds payable as a result of the damage; and

- (d) Ascertain the Assessment to Unit Owners that will be required, if any, to pay the cost of rebuilding or repairing in excess of the insurance proceeds.
- (e) Notify all holders, insurers or guarantors of first mortgages relating to any Unit of any casualty loss which affects any material portion of the Condominium.
- (f) Notify a holder, insurer or guarantor of first mortgage relating to a Unit which has sustained a casualty loss.

Section 2. DETERMINATION TO RECONSTRUCT OR TERMINATE:

Whether the Condominium Property damaged by casualty shall be reconstructed and/or repaired or whether the Condominium will be terminated shall be determined as follows:

- (a) If Units to which fifty percent (50%) or more of the Common Elements are appurtenant are found by the Board to be tenantable after casualty, the damaged property shall be reconstructed or repaired and Assessments to Unit Owners, if required, shall be made.
- (b) If Units to which less than fifty percent (50%) of the Common Elements are appurtenant are found by the Board to be tenantable after casualty, then the Board shall give written notice to all Unit Owners setting forth the extent of the damage, the estimated cost to rebuild or repair, the amount of insurance proceeds payable, and the estimated amount of Assessments required, if any, to pay the excess of the cost of the reconstruction or repair cost over the amount of insurance proceeds. Such notice shall also call a meeting of the Unit Owners to be held within thirty (30) days from the date of mailing such Written notice.

Section 3. MEETING OF UNIT OWNERS: At the meeting of Unit Owners called pursuant to Section 2 above, a vote shall be taken as to whether or not the Condominium Property shall be reconstructed and the determination of such vote shall be as follows:

- (a) If the reconstruction and repair is not approved by the Unit Owners who own seventy-five percent (75%) of the Common Elements, and if approval to terminate is obtained from the holders of first mortgages on Units which have at least fifty-one percent (51%) of the votes of Units subject to such mortgages, the Condominium shall be terminated without agreement as provided elsewhere in this Declaration.

- (b) If the reconstruction and repair is approved by the Unit Owners who own seventy-five percent (75%) of the Common Elements, the damaged Condominium Property shall be reconstructed and repaired.
- (c) If the reconstruction and repair is not approved by the Unit Owners who own seventy-five percent (75%) of the Common Elements, and if approval to terminate is not obtained from the holders of first mortgages on Units which have at least fifty-one percent (51%) of the votes of Units subject to such mortgages, then the decision whether or not the Condominium property shall be reconstructed shall be determined by arbitration in accordance with the rules of the American Arbitration Association. The cost of arbitration proceedings shall be assessed against all Unit Owners in proportion to the shares of the Unit Owners in the common elements as they exist prior to the casualty.

Section 4. PLANS AND SPECIFICATIONS: Any reconstruction or repair of the Condominium Property shall be substantially in accordance with the original design, plans and specifications of said property. If the reconstruction or repairs are not substantially in accordance with the original design, plans and specifications, then any changes thereto shall be approved by the Board, the Unit Owners of not less than seventy-five percent (75%) of the Common Elements, the Unit Owners of all Units which are to be reconstructed which approval shall not be unreasonably withheld, and the Mortgagees of all Units which are to be reconstructed.

Section 5. RESPONSIBILITY: The responsibility for reconstruction and repair after casualty shall be the same as for maintenance and repair of the Condominium Property.

Section 6. ASSESSMENT: If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction and repair for which the Association is responsible, or if at any time during such reconstruction and repair or upon completion of such repair and reconstruction, the funds for the payment of the costs thereof are insufficient, Assessments shall be made against all Unit Owners in an amount sufficient to provide funds for the payment of such costs. Assessments shall be in proportion to each Unit Owner's share in the Common Elements and shall be Common Expenses.

Section 7. DISBURSEMENT OF FUNDS: The funds held by the Association as Trustee after a casualty, which may consist of insurance proceeds and the sums collected from Assessments against Unit Owners on account of the casualty, shall be disbursed in the following manner:

- (a) **UPON TERMINATION OF THE CONDOMINIUM:** If the Condominium is terminated, by failure of the Unit Owners to approve reconstruction and repair after major damage, any insurance proceeds or other amounts held by the Association as Trustee shall be owned by the Unit Owners as tenants in common in the undivided shares in which they own the Common Elements prior to the termination. Such funds shall be distributed to the Unit Owners upon demand in the amounts determined by the Association, remittances to be made jointly to Unit Owners and their Mortgagee`s.
- (b) **UPON RECONSTRUCTION AND REPAIR:** If the damaged portion of the Condominium Property is to be reconstructed or repaired, the proceeds of insurance collected on account of the casualty together with the sums deposited with the Association from collection of Assessments against Unit Owners on account of such casualty shall constitute a construction fund which shall be disbursed in payment of the costs of reconstruction and repair in the following manner and order:

(1) Payment of all costs of construction and repair shall be made, upon approval by the Board.

(2) The portion of the insurance proceeds representing damage for which the responsibility of reconstruction and repair lies with the Unit Owner shall be paid by the Association as Trustee to the Unit Owner, or if there is a Mortgagee endorsement as to such Unit, then to the Unit Owner and the Mortgagee jointly, who shall together use such proceeds as they may determine.

(3) It shall be presumed that the first monies disbursed in payment of costs of reconstruction and repair shall be from insurance proceeds. If there is a balance in a construction fund after payment of all costs of the reconstruction and repair for which the fund is established, the balance shall be distributed to the Unit Owners to reimburse said Unit Owners for the Assessment assessed against them to assist in said reconstruction and repair. Any amount remaining in excess of said assessment shall be payable jointly to the Unit Owners and their Mortgagees.

Section 8. EMINENT DOMAIN: The taking of a portion of a Unit or of the Common Elements by eminent domain shall be deemed to be a casualty, and the awards for such taking shall be deemed to be proceeds from insurance on account of the casualty and shall be deposited with the Association as Trustee for the benefit of the

Association, Unit Owners and their Mortgagees pursuant to the terms of this Declaration. The Association shall represent the Unit Owners in any condemnation proceedings or in negotiations, settlements, and agreements with the condemning authority for acquisition of the common elements, or part thereof. Acceptance by any Grantee of a deed from the declarant or from any Owner shall constitute appointment of the Association, or its successor, as attorney-in-fact to represent the Unit Owners in any condemnation proceedings or in negotiations, settlements and agreements with the condemning authority for acquisition of the common elements, or part thereof. Whether the Condominium will be continued after condemnation will be determined in the manner provided for determining whether damaged property will be reconstructed and repaired after a casualty. For this purpose, the taking by condemnation shall be deemed to be a casualty. Even though the awards may be payable to Unit Owners, the Unit Owners shall deposit the awards with the Association as Trustee, and in the event of a failure to do so, in the discretion of the Board of Directors, a special Assessment shall be made against a defaulting Unit Owner in the amount of his award, or the amount of such award shall be set off against the sums hereafter made payable to such Unit Owner. The proceeds of the awards shall be distributed or used in the manner heretofore provided for insurance proceeds except that when the Condominium is not to be terminated and one or more Units are taken in part, the taking shall have the following effects:

- (a) **UNIT REDUCED BUT TENANTABLE:** If the taking reduces the size of a Unit and the remaining portion of the Unit may be made tenantable, the award for the taking of a portion of the Unit shall be used for the following purposes in the order stated and the following changes shall be effected in the Condominium:

- (1) The Unit shall be made tenantable. If the cost of such work exceeds the amount of the award, the additional funds required shall be assessed against the Unit Owner.

- (2) The balance of the award, if any, shall be distributed to the Unit Owner and to each Mortgagee of the Unit, the remittance being payable jointly to the Unit Owner and Mortgagee.

- (3) If the floor area of the Unit is decreased by more than ten percent (10%) by the taking, the share in the Common Elements appurtenant to the Unit shall be equitably reduced. This shall be done by reducing such share in the proportion by which the floor area of the Unit is reduced by the taking, and then recomputing the shares of all Unit Owners in the Common Elements as percentages of the total of all shares as reduced by the taking.

(b) **UNIT MADE UNTENANTABLE:** If the taking destroys or so reduces the size of a Unit that it cannot be made tenantable, the award for the taking of the Unit shall be used for the following purposes in the order stated and the following changes shall be effected in the Condominium:

(1) The market value of such Unit immediately prior to the taking shall be paid to the Unit Owner of the Unit and to each Mortgagee of the Unit, remittance being payable jointly to the Unit Owner and the Mortgagee. If the amount of the award exceeds the market value of such a Unit, the balance of the award shall be paid over to the Association; provided, however, that if the amount of unpaid principal and accrued interest of the Mortgage of the Unit is in excess of the market value of the Unit, the award for the unit shall be paid jointly to the Unit Owner and Mortgagee to the extent the award is sufficient to satisfy the Mortgage indebtedness on the Unit. Any surplus after payment of the Mortgage indebtedness shall then be distributed to the Association.

(2) The remaining portion of such Unit, if any, shall become a part of the Common Elements and shall be placed in condition for use by all Unit Owners in the manner approved by the Board. If the cost of such work shall exceed the balance of the fund from the award for the taking, the additional cost shall be a Common Expense asserted to the remaining Unit Owners.

(3) The shares in the Common Elements appurtenant to the Units which continue as a part of the Condominium shall be equitably adjusted to distribute the ownership of the Common Elements among the reduced number of Unit Owners. This shall be done by recomputing the shares of the remaining Unit Owners in the Common Elements as percentages of the total of the shares of Unit Owners as they exist prior to the adjustment.

(4) If the amount of the award for the taking is not sufficient to pay the market value of the condemned Unit to the Unit Owner and to recondition the remaining portion of the Unit for use as a part of the Common Elements, the additional funds required for such purposes shall be raised by Assessments against all Unit Owners except the Unit Owner of the condemned Unit. Such Assessments shall be made in proportion to the share of Unit Owners in the Common Elements after the change effected by the taking.

- (c) **ARBITRATION:** If the market value of a Unit prior to the taking cannot be determined by agreement between the Unit Owner and Mortgagees of the Unit and the Association within thirty (30) days after notice by either party, such values shall be determined by arbitration in accordance with the rules of the American Arbitration Association, except that the arbitrators shall be two real estate appraisers appointed by the American Arbitration Association who shall base their determination upon an average of their appraisals of the Unit. Any judgment or award rendered by the arbitrators may be entered in any court of competent jurisdiction. The cost of arbitration proceedings shall be assessed against all Unit Owners in proportion to the shares of the Unit Owners in the Common Elements as they exist prior to condemnation.
- (d) **AMENDMENT OF DECLARATION:** Changes in Units, in the Common Elements and in the ownership of the Common Elements which are effected by eminent domain shall be evidenced by an amendment. to this Declaration.

ARTICLE IX

ASSESSMENTS

Section 1. **AGREEMENT TO PAY ASSESSMENT:** Declarant for each Unit owned by it hereby covenants, and each Unit Owner by the acceptance of a deed therefor (whether or not it be so expressed in the deed) shall be deemed to covenant and agree with each other and with the Association to pay to the Association for the purposes provided for herein, an Assessments levied by the Association in accordance with the Declaration, the Articles, the Bylaws or the Act. Such Assessments shall be fixed, established and collected from time to time in the manner provided for in this Declaration, the Articles, the Bylaws or the Act. Liability for assessments may not be avoided by waiver of the use or enjoyment of any Common Elements or abandonments of the Unit for which the Assessments are made.

Section 2. **PURPOSE OF ASSESSMENTS:** The Assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the residents of the Condominium and for the improvement and maintenance of the Common Elements and the Units and such other purposes as the Board may deem necessary from time to time.

Section 3. **ANNUAL AND SUPPLEMENTAL ASSESSMENTS:** The Board shall prepare an annual operating budget for the Condominium and fix an annual Assessment based upon such budget at

least thirty (30) days in advance of the first day of the Association's upcoming fiscal year. Written notice of the annual Assessment shall be sent to every Unit Owner. The due dates for monthly installment payments of the annual Assessment shall be established by the Board and included in the written notice. If at any time during the fiscal year, the annual Assessment for such fiscal year shall appear to be insufficient to cover the Common Expenses of the Condominium for the fiscal year, a supplemental budget shall be prepared and approved by the Board and a supplemental Assessment based upon the supplemental budget shall be added to the annual Assessment. All Unit Owners shall be notified of any supplemental Assessment in writing at least thirty (30) days before the supplemental Assessment goes into effect.

Section 4. FIRST ANNUAL ASSESSMENT: The first annual Assessment shall commence as to all Units on the first day of the month following the conveyance of the first Unit by the Declarant. The first annual Assessment shall be adjusted according to the number of months then remaining in the Association's fiscal year.

Section 5. SPECIAL ASSESSMENTS: In addition to the annual and supplemental Assessment authorized in Section 3 above, the Association may levy and collect at any time, special Assessments against all Unit Owners for Common Expenses. In addition, special Assessments may be levied against individual Unit Owners as provided for this Declaration, the Articles, the Bylaws, or the Act.

Section 6. UNIFORM RATE OF ASSESSMENTS: Except for special Assessments against individual Unit Owners, all Assessments shall be levied against Unit Owners according to each Unit Owner's respective ownership in the Common Elements.

Section 7. DUE DATE: In levying an Assessment against a Unit or Unit Owner, the Board shall specify the due date of the Assessment or the due date of the installment payments of the Assessments.

Section 8. ASSESSMENTS CONSTITUTE LIEN: All Assessments, including installments thereof, until paid, together with interest thereon at the highest contract rate allowed by law and the actual cost of collection including reasonable attorneys' fees, constitute a lien on the Units on which they are assessed, provided that the Association files a Statement of Condominium Lien within two (2) years after the date the Assessment or installment thereof becomes due. The lien is effective against a Unit at the time the Assessment or installment thereof became due regardless of when within the two (2) year period it is filed. Whenever an Assessment or installment thereof is not paid as of the due date for said Assessment or installment thereof, the Association shall prepare a Statement of Condominium Lien setting forth the legal description of the Unit on which the lien is levied, the name

of the Unit Owner, the amount of the unpaid Assessment or installment thereof, and the due date of said Assessment or installment thereof. Such Statement of Condominium Lien shall be signed and verified by an officer or agent of the Association and filed in the land records of the Clerk of Circuit Court of Marathon County, Wisconsin.

A holder, insurer or guarantor of a first mortgage relating to a Unit, upon request, will be entitled to written notification from the Association of any default in the performance by the individual Unit Owner of any obligation under the Condominium Instruments which is not cured within sixty (60) days.

Section 9. PRIORITY OF LIEN: The lien provided for in this ARTICLE IX, included fees, late charges, fines or interest in connection with unpaid assessments, shall be superior to all other liens and encumbrances against the Unit it is levied on except the following:

- (a) Liens of general and special taxes;
- (b) All sums unpaid on a first mortgage or on any mortgage to the Declarant duly recorded in the Marathon County, Wisconsin real estate records prior to the making of such Assessment;
- (c) Mechanics liens filed prior to the making of the Assessment;
- (d) All sums unpaid on any mortgage loan made under Section 45.80 of the Wisconsin Statutes.

All other lienors acquiring liens on any Unit after this Declaration has been recorded shall be deemed to consent that their liens shall be inferior to the liens for Assessments established under this ARTICLE IX whether or not such consent be specifically set forth in the instruments creating their liens.

Section 10. ENFORCEMENT OF LIEN AND OTHER REMEDIES: The lien provided for in this ARTICLE IX 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 its costs and actual attorneys' fees in such foreclosure proceedings or in any other legal proceedings. The Association may bid on the Unit at foreclosure sale and acquire, hold, lease, Mortgage and convey said Unit. Suit to recover a money judgment for unpaid Assessments shall be maintainable without foreclosing or waiving the lien securing the same. Suit for any deficiency following foreclosure may be maintained in the same proceeding. No action may be brought to foreclose the lien established

under this ARTICLE IX unless brought within three (3) years following the recording of the Statement of Condominium Lien. No action may be brought to foreclose the lien established under this ARTICLE IX except after ten (10) days` prior written notice to the Unit Owner given by registered mail, return receipt requested, to the address of the Unit Owner shown on the books of the Association.

Section 11. SATISFACTION OF LIEN: A satisfaction of lien shall be executed by the Association in such form as may be recordable in Marathon County, Wisconsin, real estate records upon payment of all sums secured by a lien which has been made the subject of a recorded Statement of Condominium lien.

Section 12. PAYMENT BY ENCUMBRANCER: Any Mortgagee or other encumbrancer holding a lien on a Unit may pay, but shall not be required to pay, any amount secured by the lien created by this ARTICLE IX, and upon such payment, such encumbrancer shall be subrogated to all rights of the Association with respect to such lien, including priority.

Section 13. STATEMENT OF UNPAID ASSESSMENTS: Upon written request, any grantee, Mortgagee, or other encumbrancer of a Unit is entitled to a statement from the Association or the Board setting forth the amount of unpaid Assessments against a Unit. The Association or Board shall provide such statement within ten (10) business days after the date of receipt of the written request therefore.

Section 14. SALE OR TRANSFER OF UNIT SUBJECT TO UPAID ASSESSMENTS:

- (a) VOLUNTARY TRANSFER: In a voluntary transfer of a Unit, the grantee shall be jointly and severally liable with the grantor for all unpaid Assessments against the grantor for his or her unpaid Assessments up to the time of the voluntary grant for which a Statement of Condominium Lien is recorded, without prejudice to the rights of the grantee to recover from the grantor the amounts paid by the grantee to satisfy such unpaid Assessments.
- (b) INVOLUNTARY TRANSFER THROUGH FORECLOSURE: In the event that a Unit is sold or transferred pursuant to foreclosure proceedings, a subordinate lien for unpaid Assessments which become payable prior to such sale or transfer shall be extinguished. In the event that unpaid Assessments which constitute a lien against a Unit which is sold in foreclosure proceedings remain unpaid as a result of said proceedings, said unpaid Assessments shall

become a Common Expense collectible from all of the remaining Unit Owners excluding the Unit Owner purchasing his Unit through said foreclosure proceedings.

- (c) Any first mortgagee who obtains title to a Unit pursuant to the remedies provided in the mortgage or foreclosure of the mortgage will not be liable for such Unit's unpaid dues or charges which accrue prior to the acquisition of title to such Unit by the mortgagee.

ARTICLE X

OPERATION OF THE CONDOMINIUM

Section 1. ESTABLISHMENT OF ASSOCIATION: The affairs of the Condominium shall be governed by the Association which shall be incorporated as a nonstock, nonprofit corporation. The Declarant shall establish the Association not later than the date of the first conveyance of a Unit to a purchaser. The membership of the Association shall at all times consist exclusively of all of the Unit Owners.

Section 2. PRIOR TO ESTABLISHMENT: Until the Association is established, the Declarant has the power and responsibility to act in all instances where the Act, any other provision of law or this Declaration requires action by the Association, the Board or officers of the Association.

Section 3. DECLARANT CONTROL: Declarant shall have the power to control the Association until thirty (30) days after the conveyance of seventy-five (75%) of the interest in the Common Elements to purchasers. The period of Declarant control begins on the date that the first Unit in the Condominium is conveyed by Declarant to any person or legal entity other than Declarant. During said period Declarant has the power to authorize the Declarant or any other persons or legal entities designated by Declarant to appoint and remove the officers of the Association or to exercise the powers and responsibilities otherwise assigned by this Declaration or the Act to the Association or its officers.

Section 4. MEETING TO ELECT DIRECTORS: Upon the conveyance of twenty-five percent (25%) of the Common Element interests to purchasers, the Association shall hold a meeting and the Unit Owners other than the Declarant shall have the right to elect at least twenty-five percent (25%) of the directors of the Board. Upon the conveyance of fifty percent (50%) of the Common Element interests to purchasers, the Association shall hold a meeting and the Unit Owners other than the Declarant shall have the right to elect at least thirty three and one-third percent (33 1/3%) of the directors of the Board.

Section 5. AFTER DECLARANT CONTROL: Not later than forty-five (45) days after the expiration of the period of Declarant control, the Association shall hold a meeting and the unit Owners shall elect a Board of at least' three (3) directors and officers of the Association. The directors and officers so elected shall take office immediately upon election.

Section 6. MEMBERSHIP: Every Unit Owner shall be entitled and required to be a member of the Association. A Unit Owner who owns more than one Unit shall be entitled to one membership for each Unit owned by him. Each such membership shall be appurtenant to the Unit upon which it is based and shall be transferred automatically by conveyance of that Unit. No person or entity other than a Unit Owner or Declarant may be a member of the Association, and membership in the Association may not be transferred except in connection with the transfer of title to a Unit. If a Unit Owner consists of more than one person or entity, the membership related to said Unit shall be shared by such owners in the same proportionate interest and by the same type of tenancy in which the title to the Unit is held.

Section 7. VOTING RIGHTS: The number of votes appurtenant to each Unit shall be one (1). If a unit is owned by more than one person or entity, the vote appurtenant to such Unit shall not be split or divided, but shall be exercised as if the Unit was owned only by one person. Unit Owners may vote by proxy, but the proxy shall be effective only for a maximum period of one hundred eighty (180) days following its issuance, unless granted to a Mortgagee or less, in which case it may be longer than one hundred eighty (180) days. If a Unit is owned by more than one person or entity, said Unit Owners shall determine among themselves which person shall be nominated to cast the vote appurtenant to the Unit owned. The person nominated by said Unit Owners may be referred to in the Articles and Bylaws as the Nominee of said Unit Owners. The Nominee must be a Unit Owner or a spouse, officer, partner, or beneficiary of a Unit Owner.

Section 8. INFORMATION SUPPLIED BY UNIT OWNER: Every purchaser of a Unit shall deliver to the Association within twenty (20) days after ownership of a Unit is obtained, a written statement signed by the Unit Owner or Unit Owners indicating: the full legal names of the Unit Owners; the current mailing address of the Unit Owners; the name and address of the person nominated to cast the vote appurtenant to the Unit (Nominee) is a Unit Owner or a spouse, officer, partner or beneficiary of a Unit Owner. Only the Nominee shall be entitled to cast the vote appurtenant to said Unit in person or by proxy. A Nominee may only be changed by notice in writing addressed to the Declarant or

Secretary of the Association signed by a majority of the persons or entities having an ownership interest in the Unit.

Every purchaser of a Unit shall also deliver to the Association within twenty (20) days after ownership of a Unit is obtained, copies of the following documents (after they have been recorded or filed): the deed, assignment or other conveyance by which the Unit Owner took title, and the mortgage or other security interest that may encumber the Unit.

No Unit Owner may vote at a meeting of the Association until the information required under this Section 8 is delivered to the Association.

Section 9. MEMBERSHIP LIST: The Association shall maintain a current membership list showing the names of all of the Unit Owners, the current mailing addresses of all of the Unit Owners, the name and current mailing address of the Nominee of the Unit Owners and the name and current mailing address of any Mortgagee or other encumbrancer of said Unit Owner's Unit.

Section 10. POWERS OF THE ASSOCIATION: The powers of the Association Shall be those powers established in this Declaration, the Articles, the Bylaws, and the Act, and shall include, but shall not be limited to the following:

- (a) **ENTRY FOR REPAIRS:** The Association may enter any Unit at reasonable times and under reasonable conditions when necessary in connection with any maintenance, construction or repair of public utilities or for any other matters for which the Association is responsible. Such entry shall be made with prior notice to the Unit Owner and with as little inconvenience to the Unit Owner as practical, and any damage caused thereby shall be repaired by the Association and treated as a Common Expense. The Association shall have the right to grant permits, licenses and easements over the common elements for utilities, roads and other purposes reasonably necessary or useful for the proper maintenance or operation of the Condominium.
- (b) **SERVICES:** The Association may obtain and pay for the services of any person or entity to manage its affairs, or any part thereof, to the extent it deems advisable, as well as such other personnel as the Association shall determine to be necessary or desirable for the proper operation of the Condominium property whether such

personnel are furnished or employed directly by the Association or by any person or entity with whom or property associated with the foreclosed Unit.

- (d) **RULES AND REGULATIONS:** The Association may make reasonable Rules and Regulations governing the use of the Units and the Common Elements, which Rules and Regulations shall be consistent with the rights and duties established in this Declaration, the Articles, the Bylaws, and the Act.
- (e) **IMPLIED RIGHTS:** The Association may exercise any other right or privilege given to it expressly by this Declaration or by any other law, and any other right or privilege reasonably to be implied from the existence of any right or privilege given to it herein or under any law or reason necessary to effectuate any such right or privilege.

ARTICLE XI

TERMINATION

Section 1. **BY AGREEMENT:** All or any part of the Condominium Property may be removed from the provisions of the Act by written agreement of all Unit Owners duly recorded with the Marathon County Register of Deeds, provided that the Mortgagees and other holders of all liens affecting any of the Units or the Condominium Property consent or agree in writing duly recorded with the Marathon County Register of Deeds that their liens be transferred to the percentage of the undivided interest of the Unit Owners in the Condominium Property. Upon removal of any Condominium Property from the provisions of the Act, the Condominium Property shall be deemed to be owned by all of the unit Owners as tenants in common. The undivided interest in the Condominium Property owned as tenants in common which appertains to each Unit that the Unit Owner owns shall be the percentage of the undivided interest previously owned by the Unit Owner in the Common Elements of the Condominium. The removal of the Condominium Property from the Act shall in no way bar the subsequent resubmission of the Condominium Property to the Act.

Section 2. **BY DESTRUCTION:** In the event it is determined in the manner elsewhere provided in this Declaration that the building and improvements on the Condominium Property shall not be reconstructed because of major damage, the Condominium shall be thereby terminated without further agreement and shall be removed from the provisions of the Act.

ARTICLE XII

AMENDMENT

This Declaration may only be amended by an instrument signed by the Declarant alone at any time prior to the sale of a unit, and thereafter signed by not less than seventy-five percent {75%} of the Unit Owners and the holders of first mortgages on Units which have at least fifty-one percent {51%} of the votes of Units subject to first mortgages; provided, however, that such amendment shall not substantially alter any of the rights or obligations of the Unit Owners. No amendment to this Declaration shall be adopted which would operate to affect the validity or priority of any Mortgage or which would alter, amend, or modify in any manner whatsoever, the rights, powers and privileges granted and reserved herein in favor of any Mortgagee or in favor of the Declarant without the consent of all such Mortgagees or the Declarant as the case may be. Any amendment must be recorded with the Register of Deeds for Marathon County, Wisconsin. An amendment to this Declaration becomes effective when it is recorded with the Register of Deeds for Marathon County, Wisconsin.

ARTICLE XIII

MISCELLANEOUS

Section 1. **LIABILITY FOR COMMON EXPENSE:** Each Unit Owner shall be liable for a proportionate share of the Common Expenses. Such share shall be in the same percentage as the undivided share in the Common Elements appurtenant to the Unit Owner's Unit.

Section 2. **COMMON SURPLUS:** Any Common Surplus of the Association shall be credited to the Unit Owners' Assessments for Common Expenses in proportion to the Unit Owners' percentage interest in the Common Elements or shall be used for any other purpose that the Association may decide.

Section 3. **SEPARATE MORTGAGE OF UNITS:** Each Unit Owner shall have the right to Mortgage or encumber his own respective Unit, together with his respective ownership interest in the Common Elements. No Unit Owner shall have the right or authority to Mortgage or otherwise encumber in any manner whatsoever the Condominium Property or any part thereof, except his own Unit and his own respective ownership interest in the Common Elements.

Section 4. SEPARATE TAXATION: Every Unit and its percentage of undivided interest in the Common Elements shall be deemed to be a parcel and shall be subject to separate assessments and taxation by each assessing unit and special district for all types of taxes authorized by law including, but not limited to, special ad velorum levies and special governmental assessments. Neither the building, the Condominium Property, nor any of the Common Elements shall be deemed to be a parcel separate from the Units. In the event that, for any year, such taxes are not separately taxed to each Unit Owner, but are taxed on the Condominium Property as a whole, then each Unit Owner shall pay his proportionate share thereof in accordance with his ownership in the Common Elements.

All taxes, assessments and charges which may become liens prior to the first mortgage under local law shall relate only to the individual Condominium Units and not to the Condominium project as a whole.

Section 5. RIGHT OF FIRST REFUSAL: The right of a Unit Owner to sell, transfer, or otherwise convey his or her Unit shall not be subject to a right of first refusal or similar restriction.

Section 6. BOOKS AND RECORDS: The Association shall keep detailed, accurate records using generally accepted accounting methods of the receipts and expenditures affecting the Condominium Property, specifying and itemizing the maintenance and repair expenses and any other expenses incurred. The records and vouchers authorizing the payments, along with current copies of the Declaration, By-Laws and rules of the Condominium, shall be available for examination by the Unit Owners, lenders and to holders, insurers or guarantors of any first mortgage upon reasonable request at reasonable times.

The Association shall make available to the holders of fifty-one percent (51%) or more of first mortgages, upon written request, an audited financial statement for the immediately preceeding fiscal year, prepared at their expense if such statement is not otherwise available.

Section 7. SERVICE OF PROCESS: Until the Association is established, DANIEL K. JOHNSON, is authorized to receive service of process for the Condominium. The Declarant shall file said person`s name and address as the resident agent of the Condominium with the Secretary of State. The name or address of said resident agent may be changed by the Association or other proper authority of the Condominium in the same manner and to the same extent that names and addresses of registered agents may be changed by corporations. Once the Association is established (incorporated), the registered agent for

the incorporated Association, shall be the registered agent for the Condominium.

Section 8. ENFORCEMENT: The Association, or any Unit Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, and reservations, now or hereafter imposed by the provisions of this Declaration.

Section 9. NO WAIVER: The failure of the Association to insist, in any one or more instances, upon the strict performance of any of the terms, covenants, conditions or restrictions of the Declaration, or to exercise any right or option contained herein, shall not be construed as a waiver or a relinquishment for the future of such term, covenant, condition or restriction, but such term, covenant, condition or restriction shall remain in full force and effect. The receipt by the Association of payment of any Assessment from a Unit Owner, with knowledge of such breach of any covenant hereof, shall not be deemed as a waiver of such breach, and no waiver by the Association of any provision hereof shall be deemed to have been made unless expressed in writing and signed by the Association.

Section 10. SEVERABILITY: Invalidation of any of the terms, covenants or restrictions contained in this Declaration, by judgment or court order shall in no way affect any other provision which shall remain in full force and effect.

Section 11. NOTICES: All notices and other documents required to be given by this Declaration or the Bylaws to a Unit Owner, Nominee or Mortgagee shall be sufficient if personally delivered or mailed to the address of such unit Owner, Nominee or Mortgagee appearing in the records of the Association. The duty for notifying the Association of a change in address falls upon the unit Owner, Nominee or Mortgagee. Notices and other documents to be served upon Declarant shall be given to the agent specified for receipt of process herein.

Section 12. NUMBER AND GENDER: Wherever used herein, unless the context shall otherwise provide, the singular number shall include the plural, the plural shall include the singular and the use of any gender shall include all genders.

Section 13. CAPTIONS: The captions and section headings herein are inserted only as matters of convenience and for reference, and in no way define nor limit the scope or intent of the various provisions hereof.

IN WITNESS WHEREOF, EASTRIDGE PARTNERS, Declarant has caused this document to be executed at Wausau, Wisconsin this 28th day of May, 1982.

EASTRIDGE PARTNERS, by its General Partners:

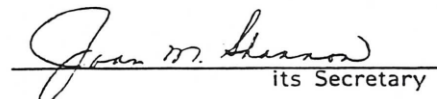
(S E A L)


DANIEL K. JOHNSON

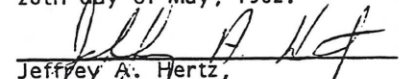
OLD MAIN INVESTMENTS, INC., by its President and Secretary:


HOWARD N. FRIERDICH its President

(S E A L)


its Secretary

Signatures authenticated this
28th day of May, 1982.


Jeffrey A. Hertz,
A Member State Bar of Wisconsin

This instrument was drafted by

JEFFREY A. HERTZ
Lonsdorf, Mallery, Andraski & Garske, S.C.
610 Jackson Street
Wausau, WI 54401

AMENDMENT NUMBER 1
TO THE DECLARATION OF CONDOMINIUM OWNERSHIP
AND OF EASEMENTS, RESTRICTIONS, COVENANTS, AND CONDITIONS
FOR EASTRIDGE CONDOMINIUMS

The undersigned, Eastridge Partners, being the Declarant in the Declaration of Condominium Ownership and Easements, Restrictions, Covenants, and Conditions for Eastridge Condominiums (hereinafter the "Declaration") which was recorded on the 3rd day of June, 1982, in Volume 346 of Micro-Records on pages 764-805 in the Office of the Register of Deeds for Marathon County, Wisconsin, and First Financial Savings & Loan Association, being the sole mortgagee of the real estate submitted to the Declaration, hereby amend and correct the Declaration as follows:

1. By execution hereof, First Financial Savings & Loan Association, agrees to all conditions, restrictions, covenants and easements set forth in the Declaration and affirmatively consents to the submission of the real estate subject of the Declaration to the provisions of the Wisconsin Condominium Ownership Act, Chapter 703 of the Wisconsin Statutes.

IN WITNESS WHEREOF, the Declarant, Eastridge Partners, and First Financial Savings & Loan Association have caused this Amendment Number 1 to be executed this 22 day of June, 1982.

EASTRIDGE PARTNERS, by its General Partners:

(S E A L)


DANIEL K. JOHNSON

OLD MAIN INVESTMENTS, INC., by its President and Secretary:



HOWARD N. FRIERDICH its President

(S E A L)


JOAN M. SHANNON its Secretary


FIRST FINANCIAL SAVINGS & LOAN
ASSOCIATION, by its President and
Secretary:



JOHN C. SERAMUR, its President

JOAN M. SHANNON its Secretary

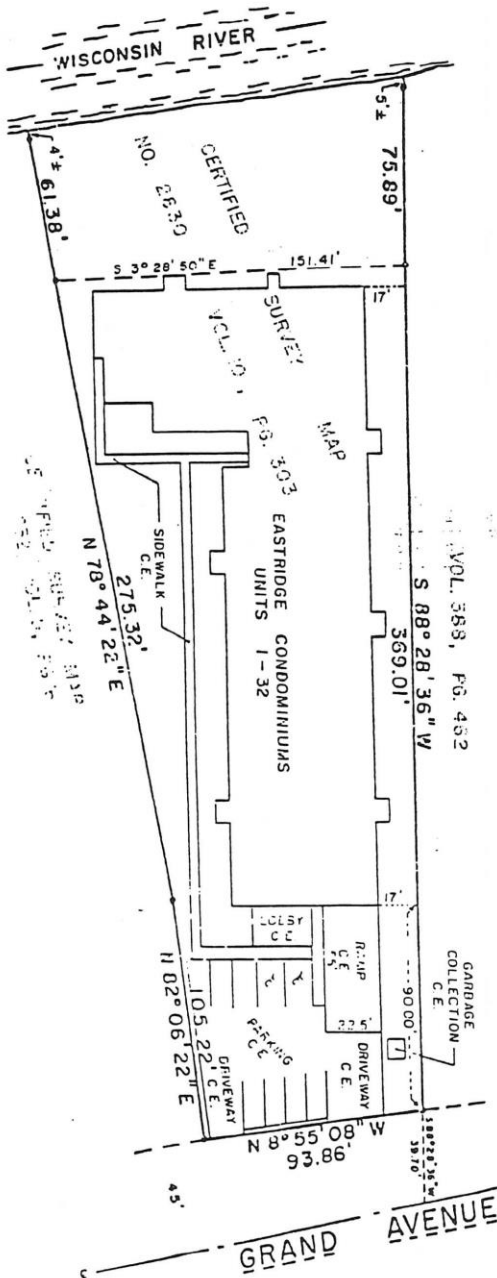
Signatures authenticated this
22 day of June, 1982.



Jeffrey A. Hertz,
A Member State Bar of Wisconsin

This instrument was drafted by.

JEFFREY A. HERTZ
Lonsdorf, Mallery, Andraski & Garske, S.C.
610 Jackson Street
Wausau, WI 54401

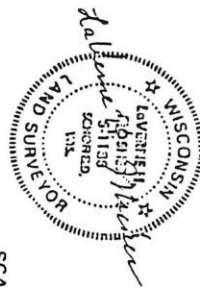


BEARINGS REFERENCED TO THE SOUTH LINE
OF GOVERNMENT LOT 3, SEC. 36, T29N, R7E.
ASSUMED TO BEAR N 90°00'00"W.

- LEGEND
- EXISTING 1" IRON PIPE
 - C.E. COMMON ELEMENT
 - LCE LIMITED COMMON ELEMENT

SCALE: 1" = 50'

0 25 50 100



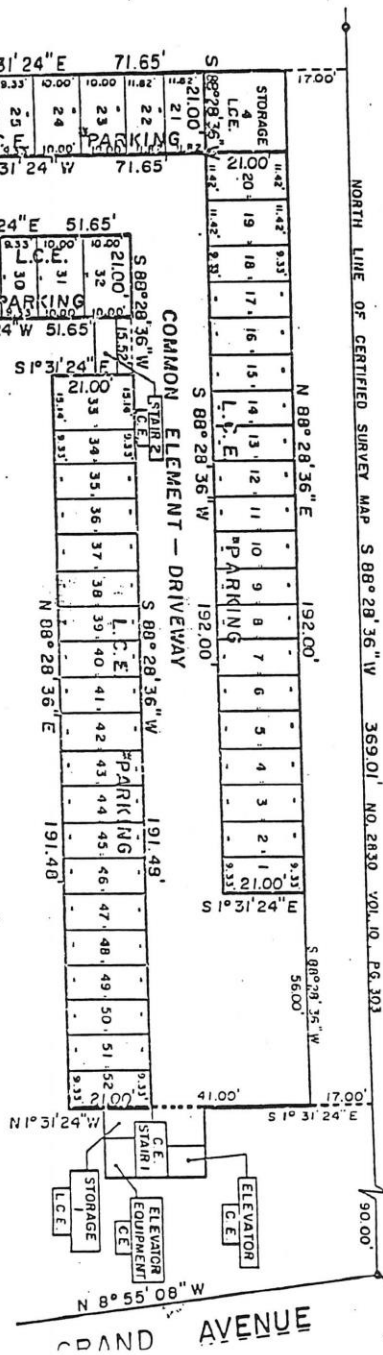
EASTRIDGE CONDOMINIUMS SITE PLAN

SECTION 36, T29N, R7E
N 89°22'10"W
1031.34'

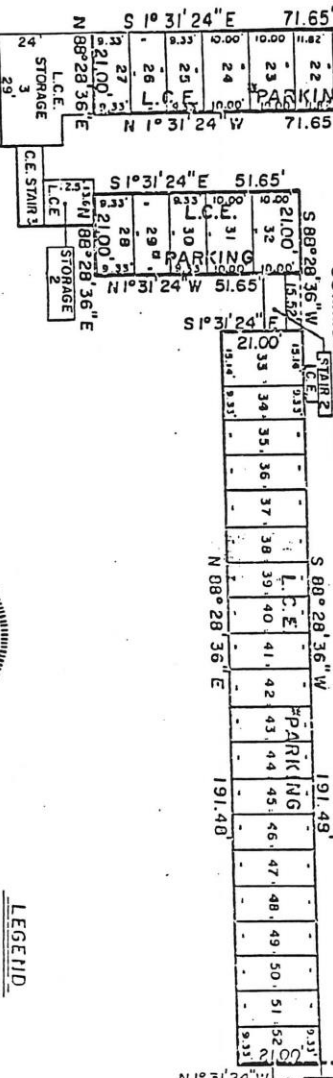
EASTRIDGE CONDOMINIUMS BASEMENT PLAN

NORTH LINE OF CERTIFIED SURVEY MAP S 88° 28' 36" W 369.0' NO. 2830 VOL. 10, PG. 303

NE CORNER OF
CSM NO. 2830



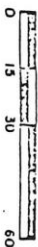
COMMON ELEMENT - DRIVEWAY



LEGEND

- EXISTING, 1" IRON PIPE
- L.C.E. LIMITED COMMON ELEMENT
- C.E. COMMON ELEMENT

SCALE, 1" = 30'



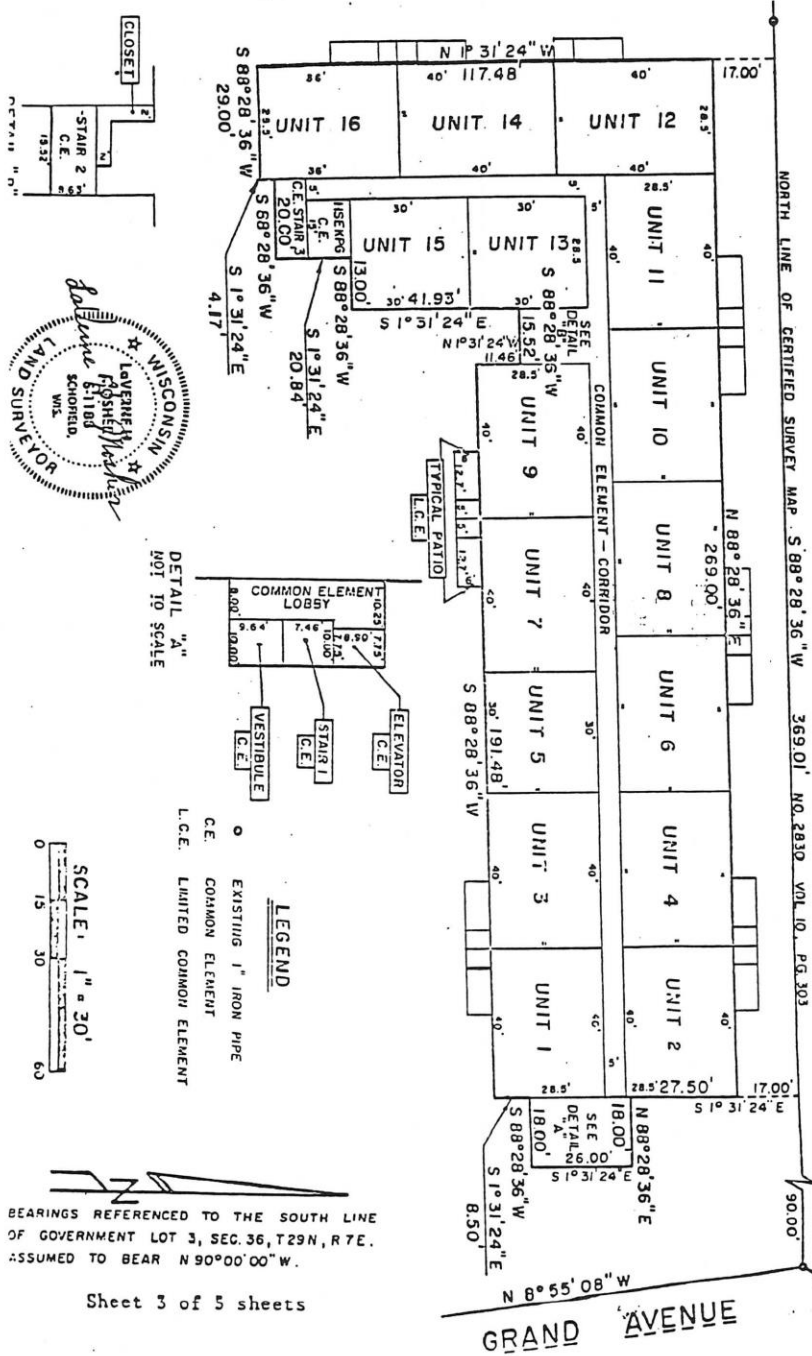
BEARINGS REFERENCED TO THE SOUTH LINE
OF GOVERNMENT LOT 3, SEC. 36, T29N, R7E.
ASSUMED TO BEAR N 90° 00' 00" W.

Sheet 2 of 5 sheets

NOTE
* LIMITED COMMON ELEMENTS FOR PARKING
FOR OWNERS OF UNITS 1-32.
INDIVIDUAL SPACES TO BE ASSIGNED
BY OWNER OR OTHERS.

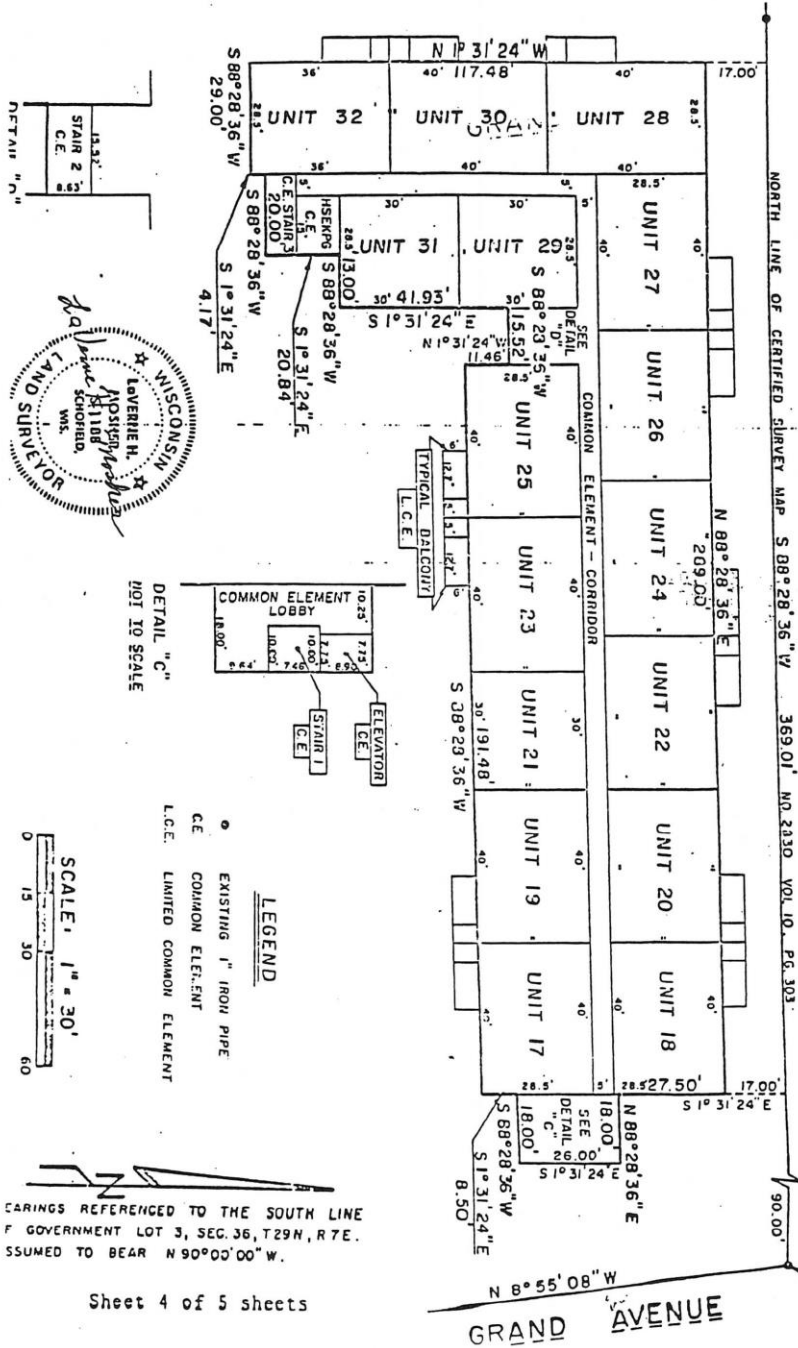


EASTRIDGE CONDOMINIUMS FIRST FLOOR PLAN



BEARINGS REFERENCED TO THE SOUTH LINE
OF GOVERNMENT LOT 3, SEC. 36, T29N, R7E.
ASSUMED TO BEAR N 90° 00' 00" W.

EASTRIDGE CONDOMINIUMS SECOND FLOOR PLAN



BEARINGS REFERENCED TO THE SOUTH LINE
OF GOVERNMENT LOT 3, SEC. 36, T29N, R7E.
ASSUMED TO BEAR N 90°00'00" W.

LEGAL DESCRIPTION OF EASTRIDGE CONDOMINIUMS:

That parcel of land recorded on Certified Survey Map number 2830, Volume 10 of Certified Survey Maps, page 303 as recorded in the office of Register of Deeds for Marathon County, Wisconsin.

SURVEYOR'S CERTIFICATE:

I, LaVerne H. Mosher, Wisconsin Registered Land Surveyor no. S-1188, hereby certify:

That the plat of EASTRIDGE CONDOMINIUMS is a correct representation of the condominium described and the identification and location of each unit and the common elements thereof can be determined from the plat.



LaVerne H. Mosher
LaVerne H. Mosher S-1188

FLOOR AREA OF UNITS:

Units 1, 2, 3, 4, 6, 7, 8, 9, 10, 11, 12, 14, 17, 18, 19, 20, 22, 23, 24, 25, 26, 27, 28, 30 = 1140 square feet (floor area)

Units 16, 32 = 1026 square feet (floor area)

Units 5, 13, 15, 21, 29, 31 = 855 square feet (floor Area)