

EXPANSION OF HARMONY HILLS
SUBDIVISION AND AMENDMENT
TO COVENANTS, CONDITIONS
AND RESTRICTIONS OF
HARMONY HILLS

3491135

REGISTER'S OFFICE
WAUKESHA COUNTY, WI
RECORDED ON

06-21-2007 3:43 PM

MICHAEL J. HASSLINGER
REGISTER OF DEEDS

WHEREAS, WEXFORD HEIGHTS, LP (hereinafter referred to as "Declarant"), has platted and developed a subdivision with other related improvements called Harmony Hills;

WHEREAS, Declarant has imposed upon and subjected Harmony Hills to certain covenants, conditions and restrictions as set forth in the "Declaration of Covenants, Conditions and Restrictions of Harmony Hills," which said Declaration of Covenants, Conditions and Restrictions was recorded in the office of the Register of Deeds for Waukesha County, Wisconsin on September 5, 2003 as Document No. 3058651 (hereinafter referred to as "Declaration");

WHEREAS, pursuant to Section 11.2 of said Declaration, Declarant is permitted to expand the property of Harmony Hills without the consent or approval of any Owner "by subjecting to this Declaration all or any portion of the Expansion Real Estate then owned by Declarant", and

Return To:

JB Development
W178 N9912 Rivercrest Drive #101
Germantown, WI 53022-4645

pd
09/30

WHEREAS, Declarant desires to expand Harmony Hills as allowed and permitted by said Declaration to the Expansion Real Estate as described, and further, to amend said Declaration as applied to said Expansion Real Estate:

NOW, THEREFORE, Declarant as Owner in fee of the Expansion Real Estate which is located in Waukesha County, Wisconsin and more particularly described in Exhibit A, same being attached hereto and incorporated herein by reference (hereinafter referred to as "Subject Property"), by this document does hereby establish, subject and impose the terms, conditions, covenants and restrictions set forth in said Declaration to and upon the Subject Property described in Exhibit A, a copy of said recorded Declaration being attached hereto and marked Exhibit B, said terms, conditions, covenants and restrictions being set forth and incorporated herein by reference, except as said Declaration may be amended by this document.

As to the Subject Property, said Declaration shall be amended as follows:

1. Section 1.6 shall be amended in its entirety to recite as follows:

1.6 Common Areas. The "Common Areas" shall consist of those areas delineated on the plat and include, by way of explanation and not limitation, the Outlots (which include certain water and storm water features) and Tall Oak Court. All Common Areas shall remain free from debris and installation of any improvements by any Lot Owner or the Association.

2. Section 4.2 shall be amended in its entirety to provide as follows:

4.2 Association Responsibility. The Association shall maintain in good condition and repair, replace and operate all of the Common Areas and Common Improvements, including, but not limited to, the maintenance of the storm water detention basins, the private road shown on the Plat known as Tall Oak Court, landscaping, trees and plantings in the Common Areas and trimming of such trees for sight lines. The Association may, in its direction, install additional Common Improvements in the Common Areas which shall also become the responsibility of the Association to maintain and repair.

3. The following shall be added to ARTICLE 5. RESTRICTIONS ON USE AND OCCUPANCY:

5.12 Use of Detention Ponds Prohibited. No Lot Owner, guest, invitee or third person shall be allowed access to or upon any pond for any purpose. Any entrance upon said pond by any person shall be considered a trespass. Enforcement hereof may be sought by any Lot Owner or the Association through any legal process, including, but not limited to, submission of a claimant to the appropriate law enforcement agency.

4. Section 6.5(i) shall be amended in its entirety to provide as follows:

(i) Each Owner is required to install and energize before occupancy, and therefore to maintain, a front yard light post and lantern (in accordance with the Village ordinances) in a style and from a manufacturer designated by the ACC from time to time, guided by an effort to keep light posts as uniform as practicable. The initial post and lantern will be purchased from Declarant. The light post and lantern must be located adjacent to the driveway.

5. Section 6.6(d) shall be amended in its entirety to provide as follows:

(d) 1. In addition to the requirements of subsection 6.6(b) above imposed upon each Owner of a Lot, Declarant, pursuant to and in compliance with Section 1.F.2 of the Developer's Agreement with the Village of Menomonee Falls (hereinafter referred to as "Developer's Agreement"), shall install trees on all Lots within the subdivision as depicted in the Street Tree Plan within sixty (60) days following issuance of an occupancy permit for the Owner's home, provided that if the occupancy permit is granted later than September 15, the required trees shall be installed not later than June 1 of the following year. In the event said trees are installed prior to Owner's home being constructed, Owner shall be responsible for replacement of any such tree which was damaged or removed during construction. Notwithstanding the foregoing, (i) all trees required by the Street Tree Plan to be installed on an Owner's Lot shall be installed by the Owner prior to June 16, 2008 and (ii) each Owner shall be responsible for the perpetual maintenance, repair and replacement of the trees required by the Street Tree Plan. In the event that either Declarant or the Owner defaults on any of their respective obligations under this subsection, then (i) the Village, in addition to any of its other rights and remedies, has the right but not the obligation, to enter the Owner's Lot and to install the required trees, and without notice or hearing, to impose a special assessment on said Owner's Lot for the cost of such installation, and (ii) the Association, in addition to any of its other rights and remedies, has the right but not the obligation, to enter the Owner's Lot and to install the required trees, and to impose an assessment on said Owner's Lot for the costs of such installations pursuant to Section 12.2 hereof.

2. As set forth in Section 1.F.2.d (of said Developer's Agreement), Declarant shall have the right, by whatever means legally available, to assign the responsibility for Street Tree planting to individual Lot Owners, including without limitation, obligations set forth in any Offer to Purchase and this Declaration. However, said assignment shall not relieve Declarant from its primary obligations to the Village under this Section and said Developer's Agreement.

6. The following Sections shall be added to ARTICLE 7. SPECIAL FEATURES:

7.2 Construction Impact on Wetlands. Lots 55 and 58 within the subdivision contain pockets of wetlands. The Owner(s) of said Lots 55 and 58 shall be liable to Declarant and the Village of Menomonee Falls for any unlawful or improper encroachment upon or impact to the wetlands during construction of improvements on said Lots by the Owner(s) thereof. Declarant and the Village of Menomonee Falls retain any and all rights afforded by the Declaration, this Amendment or in law or equity to enforce compliance against the Owner(s) of said Lots 55 and 58,

including, but not limited to, any and all costs to correct any violation and attorney fees and costs of enforcement.

7.3 Grading of Certain Lots. Notwithstanding anything in the Declaration to the contrary, including, but not limited to, Section 6.6(a) thereof, in an effort to preserve existing trees in the subdivision and pursuant to Section V.A.4 of said Developer's Agreement, Lots 27, 28, 32, 33 and 34 shall not be graded by Declarant. Grading of these lots shall be completed following construction of the home on these lots by the individual Lot Owners, all pursuant to grading specifications which shall or may be imposed by the Village of Menomonee Falls.

Further, pursuant to the minutes of the Architectural Control Board of the Village of Menomonee Falls (and the provisions of said Developer's Agreement), the following shall also apply to Lots 27, 28, 32, 33 and 34:

"Prior to issuance of a building permit on Lots 27, 28, 32, 33 and 34, a plan be created by a registered landscape architect and/or an arborist showing:

- Survey - prepared by a registered surveyor.
- Site - Showing contours at 1 foot elevations.
- Grading/Filling/Erosion Control Plans.
- A landscaping plan showing the following:
 1. A plant list and coverage chart showing the location, quantity, size (at time of planting and at maturity), spacing and the scientific and common names of all landscape materials used.
 2. The dbh of existing trees shall be provided.
 3. The location and percentage of slope of all proposed berms using one foot contours.
 4. Existing plant materials proposed to remain. A separate plant list and coverage chart showing the location, quantity, size (at time of planting and at maturity), spacing, and the scientific and common names of all landscape materials used.
 5. Existing plant materials proposed to be removed. A separate plant list and coverage chart showing the location, quantity, size (at time of planting and at maturity), spacing, and the scientific and common names of all landscape materials used.
- Tree protection plan showing how and where protection will be provided by the home builder on the subject lot and also showing the proposed planting schedule.
- Maintenance plan showing how the mature trees will be preserved and maintained over time.

Applications shall be reviewed by staff and one member of the Architectural Control Board prior to issuance of a building permit. Any circumstance that brings into question the ability to preserve vegetation shall be referred to the Architectural Control Board."

Owners of Lots 27, 28, 32, 33 and 34 are encouraged to contract the Village of Menomonee Falls as to compliance with the foregoing.

(Signatures on next page)

Signature Page for Expansion
of Harmony Hills

Executed this 20 day of June, 2007

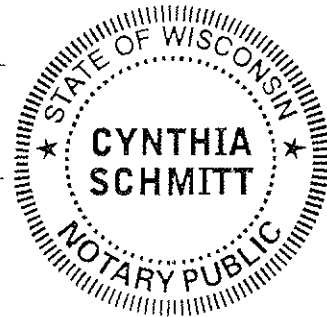
WEXFORD HEIGHTS, LP
By: JBJRE, LLC, its General Partner

By: *Theresa M. Weitemann*
Theresa M. Weitemann, Member

STATE OF WISCONSIN)
) ss.
COUNTY OF WAUKESHA)

Personally came before me this 20 day of June, 2007, the above named Theresa M. Weitemann, Member of JBJRE, LLC, which is the general partner of Wexford Heights, LP, by its authority, and to me known to be the person who executed the foregoing instrument, and acknowledged the same.

Cynthia Schmitt
Cynthia Schmitt
Notary Public, State of Wisconsin
My Commission Expires: 4/19/09



This instrument was drafted by:

Richard A. Rechlicz, Esq.
Ladewig, Rechlicz & Iggens, LLP
N88 W15125 Main Street
Menomonee Falls, WI 53051
(262) 251-2245

EXHIBIT A

LEGAL DESCRIPTION

Being a part of Lot 1 of Certified Survey Map No. 9499 and lands in the Northeast and Southeast 1/4 of the Northwest 1/4 Section 25, Town 8 North, Range 20 East, Village of Menomonee Falls, Waukesha County, Wisconsin, more particularly bounded and described as follows:

Commencing at the North 1/4 corner of said Section 25, running thence South $89^{\circ}57'57''$ West along the centerline of Mill Road, 230.00 feet; thence South $00^{\circ}13'43''$ West, 50.00 feet to the point of beginning of lands hereinafter described:

Continuing South $00^{\circ}13'43''$ West along the West line of Harmony Hills I, 194.85 feet to a point; thence South $04^{\circ}57'57''$ East along the West line of Harmony Hills I, 110.45 feet to a point; thence South $00^{\circ}13'43''$ West along the west line of Harmony I, 1167.48 feet to a point; thence South $89^{\circ}52'13''$ West, 229.94 feet to a point; thence South $00^{\circ}13'43''$ West, 630.25 feet to a point; thence North $89^{\circ}45'43''$ East, 130.00 feet to a point; thence South $00^{\circ}13'43''$ West, 500.04 feet to a point in the South line of the Northwest 1/4 of Section 25, thence South $89^{\circ}45'15''$ West along the said South line, 1011.54 feet to a point; thence North $00^{\circ}10'34''$ East, 2606.30 feet to the South line of Mill Road; thence North $89^{\circ}57'57''$ East along the South line of said Mill Road, 1103.84 feet to the point of beginning.

Containing 62.00 acres more or less.

EXHIBIT B
DECLARATION OF
COVENANTS, CONDITIONS AND
RESTRICTIONS OF
HARMONY HILLS

3058651

REGISTER'S OFFICE
WAUKESHA COUNTY, WI
RECORDED ON

09-05-2003 3:42 PM

MICHAEL J. HASSLINGER
REGISTER OF DEEDS

REC. FEE: 52.00
REC. FEE-CO: 5.00
REC. FEE-ST: 2.00
TRAN. FEE:
TRAN. FEE-STATE:
PAGES: 25

Return to:
J.B.J. Companies, Inc.
W178 N9912 Rivercrest Drive, #101
Germantown, WI 53022

Handwritten signature/initials

**DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
OF
HARMONY HILLS**

This Declaration of Covenants, Conditions and Restrictions of Harmony Hills (this "Declaration") is made and entered into by Wexford Heights, LP ("Declarant").

Recitals

Declarant owns certain real property, described on the attached Exhibit A, upon which Declarant intends to develop a subdivision for residences and other related improvements.

By this Declaration, Declarant intends to subject such property and improvements to certain easements, rights, restrictions, and obligations with respect to the ownership, use and maintenance of such property and improvements and all components thereof.

Declarant also owns or may acquire further real property that is within one mile of the exterior boundary of the land described on Exhibit A, which Declarant may annex to the subdivision and submit to this Declaration. Nothing in this Declaration, however, shall be deemed to restrict or otherwise affect any real property that is not described on Exhibit A, until the Declarant subjects such real property to this Declaration pursuant to Section 11.5 below.

Now, therefore, Declarant, as fee owner of the property described on Exhibit A, by this Declaration (1) establishes and imposes certain provisions, restrictions, conditions, easements and uses upon such real property; and (2) specifies that the provisions of this Declaration shall constitute covenants running with the land which shall be binding upon Declarant, its successors and assigns, and all subsequent owners and occupants of all or any part of such real property.

ARTICLE 1. DEFINITIONS

The following terms shall have the assigned definitions:

- 1.1 Association. The "Association" shall mean Harmony Hills Community Association, Inc., the members of which shall be all Owners of Lots in the Subdivision.
- 1.2 Association Insurance. "Association Insurance" shall mean all policies of insurance as may be maintained by the Association under this Declaration.
- 1.3 Board. The "Board" or "Board of Directors" shall be the governing body of the Association, elected according to the Bylaws.
- 1.4 Building. A "Building" shall be any freestanding structure located in the Subdivision. A "dwelling" or a "residence" is a Building intended for occupancy in accordance with Section 5.1.
- 1.5 Bylaws. The "Bylaws" shall mean the Bylaws of the Association as adopted by the Board.

1.6 Common Areas. The "Common Areas" shall consist of the Outlots (which include certain water and stormwater features).

1.7 Common Improvements. The "Common Improvements" consist of the following, some of which may be located in Common Areas and some of which may be located in public streets: all signs on the Property generally identifying the Subdivision as Harmony Hills Subdivision, and any detention ponds, Buildings or other improvements made by the Association in the Common Areas.

1.8 Declarant. The "Declarant" shall mean Wexford Heights, LP and the successors and assigns of Declarant pursuant to assignment in accordance with Section 15.7 of this Declaration.

1.9 Declaration. "Declaration" shall mean this Declaration as the same may be amended from time to time.

1.10 Director. A "Director" shall mean a member of the Board.

1.11 Drawings. The term "Drawings" is defined in Section 6.1(b).

1.12 Expansion Real Estate. "Expansion Real Estate" shall mean any real property that is within one mile of the exterior boundary of the property described in Exhibit A which Declarant may annex to the Subdivision pursuant to Section 11.2.

1.13 Harmony Hills Documents. "Harmony Hills Documents" shall consist of this Declaration, Articles of Incorporation of the Association and the Bylaws of the Association.

1.14 Lot. "Lot" shall mean a platted lot intended for construction of a residence as shown on the Plat except for Lot 1 of the Plat. Nothing in this Declaration shall be construed to place any restrictions, responsibility, right or benefit on Lot 1 of the Plat.

1.15 Mortgage. "Mortgage" shall mean a recorded lien mortgage against a Lot or the vendor's interest under a recorded lien land contract relating to a Lot.

1.16 Mortgagee. "Mortgagee" shall mean the holder of a Mortgage.

1.17 Occupant. "Occupant" shall mean the Owner and any other person residing on a Lot.

1.18 Outlot. "Outlot" shall mean an Outlot as shown on the Plat. The reference to an Outlot by a number shall mean that particular Outlot as shown on the Plat.

1.19 Owner. "Owner" shall mean each fee simple owner of a Lot. The Declarant is an Owner with respect to Lots to which it holds title.

1.20 Pet. A "Pet" is a domestic dog, cat or bird (other than large birds of prey) which are not maintained for breeding or commercial purposes. By virtue of this definition, no other animals are permitted to be on the Property as pets of any Occupant.

1.21 Plat. A "Plat" is the plat of the Property as recorded in the Register's Office and, as appropriate, the plats of property subjected in the future to this Declaration under Article 11.

1.22 Property. The "Property" shall mean the real estate subject to this Declaration, as described on Exhibit A and all Buildings and other improvements constructed or to be constructed thereon, and such other real estate as is subjected to this Declaration under Article 11.

1.23 Register's Office. The "Register's Office" shall mean the office of the Register of Deeds for Waukesha County, Wisconsin.

1.24 Rules. The "Rules" shall mean rules established by the Association governing the administration of the Common Areas and Common Improvements.

1.25 Subdivision. "Subdivision" shall mean all of Lots as shown on the Plat.

1.26 Street Tree Plan. "Street Tree Plan" shall mean the design plans depicting all shade trees submitted to the Village by the Declarant.

1.27 Village. "Village" shall mean the Village of Menomonee Falls, Wisconsin, and its successors.

ARTICLE 2. ASSOCIATION OF OWNERS

2.1 Administration. Declarant shall establish the Association, which shall be incorporated and shall adopt Bylaws for its governance and administration of this Declaration, the Common Areas and the Common Improvements. The Board may, but need not, from time to time adopt and amend Rules that are binding on all Owners and Occupants. The Board shall administer and enforce the Common Areas, the provisions of this Declaration and the Bylaws, the Rules, and all other uses of and restrictions on the Property. Until the establishment of the Association, all powers of the Association shall be exercised by Declarant.

2.2 Membership and Voting. Each Owner shall be a member of the Association. In the Association, the Owner(s) of each Lot shall be entitled to one vote for each Lot owned. If one or more Lots change their status to some other form of ownership, the votes appurtenant to each original Lot shall not be changed. No member shall be permitted to vote if such member is more than thirty (30) days delinquent in the payment of any amount due to the Association under Article 3 of this Declaration.

2.3 Control of Association. Declarant shall have the right to appoint and remove Directors of the Association and to exercise any and all powers and responsibilities assigned to the Association, the Board, or its officers, by the Articles, By Laws, this Declaration or the Wisconsin Nonstock Corporation Law (as amended from time to time), until the earliest of: (1) fifteen 15 years from the date that the first Lot is conveyed to any person other than Declarant; or (2) thirty (30) days after the conveyance by Declarant to purchasers of 75% of the Lots; or (3) Declarant's election to waive its rights to control.

2.4 Management. The Association may employ a professional management agent or company to assist in carrying out its duties regarding the Common Areas, the Common Improvements, and this Declaration, with such experience and qualifications and on such terms and conditions as are acceptable to the Board. Any such agreement must be terminable by the Board, without cause, upon ninety (90) days notice without payment of any penalty.

2.5 Approvals. Any proposal by an Owner requiring Board approval shall be submitted in writing, in such detail and with such supporting documents as the Board may require to facilitate its understanding and review. The Board may approve or disapprove any proposal submitted by an Owner after

considering one or more of the following concerns and any additional concerns as the Board deems prudent: (1) freedom and safety of access and convenience to other areas of the Property; (2) the costs to be paid by the Owner for restoration of Common Areas and Common Improvements to their prior physical condition upon the completion of work or use contemplated by the proposal; and (3) a fair and reasonable monthly charge to be paid by the Owner to the Association for any encroachment on any Common Areas resulting from the proposal. The Board may at its discretion impose further conditions upon its consent to any proposal as it deems appropriate, including payment of out of pocket charges for professional advice and a standard review fee. Approval of a proposal shall be deemed given if the Association president indicates approval in writing. Proposals to affect the Common Areas or Common Improvements require approval of the Board, not the ACC. If the result of a proposal would be to cause an encroachment on any public street or utility, or any easement area or would affect the storm water drainage system on the Property, the prior express written consent of the Village is required.

2.6 Ownership of Common Areas. Each Owner of a Lot shall own a percentage interest in the Common Areas as a tenant in common with all other Owners. The interest of each Lot is a fraction equal to 1 divided by the number of Lots. Initially, the interest is 1/9th. Each such interest is subject to the following incidences:

- (a) By each initial conveyance of a Lot to an Owner, each Owner shall obtain its interest in the Common Areas. Each Owner, on its own behalf and on behalf of its successors and assigns, by acceptance of a deed or other transfer of a Lot, waives any and all right that the Owner might now or hereafter have to maintain any action or petition for partition with respect to the Owner's interest in the Common Areas or to compel any sale by action at law or in equity. No Owner shall sever its interest in the Common Areas from its ownership of its Lot.
- (b) The Declarant and the Owners hereby appoint the Association as the "agent" for the administration of the Common Areas, with the complete authority over the Common Areas as described herein. The Association shall not have the right to sell, mortgage or lease any or all of the Common Areas except if approved by the Owners as an amendment hereto under Article 9.
- (c) The appointment of the Association as the agent for the Common Areas is not intended to create any other agency, joint venture or partnership relationship among the Owners or between the Association and the Owners. No Owner shall have fiduciary duties to another by virtue of the tenancy-in-common interest in the Common Areas. The Association shall not have any duties as a partner, or the like, including but not limited to income tax reporting to the Owners.
- (d) The rights of the Association, as agent, and the Owners as to the Common Areas shall not be affected by federal or state bankruptcy or insolvency proceedings, or analogous proceedings for creditor or debtor relief, against any one individual Owner.
- (e) Declarant is advised that each Owner's interest in the Common Areas will be assessed and taxed for real estate tax purposes, and will be included on the tax bill for such Owner's Lot. Declarant makes no assurance that taxes will be levied in this manner. If any one Owner fails to pay taxes as and when due with respect to such Owner's interest in one or more of the Common Areas, then the Association may, but is not obligated to, pay such amount and levy a special assessment in such amount on such Owner.
- (f) Appointment of the Association as agent shall not be rescinded or limited unless the appointment is rescinded or limited by an amendment to this Declaration in accordance with Article 9.

2.7 Relationship with Other Associations. The Association has the authority to merge with, enter into joint management contracts or arrangements, or otherwise associate itself with another association of home owners which association affects any of the Expansion Real Estate, as an alternative to the portion so affected being, and until and unless such portion is, subjected to this Declaration as an expansion under Section 11.2.

ARTICLE 3. ASSESSMENTS

3.1 Budget and Assessments. The Association shall annually adopt a budget of common expenses and levy assessments on the Lots allocating such assessments equally to each Lot, subject to the limitations herein. The budget shall include amounts representing assessments that are bad debts, and may but need not include a replacement reserve, which in each case shall constitute part of the general assessments. The Association may also levy (a) special assessments on all Lots for any purpose for which a general assessment may be levied and special assessments, or (b) fines on particular Owners for the purpose of collecting any amounts due the Association or enforcing compliance by such Owners with any provision of this Declaration, the Bylaws or any Rules. The Board may adopt a Rule to impose uniform charges for services which the Association provides related to transfer of Lots, review of proposals under Section 2.5, and the like. The Board may adopt an initial budget showing the anticipated amounts necessary to cover common expenses.

3.2 Installments: Late Payments. General assessments shall be levied on an annual basis but shall be due and payable as determined by the Board from time to time. Special assessments shall be due and payable at such time and in such manner as the Board may determine. Any assessment or installment of an assessment not paid within ten (10) days of its due date may be subject to a late charge and/or interest as set forth in the Bylaws or in a Rule.

3.3 Enforcement: Liens. If an Owner defaults in any payment, the Association shall take appropriate measures as permitted by law. The defaulting Owner shall be responsible for all costs incurred by the Association in seeking to enforce payment including the Association's reasonable attorneys' fees. Owners shall be personally liable for assessments or fines and a lien shall be imposed against such Owner's Lot for any unpaid assessments. The lien shall be effective as of the recording of a notice thereof in the Register's Office, in the same manner as a condominium lien would be imposed. The lien shall be enforced generally in the manner in which condominium liens are enforced. Liens for unpaid assessments shall also extend to and secure interest, fines and reasonable costs of collection including attorneys' fees incurred by the Association incident to the collection of assessments or enforcement of liens. The Association may purchase a property upon the foreclosure of its lien. Under Section 2.2, an Owner delinquent in payments may in some cases not be permitted to vote on matters before the membership of the Association.

3.4 Association Statements. Within five (5) business days of written request from an Owner or a Mortgagee, the Association shall provide a letter stating the existence and amount of outstanding general or special assessments against the Owner's property, if any. Notwithstanding anything to the contrary in the preceding sentence, all property conveyed by Declarant shall be deemed conveyed free from outstanding general, special or working capital assessments and no such letter shall be required or given as to such property.

3.5 Common Expenses and Surpluses. Common expenses and surpluses shall be allocated in the same manner as general assessments are allocated. All common surpluses for each fiscal year shall be retained for common expenses for the next succeeding fiscal year.

3.7 Litigation Reserve. Upon initial conveyance of each Lot by Declarant, each new Owner shall deposit with the Association a non-refundable sum of \$300, to be placed in a litigation reserve fund. The litigation reserve fund shall be used to pay legal fees and costs in the event that the Association is involved in a proceeding to enforce or defend the terms and conditions of this Declaration, whether in a proceeding commenced by or against the Association or in which the Association intervenes. The Board may invest said funds and all returns on such investments shall become a part of the fund; provided that the Board may transfer amounts out of the fund to the Association's general funds if it is determined that a lesser amount is appropriate. If necessary, the Board may levy a general or special assessment to replenish such fund. The Declarant shall not be obligated to contribute any funds to the litigation reserve escrow fund.

ARTICLE 4. MAINTENANCE AND ALTERATIONS

4.1 Owner Responsibility. Each Owner shall reimburse the Association for the cost of the Association's repair or replacement of any portion of the Common Areas or Common Improvements damaged through the fault or negligence of such Owner or such Owner's family, guests, invitees or tenants. Each Owner shall, at the Owner's cost, even if no residence has been constructed by such Owner, maintain the yard, including the cutting of grass and snow removal from driveways and, if any, sidewalks, in an orderly and neat manner and shall maintain all structures on the Lot in good repair and condition.

4.2 Association Responsibility. The Association shall maintain in good condition and repair, replace and operate all of the Common Areas and Common Improvements, including landscaping, trees and plantings in the Common Areas and trimming of such trees for sight lines. The Association may, in its discretion, install additional Common Improvements in the Common Areas.

ARTICLE 5. RESTRICTIONS ON USE AND OCCUPANCY

5.1 Permitted Uses. Each Lot shall be occupied and used only for single family residential purposes and for no other purpose. No trade or business shall be carried on anywhere in the Subdivision, except for (1) the incidental use of a Lot for personal business conducted by mail and telecommunications which does not burden the use of the Subdivision by frequent visits by business service providers or customers, subject to any Rules relating to such burdens, or (2) the sale of Lots, subject to the other provisions hereof and any Rules related thereto, or (3) the establishment of offices by Declarant or its agents for sales of Lots or by the Association for conducting its affairs. The term "residential purposes" includes only those activities necessary for or normally associated with the use and enjoyment of a homesite as a place of residence and limited recreation. No garage or other mobile or accessory structure shall be used for temporary or permanent living or sleeping for family or guests without prior approval of the ACC.

5.2 Pets.

(a) Except as provided below, the Owner or Occupant may keep no more than three (3) pets per Lot on the conditions that:

- (1) the pet is not permitted on any of the Common Areas while unattended;
- (2) the owner of the pet shall comply with such further rules of pet ownership as may be promulgated by the Board;

- (3) the pet is licensed by the Village or appropriate licensing authority, if required under applicable ordinances;
- (4) no reptiles or uncaged birds shall be permitted; and
- (5) the pet must immediately and permanently be removed from the Property if, in the sole judgment of the Board, the pet is or becomes offensive, a nuisance or harmful in any way to the Property or any Owner or Occupant, or otherwise violates the terms of this Section 5.2 or any Rules adopted relating to pets. Possession of pets shall not be considered a property right.

(b) If a dog kennel or similar enclosure is to be erected and maintained for any pet, such kennel or enclosure will require approval prior to installation under Section 6.1. Any and all costs of repairing damage caused by a pet or other unauthorized animal of an Occupant shall be borne by its owner and, if different, the Owner of the Lot where the pet or other animal is housed.

5.3 Vehicles. No outdoor parking of trailers, campers, camping trucks, boats or other marine craft, horse or boat trailers, snowmobiles, all-terrain vehicles, vehicles licensed as recreational vehicles or commercial vehicles (other than those commercial vehicles which are owned by an Owner's employer and have been issued to the Owner for business purposes, or are otherwise necessary for the Owner's occupation), inoperative or un-licensed vehicles or the like shall be permitted on the Lots, except: (a) with the express prior consent of the Board, or (b) if it is for no more than 14 days in any 12 month period, and for no more than 7 consecutive days in any event. No person shall occupy, park or otherwise use a vehicle so as to block access to a Lot. Without limiting the foregoing, no motorized vehicles may be operated on any of the Common Areas.

5.4 Waste. Accumulations of waste, litter, excess or unused building materials or trash other than in appropriate receptacles is prohibited, and garbage containers shall be situated only in locations designated by the Association. No incineration of waste is permitted on the Property. Lots shall be kept free of debris during construction of improvements thereon by maintenance of a dumpster on-site. The refuse and garbage receptacles for each occupied home shall be stored in the residence or garage, except for a period of 12 hours prior to and following the scheduled garbage pickup.

5.5 Temporary Structures. No structure, trailer, shack or barn, temporary or otherwise, shall be placed or maintained on any portion of a Lot or Common Area without written approval of the Board, except for construction trailers maintained by Declarant and its successors and assigns, or the Association.

5.6 Quiet Enjoyment. Each Owner shall have the right to use its property in accordance with this Declaration and applicable law, free from unreasonable interference from any other Owner, Occupant and other invitee. No person shall cause or permit the Common Areas to be used so as to deny any Owner or Occupant the full use of the Common Areas except as permitted by the Association under Section 2.5.

5.7 Noxious Activity. No use or practice shall be allowed in the Subdivision or the Common Areas which is immoral, improper or offensive in the opinion of the Board or which is in violation of the Harmony Hills Documents. By way of example and not limitation, offensive activity shall include excessive amplification of musical instruments and/or audio or audio visual equipment.

5.8 Signs. No Owner or Occupant may erect, post or display posters, signs or advertising material on the Common Areas or at locations on a Lot which are visible from the public streets or Common Areas without the prior written consent of the Board, except (a) Declarant may do so without such approval; and (b) an Owner may erect or post a temporary sign of customary and reasonable dimension relating to the sale of a Lot. The Board may at its discretion, in particular circumstances or in general, delegate its right to consent under this Section to the ACC described in Article 6. Where Board consent is sought and obtained, the permitted signs will be erected and maintained in accordance with all ordinances, rules, regulations and conditions applicable thereto. "Signs" as used herein shall be construed and interpreted in the broadest possible sense and shall include any placard, posters or other such devices as may be affixed to the interior of any exterior windows so as to be visible from the exterior of the Building.

5.9 Environmental Matters. Each Owner and Occupant shall comply with all applicable governmental or Association statutes, ordinances, regulations or rules relating to the storage, transport and release to, from, on or in such Lot of any substance or compound governed by any one or more of Wis. Stats. Chap. 292 (as the same may be renumbered from time to time); Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"); Toxic Substances Control Act ("TOCSA"); Resource Conservation and Recovery Act ("RCRA"); Village ordinances; and similar laws relating to the storage, transport or release of substances, compounds or recyclable materials, all as in effect from time to time.

5.10 Obstructions. No playground equipment, bicycle racks or other equipment or material may be placed on the Common Areas except as the Board permits by Rule.

5.11 Occasional Use of Common Areas. If the Association places gazebos or other structures in the Common Areas, then the Owners shall be entitled to the use thereof at no cost, subject to Rules to be made by the Board concerning the reservation and use of such Common Areas and Common Improvements. Any user will be responsible for removal of all debris from such use. Any damage to the Common Areas or Common Improvements from such use will be repaired by the Association but at the cost of the Owner under Section 4.1. An Owner using a Common Area or Common Improvement shall not leave the Owner's guests unaccompanied during their use of the same. Outlots shall not be developed or used except as contemplated by this Declaration.

ARTICLE 6. ARCHITECTURAL CONTROL

6.1 Architectural Controls: Restrictions on Development.

(a) Architectural Control Committee; Composition. Declarant shall establish an Architectural Control Committee ("ACC"), related to the Association as provided herein, consisting of three (3) members who shall have the duties as set forth in this Article. The initial ACC shall be appointed by Declarant. One or more ACC members may delegate their ACC duties to any one or more of the other ACC members. After Declarant conveys to purchasers 75% of the Lots, then the initial members of the ACC shall resign and the Board shall elect the three (3) members from the Owners of Lots to serve on the ACC; provided, however, that if selected by the Board, a representative of Declarant may serve on the ACC. Notwithstanding the election of the new members of the ACC, the approval of Drawings (defined below) for the initial construction of a residence on a Lot shall not be effective without the express prior consent of the Declarant; approval of Drawings for other matters will not require Declarant's approval.

(b) No Development Without Prior Approval. Not less than ten days prior to each time any of the following is proposed to occur:

- (1) commencement of construction of any Building or other improvements on any Lot, or
- (2) the reconstruction of any Building or other improvements on any portion or portions of such property following a casualty loss thereto, or
- (3) the demolition of any Building or other improvements on any portion or portions of such property, or
- (4) the initial painting, or subsequent decoration or alteration of the exterior of any Building or other improvement on such property, or
- (5) the installation of an awning, enclosure, hot tub, deck, swimming pool, mailboxes, fences or other landscape features on any such property,

the Owner(s) of such property shall submit to the ACC for consideration as described below two copies of written information, which shall include a survey of such property prepared by a licensed surveyor, ("Drawings") showing:

- (A) the location, size, elevations and type of Building(s) and other improvements, including, but not limited to, homes, garages and fences or other matters proposed to be erected or reconstructed on such property,
- (B) detailed plans and specifications for construction or reconstruction, including building material, type and color and plans to screen the demolition, construction or reconstruction from view,
- (C) the proposed landscaping, and
- (D) the proposed location and specifications for utilities servicing such improvements.

The survey shall reflect the proposals in A through D which are appropriate to be shown on the survey. Any of the actions described in clauses (1) through (5) above may be taken (subject to subsection (c) following) on or after the date on which the ACC approves or does not object or is deemed to have done so as provided in subsection (c) following, unless such time periods are waived by the ACC in its sole discretion where the ACC believes that such earlier commencement is consistent with the purposes of this Declaration. No action described in paragraphs (1) through (5) above shall take place without the approval by the ACC of the Drawings for such action, except if the action is the repair or replacement of previously approved exterior features with features that are identical or if the action is the repainting of an exterior surface with paint of the same color.

(c) Standards and Procedural Matters of Consideration. The ACC shall not unreasonably refuse to consider submitted Drawings provided that any fees imposed for review have been paid. In considering any Drawings, the ACC shall consider, among other factors, whether all of the improvements and the lighting, exterior finishes (such as materials, decorations, and paint color), landscaping, the placement and protection of trees as provided in Section 6.6(b), and such other matters proposed in such Drawings comply with the terms of this Declaration and the Village ordinances and otherwise are, in the ACC's sole opinion, in keeping with and do not detract from or depreciate any portion of the Property or Expansion Real Estate, whether then undeveloped, developed or in the process of development, even if the Drawings otherwise do not breach any other standard set forth in this Declaration. The ACC may approve Drawings (absolutely or conditionally), may object to Drawings (absolutely or conditionally), or may state that it has no objection to

Drawings (absolutely or conditionally). Approval must be express and in writing. The failure of the ACC to approve, object or acquiesce conditionally as above within twenty business days after submittal of the complete Drawings and payment of any review fees shall be deemed as if the ACC stated that it has no objection to the Drawings as submitted. If the ACC objects to Drawings in whole or in part for any reason, the submitting Owner shall thereafter resubmit Drawings to the ACC with such revisions as are required. Each time an Owner so submits the Drawings, the ACC shall have the right to approve, acquiesce conditionally or object to the Drawings as described above in the time periods as measured from the last submittal. Following the ACC's approval of the Drawings, the improvements described therein shall be developed strictly in accordance with the approved Drawings. If the approved improvements are not completed within one (1) year of their initial approval, then such approval shall be deemed withdrawn and the same or different Drawings required to be submitted or resubmitted, as the case may be; provided that the ACC may, in its discretion, extend such period by up to an additional 6 months if it reasonably determines that delay has been primarily caused by factors outside of the control of the Owner; and provided further that the initial driveway need not be completed until the time period specified in Section 6.6(c).

(d) Prior Approval for Changes. If after the completion of the improvements to an affected property, the Owner thereof desires to construct any additional improvements or to substantially alter the then existing improvements or the grade of the affected property, the Owner shall comply with the provisions of subsection (a) above. A proposed alteration will be deemed substantial if it affects the location or exterior appearance of the approved improvements.

(e) Procedures and Budget. The ACC may set its own operating procedures consistent with this Declaration and any limitations hereafter imposed by the Board. The costs of operating the ACC shall be assessed by the Association as common expenses, except as permitted below. The ACC may but need not require the payment of a review fee in connection with the submittal of any Drawings pursuant to a written policy. The ACC may engage consultants (e.g., architects, engineers or attorneys) either on a general or on a case-by-case basis, and the costs thereof may be charged to an applicant. The members of the ACC shall not draw any compensation for serving thereon but may be reimbursed for expenses incurred in performing their duties. All funds relating to the ACC shall be handled by the treasurer of the Association.

(f) Separate Village Approval. Matters which require approval of the ACC may also require approval of the Village. Obtaining approval from the ACC and from the Village is solely the responsibility of the Owner desiring approval. Approval of Drawings by the ACC shall not be deemed approval by the Village and approval by the Village shall not be deemed approval by the ACC.

(g) Uniformity Standards: Waiver. Certain standards of architectural control are set forth in Sections 6.2 through 6.6 below. The ACC may adopt additional written standards of uniformity, setback, grading, landscaping, basements, roofing, or exterior, whether generally or for certain types of improvements. The ACC may waive any such standard which it has adopted, may waive any standard in Sections 6.1 through 6.6, and may waive any floor area requirements in Section 6.3 by up to 10%. The ACC may in its discretion also permit comparable or superior construction materials as substitutes for those required in this Declaration. Any such waiver or approval must be express and in writing. The ACC may enforce any standard even if it has, expressly or by acquiescence, permitted previous deviations from such standard. Any variance granted hereunder may be conditioned, and may be permanent or time-limited (and if not expressly time limited will be deemed to be effective for so long as the use of such property is not materially altered). The ACC may waive any standard as above even in the absence of an "unnecessary hardship"; those judicially determined standards for granting variances under zoning regulations shall not apply to the ACC.

(h) Indemnification. Each member or former member of the ACC, together with the personal representatives and heirs of each such person, shall be indemnified by the Association against all loss, costs, damages and expenses, including reasonable attorney's fees, asserted against, incurred by, or imposed in connection with or resulting from any claim, action, suit or proceeding, including criminal proceedings, to which such person is made or threatened to be made a party by reason or service as a member thereof, except as to matters resulting in a final determination of negligence or willful misconduct on the part of such member. In the event of settlement of such proceeding, indemnification shall be provided only in connection with such matters covered by the settlement as to which the Association is advised by counsel that the person to be indemnified has not been guilty of negligence or willful misconduct in the performance of such person as a member in the matter involved. This right of indemnification shall be in addition to all other rights and defenses. All liability, loss, damage, costs and expense incurred or suffered by the Association in connection with this indemnification shall be a common expense. Nothing in this subsection shall be deemed an indemnification of such person with respect to such person's status as an Owner, Occupant or otherwise.

6.2 Antennas. No antenna, aerial, satellite dish or cable for television or radio reception which is greater than 30" in diameter shall be erected or installed on or in any roof or any other portion of a Building on any Lot or on the unimproved portions of such properties, except as erected or installed by Declarant, the Association, or any individual Owner with written approval of the ACC, and, in each case, in compliance with Village ordinances.

6.3 Minimum Home Size Requirements.

(a) Only one single-family home may be constructed on each Lot. The following types of homes on Lots shall have the following minimum sizes:

<u>Residence Type</u>	<u>Minimum Size</u>
One story	2,000 square feet
More than one story	2,300 square feet (minimum of 1,100 square feet on the first floor)

(b) For purposes hereof, "more than one story" includes homes referred to as one and a half story, two story, split level or bi-level. The type of residence and the number of square feet shall be determined on a uniform basis by the ACC and shall not include basement, attic, garage porch or patio areas in the computation.

6.4 Garages.

(a) Each residence on a Lot shall have a garage for not less than 2 cars attached to the residence containing a minimum of 450 square feet. Garage entrances must be located on a side of the residence which does not face the street fronting the Lot, except in the case of a Lot bordered by two streets in which case the garage entrance must be located on the side on which the front entrance does not face. Garages must be located on the side of the Lot which has the highest elevation, except as permitted by the ACC. Driveways shall be paved with a hard surface material acceptable to the ACC and, within its jurisdictional limits, the Village. Garages must be constructed at the time of construction of the residence and all exterior features must be completed prior to occupancy of the residence.

(b) No storage shed may be constructed on any Lot.

6.5 Certain Exterior Features. With respect to the construction of a Building on a Lot or other improvement to a Lot:

- (a) If shutters or window casings and trim features are used on windows or divided-lite windows are used, in any case on the front of a residence, then they shall be used on such of the side and rear windows as the ACC shall require.
- (b) A residence shall have a roof made of 30 year warranted dimensional shingles, or better, with a minimum pitch ratio of 8:12, or such other pitch as is specifically approved by the ACC. Such dimensional shingles shall be a "weatherwood" color.
- (c) Exterior walls of residences shall be constructed of brick, stone, wood (including wood wafer board products of a type and quality approved by the ACC), cedar, stucco, concrete siding (i.e. hardi-plank), or combinations thereof. In no event shall the exterior of any structure consist of metal or vinyl siding. Basement or foundation walls shall not be exposed by more than 8 inches.
- (d) If vertical siding or the like is used on the exterior walls of a residence, the same shall terminate only at an inside corner or other suitable break in the residence's architecture as the ACC shall approve. Exterior masonry walls must abut another wall.
- (e) The ACC shall be acting reasonably if it disapproves the Drawings for a residence because such residence would be similar in appearance to other residences in close proximity.
- (f) The ACC shall be acting reasonably if it requires that, on Lots with significant grades as determined by the ACC, portions of basement walls be exposed to allow for a more natural transition between residences. Any such exposed basement or foundation walls shall be covered with suitable material consistent with the overall architecture of the residence.
- (g) No soil shall be removed from any Lot nor excess soil stored on any Lot (except for prompt use for backfilling, finish grading or landscaping) unless in either case contemplated by the approved Drawings. Even if so approved, the final grades (sometimes called a "finish grade") of a Lot must conform to grading plans approved by the Village. If during construction, the Owner reasonably believes that excess fill or topsoil will be available from the construction site, the Owner shall notify Declarant and Declarant may, within five (5) days of receipt of such notice, notify the Owner that Declarant intends to use some or all of such excess. If Declarant elects to do so, Owner shall at its cost transport the excess to a place in the Subdivision designated by Declarant. If Declarant does not timely give notice, Declarant shall have waived the right to use such excess. If additional excess soil is generated, the Owner shall give an additional notice.
- (h) Above-ground pools and in-ground pools may be installed on a Lot only with approval of the ACC, which will be acting reasonably if it does not approve an in ground pool which is not completely enclosed by a secure wall or fence of a minimum of 4 foot elevation, with a self-closing or self-latching gate or door (at the top of such gate or door). There must be an unobstructed area of at least 4 feet between the fence and the pool.
- (i) Each Owner is required to install and energize before occupancy, and thereafter to maintain, a front yard light post and lantern (in accordance with the Village ordinances) in a style and from a manufacturer designated by the ACC from time to time, guided by an effort to keep light posts as uniform as practicable.. The initial post and lantern will be purchased from Declarant. The light post and lantern must be (1) activated by a photocell which is not restricted by any electrical switch;

(2) located adjacent to the driveway; and (3) fitted to use a high pressure sodium lamp of no more than 35 watts. Prior to occupancy of a residence on a Lot, the Owner shall demonstrate to the ACC that such light post and lantern is connected to electrical service (paid for by such Owner). No owner shall tamper with such lantern controls.

(j) Each Owner, except those whose mailbox is located on Marach Road, is required to install and maintain a mailbox and mailbox support post as selected by the ACC in locations as determined by the U.S. Postal Service. The ACC may designate one or more styles of mailboxes to be used, guided by an effort to keep mailboxes and posts as uniform as practicable.

(k) In making determinations under subsection (i), the ACC will give priority to the goal of achieving uniformity of aesthetics, but without abrogating its right to grant variances or to change its aesthetic scheme from time to time.

(l) Each Owner shall maintain its light post and lantern and mailbox and mailbox post in good condition and working order, and shall cause electrical service to be continued to such lantern. Without limiting the authority of the Association generally, the costs of enforcing the covenants in subsections (i) and (j) may be assessed to an offending Owner as a special assessment on such Lot under Article 3.

(m) If Declarant, in its discretion, installs any light post, lantern, mailbox or mailbox post, or performs or pays for any other matter required herein on behalf of any Owner, it shall not be deemed a waiver of any of the requirements herein as to any other Lot or Owner and shall not obligate Declarant to perform the same action on any other Lot, for any other Owner, or on any subsequent occasion.

(n) All utilities shall be installed underground.

(o) No exterior active solar collectors shall be erected, installed or used unless presented in the Drawings and approved by the ACC.

(p) No fences shall be installed without the prior approval of the Village and the ACC. No fences shall be permitted in the front yard setback area except for decorative wood or stone type fences in the areas of the corner of each Lot. No wire mesh fencing is allowed except in connection with a dog kennel or run if approved by the ACC.

6.6 Grading and Landscaping.

(a) Declarant has established a master surface drainage plan (the "Master Grading Plan") designating the manner in which each Lot shall drain in relation to all other Lots. Compliance of all grading and construction work to the Master Grading Plan is important to the effective drainage of all Lots, and affects the value of all Lots. A copy of the Master Grading Plan is on file in the office of the Declarant (or, after the period of Declarant control, in the office of the ACC) and in the office of the Village Engineer. When the ACC reviews any Drawings, it shall consider whether the proposed improvements affect the Master Grading Plan, and may reject any Drawings on that basis. Within 60 days after substantial completion of a dwelling on any Lot, the Owner shall grade the Lot to conform to the Master Grading Plan. Each Owner will take such action as is reasonably necessary to maintain the grading and landscaping of the Owner's Lot in accordance with the Master Grading Plan, and shall refrain from taking actions which would cause the grading or landscaping to not conform to the Master Grading Plan. Declarant and the Association shall each have the right to enter upon any Lot at any time for the purpose of inspection, maintenance, correction of any drainage condition, and the

Owner is responsible for the cost thereof. Despite Declarant's efforts to prepare a Master Grading Plan which will achieve the effective and efficient drainage of storm water from and within the Subdivision, Declarant does not warrant or represent that the Master Grading Plan will achieve any particular effect.

(b) No existing live tree with a diameter of eight inches or more, at a height of four feet above the ground shall, without approval of the ACC, be cut down, destroyed, mutilated, moved or disfigured. All such existing trees shall be protected during construction and preserved by wells or islands and proper grading in such manner as shown in approved Drawings. Within 1 year after the first occupancy of a dwelling on a Lot, the Owner of the Lot will plant at least 3 trees which have a minimum 2.5 inch diameter when measured 4 feet above the root system (including those trees planted prior to or during construction). At least 2 of these trees shall be planted in the front yard.

(c) Each Lot shall be landscaped and seeded or sodded within 1 year after substantial completion of a dwelling on the Lot. Landscaping shall include the area between the front Lot line and the edge of the street pavement. Landscaping must include a drive which shall be hard surfaced material. No permanent gravel drive will be permitted. The hard surface of concrete, asphalt or similar material shall be installed within 2 years from the date the dwelling is substantially completed.

(d) In addition to the requirements of subsection 6.6(b) above, each Owner shall install trees on its Lot as depicted in the Street Tree Plan within sixty (60) days following issuance of an occupancy permit for the Owner's home, provided that if the occupancy permit is granted later than September 15, the required trees shall be installed not later than June 1 of the following year. Notwithstanding the foregoing, all trees required by the Street Tree Plan to be installed on an Owner's Lot shall be installed by the Owner prior to June 1, 2006. Each Owner is responsible for the perpetual maintenance, repair and replacement of the trees required by the Street Tree Plan. In the event that an Owner defaults on any of its obligations under this subsection, then (i) the Village, in addition to any of its other rights and remedies, has the right but not the obligation, to enter the Owner's Lot and to install the required trees, and without notice or hearing, to impose a special assessment on said Owner's Lot for the cost of such installation, and (ii) the Association, in addition to any of its other rights and remedies, has the right but not the obligation, to enter the Owner's Lot and to install the required trees, and to impose an assessment on said Owner's Lot for the costs of such installations pursuant to Section 12.2.

6.7 Construction Matters.

(a) No building or construction materials shall be stored on any Lot outside of Buildings on the Lot, except during periods of actual construction or remodeling, and then only for so long as reasonably necessary and only if kept in a neat manner. Neither Declarant nor the Association is responsible for the security of materials stored on a Lot.

(b) During grading, the Owner of the Lot is solely responsible for compliance with all erosion control requirements.

(c) Each Owner shall include the following provisions in all construction contracts for improvements to the Owner's Lot:

1. The roadway abutting the Lot shall be cleaned each day of mud and debris during the period of construction.
2. There shall be no loud music at the construction site during the period of construction.
3. A dumpster for debris shall be provided at the building site for the period of construction.
4. All debris will be disposed off site in accordance with applicable laws.
5. There shall be no more than one sign on any Lot during the period of construction, which sign shall not exceed six square feet.
6. No sign of the contractor shall be placed at the entry way to the Property.
7. The Owner shall comply with the soil and erosion plan control ordinance of the Village and Waukesha County.

ARTICLE 7. SPECIAL FEATURES

7.1 Detention Areas. The Common Areas may include one or more surface water detention areas. The detention areas will be maintained by the Association solely for drainage and stormwater detention or retention purposes and not for recreational purposes. The Association has no duty to ensure the safety of persons using the detention areas, or to warn of dangers concerning them. The detention areas are being created in connection with the development of the Subdivision, are not intended to be available for recreational use or to be connected to public waters of the State of Wisconsin, and are intended to be private and remain private. The Association may take such actions as the Board determines reasonable in order to preserve the private status of such areas. Neither the Declarant nor the Association is responsible for the safety of the detention area for use by humans or pets, and neither represents nor warrants that the pond or any detention area is safe for any such use.

ARTICLE 8. INSURANCE

8.1 Association Insurance. The Association shall obtain and maintain comprehensive general public liability insurance for occurrences on the Common Areas (including areas which are included in such definition by virtue of easements granted herein) and with respect to Common Improvements not in the Common Areas, special causes of loss casualty insurance coverage on all Common Improvements, and such other policies and/or coverages as the Board deems necessary or advisable.

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

8.3 Proceeds. Association Insurance proceeds for casualty loss shall be for the benefit of the Association in order to finance construction of damaged Common Areas or Common Improvements. Liability coverage and other insurance proceeds shall be applied as the Association directs.

8.4 Cost. All premiums for Association Insurance and other insurance obtained by the Association shall be a common expense.

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

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

8.7 Exclusions From Coverage. Association Insurance coverage shall exclude (a) coverage on any residence or personal property located within or pertaining to the exclusive use of an Owner except to the extent included as a standard coverage in the policy of Association Insurance; and (b) liability coverage on an Owner or Occupant, its guests, invitee, employees or tenants, arising out of any occurrences within a Lot and/or relating in any way to an Owner's or Occupant's personal property. It is the sole responsibility of each Owner or Occupant to obtain such insurance coverages as are excluded from Association Insurance.

ARTICLE 9. AMENDMENT OF DECLARATION

9.1 General. Except as otherwise provided herein, this Declaration may be amended only by the written consent of at least fifty percent (50%) or more of the total votes of the Association then entitled to vote. Except as otherwise provided herein, an Owner's written consent is not effective unless approved in writing by its Mortgagee, if any, and unless the signature of such Owner is acknowledged before a notary. Regardless of the manner of adoption, no amendment shall adversely affect a special right or easement reserved to Declarant under this Declaration, or the rights of Mortgagees under Article 10, or the rights of the Village under Article 15, without the express written consent of Declarant, or 51% of the Mortgagees, or the Village, as the case may be.

9.2 Procedures. Amendments shall be prepared and executed by the president of the Association and shall become effective when recorded in the Register's Office. No action to challenge the validity of an amendment shall be commenced more than one (1) year after the amendment is recorded.

ARTICLE 10. RIGHTS OF MORTGAGE HOLDERS

10.1 Notice. Any Mortgage holder, insurer or guarantor of a Mortgage on a Lot who submits a written request to the Association, identifying the name and address of such holder, insurer or guarantor and the property involved, will be entitled to timely written notice of:

(a) Any thirty (30) day delinquency in the payment of assessments owed by the Owner of the property on which it holds a Mortgage or any breach of the provisions of any of the Harmony Hills Documents which is not cured by such Owner within thirty (30) days of such Owner's receipt of notice of such breach;

(b) A lapse, cancellation or material modification of any Association Insurance; and

(c) Any proposed action that requires the consent of a Mortgage holder as specified in Article 9.

10.2 Mortgagee Acquisition of Lot. A Mortgagee acquiring title to a Lot pursuant to remedies provided in its Mortgage or by a deed in lieu of foreclosure following an Owner's default under the Mortgage shall not be liable for such property's unpaid assessments under this Declaration accruing prior to the Mortgagee's acquisition of title to such property (except to the extent unpaid assessments are included in subsequent budgets generally).

ARTICLE 11. RIGHTS OF DECLARANT

11.1 Reserved Rights. Except as provided below, until the conveyance upon sale of all Lots by Declarant, Declarant:

(a) may use the Common Areas, and any unsold Lots in any manner as may facilitate the sale of Lots including, but not limited to, maintaining a sales and/or rental office or offices, models and signs and/or showing the Lots. Declarant may from time to time also delegate such rights (on a non-exclusive basis and subject to such conditions as Declarant may impose) to persons desiring to construct Buildings on particular Lots as model homes. In delegating such rights to other persons, Declarant's delegees shall not have the right, without Declarant's express written consent, to locate a general office operation in any such model home, although use of a model home to facilitate sales of Lots or sales of Buildings on Lots may be permitted for a period not to exceed 24 months from the date of issuance of the certificate of occupancy therefor; provided, however, that (1) once a model home is used as a residence for an Occupant, it may not thereafter be used as a "model home"; and (2) construction materials shall not be delivered to or stored at a model home, except for construction of such model home.

(b) shall have the right to (1) grant easements upon, over, through and across (A) the Lots limited to the 10 foot area adjacent to each Lot line, and limited further, in the case of any particular Lot, to a period of one year after conveyance upon sale of a Lot by Declarant, and (B) the Common Areas, in either case as may be required in Declarant's opinion for furnishing any kind of utility services, and maintenance and replacement thereof, or for drainage or other public purposes

including, but not limited to, cable television or master antenna service, which easements may be granted to itself or its nominee and as may be necessary for excavation and construction of any Buildings and (2) grant easements upon, over, through or across the Common Areas for ingress and egress and maintenance and replacement thereof, to and from, and within, the Property and other real property adjacent to it.

(c) shall have the right to veto any proposed amendment to this Declaration for any reason or no reason, in which case it shall not be deemed approved or effective.

11.2 Right to Expand. Declarant reserves the right to expand the Property, without the consent or approval of any Owner, at any time and from time to time on or prior to the expiration of 15 years from the date of recording this Declaration, by subjecting to this Declaration all or any portion of the Expansion Real Estate then owned by Declarant. Expansion may be effected in any number of phases. Declarant is under no obligation to and makes no representation that it will in fact exercise its rights to expand the property or construct improvements thereon; parts or all of the Expansion Real Estate may be developed for uses other than as part of the Property. Portions of the Expansion Real Estate are presently not owned by the Declarant, and are included herein only in the event that Declarant acquires an interest therein.

11.3 Uses of Expansion Real Estate. The Expansion Real Estate, when subjected to this Declaration, may be used for any purposes for which any other part of the Property is used hereunder, provided that at the time of each expansion Declarant may impose additional conditions and limitations on such future phases.

11.4 Effect of Expansion. Upon each such expansion (1) each Owner in the Expansion Real Estate so added shall be a member of the Association entitled to a vote, (2) each new Lot created shall be entitled to one vote per Lot, (3) the ownership of the Common Areas shall be automatically deemed shared with all such new Lots so that the percentages in Section 2.6 are adjusted to be 1/the number of Lots then in the Subdivision, and (4) any portions of the Expansion Real Estate so designated shall be Common Areas subject to ownership as described in Section 2.6. The assessments for each such new Lot during the budget year in which the same is added to the Property shall be determined on an equitable basis by the Board.

11.5 Method of Expansion. Expansion shall occur upon recording in the Register's Office an amendment to this Declaration describing the Expansion Real Estate so added, and the uses and limitations on uses Declarant desire to be applicable to such property, and explaining the effect of such expansion in accordance with the terms of this Article. Amendments to accomplish an expansion need be signed only by the Declarant.

11.6 Matters Related to Expansion.

(a) Declarant reserves an easement over and across the Outlots and any Lots which have not yet been conveyed to third parties for the benefit of the Expansion Real Estate now or hereafter owned by Declarant for the purposes of ingress and egress for construction purposes; access associated with residential uses of the Expansion Real Estate; and installation, maintenance and replacement of underground utilities servicing the Expansion Real Estate now or hereafter owned by Declarant.

(b) If Declarant determines at any time that it is desirable to coordinate utility services or drainage for the Expansion Real Estate with existing utility services or drainage for the Property, Declarant may connect utilities or drainage features servicing the Expansion Real Estate now or

hereafter owned by Declarant to existing utilities or drainage features even if such Expansion Real Estate is not then or thereafter made a part of the Property.

11.7 Reference to All or Percentage of Lots. Wherever in this Declaration the rights of the Declarant, the Association, or the Owners, or votes on any issue, are determined with reference to "all Lots," or a specified percentage of the Lots, or the like, the requisite number of Lots will be calculated in accordance with the following:

- (a) Until the 5th anniversary of the date on which this Declaration is recorded, it will be assumed that the total number of Lots is 100.
- (b) From the first day after such 5th anniversary, and until the 15th anniversary of the date on which this Declaration is recorded, it will be assumed that the total number of Lots is the greater of (1) 29 or (2) the actual number of Lots that exist in the Subdivision during such period, including those created on Expansion Real Estate.
- (c) After such 15th anniversary, it will be assumed that the total number of Lots is the actual number of Lots that exist in the Subdivision after such anniversary.
- (d) Notwithstanding the foregoing, the number of Lots for any calculation decreases if Declarant waives its rights as to such calculation.
- (e) As to those Lots assumed to exist by virtue of this Section, but which have not yet been formally subjected to this Declaration, Declarant will be deemed to own and vote for all of such Lots.

ARTICLE 12. REMEDIES

12.1 General Remedies. If any Owner or Occupant fails to comply with this Declaration, the Bylaws, or the Rules, such Owner or Occupant shall be liable for damages, subject to injunctive relief (including an order requiring the removal at the Owner's expense of Buildings constructed without ACC approval, subject to any other remedy provided by the Bylaws) or all of the above, as a result of such noncompliance. The Association or, in a proper case, an aggrieved Owner, may bring an action because of such noncompliance.

12.2 Owner or Occupant Violation; Association Right to Cure. In addition to any other remedies provided herein, if any Owner or Occupant fails to comply with this Declaration, the Bylaws or the Rules, which failure continues for a period of fifteen (15) days following written notice from the Association, the Association shall have the right, but not the obligation, to perform or cause to be performed such maintenance, replacement, restoration or other action as the Association deems necessary or appropriate, and if an action or other proceeding is commenced in connection therewith, using the fund established in Section 3.7. Expenses incurred therefor by the Association shall be assessed against the Owner or Occupant and shall be subject to all rights and remedies reserved under this Declaration with respect to collection, expense, late payment penalties or interest, filing of a lien and/or foreclosure as reserved at Article 3 of this Declaration. Once the Association has taken such an action, it shall not be obligated to take any other or further action with respect to the same, similar or subsequent failure by the same or a different Owner or Occupant.

12.3 Sections Enforceable by Village. The restrictions imposed upon the Property, and the obligations of the Declarant, Association and Owners contained in Sections 4.2, 5.1, 6.6(d), 6.7, 13.2, and 13.3 all benefit the Village and are enforceable by the Village as specified in this Article.

12.4 Enforcement by the Village. If an obligation or restriction contained in any of the sections listed in Section 12.3 is not performed or fully complied with by the Association or any one or more of the Owners (in each case, a "Breach"), Village may, but is not required to, seek the following enforcement in the following manner:

(a) Notice and Hearing. Village shall first provide written notice of the specific Breach to the entity which failed to perform said obligation or who owns the portion of the Property where the restriction or provision or obligation is not being complied with or fully performed (as the case may be), with copy to the Association if the Association is not the offending party, and in any case, the Village shall provide for a hearing regarding the alleged Breach at which all Owners and Occupants may attend and speak.

(b) Remedy. If, within thirty (30) days after the hearing provided above, the Village determines that a Breach existed and that such Breach has not been remedied, and if the Association has not taken steps satisfactory to the Village to remedy a Breach, the Village shall be entitled to seek any one or more of the following remedies:

(1) Injunction. An injunction compelling the person committing such Breach to remedy it.

(2) Money Judgment. A money judgment against the person committing such Breach for all monies owed to Village as a result of the Breach including all legal and professional consulting fees and costs of litigation incurred by Village in obtaining an injunction or money judgment or both.

(3) Performance of Work. The Village may cause any work to be performed on the Common Areas in order to remedy any Breach. The performance of any such work shall not cause the Common Areas to be dedicated to the public, nor shall it constitute the assumption by the Village of any duty to perform any other or further work in the Common Areas.

(4) Special Assessment or Special Charge. If one or more Owners commit or allow a Breach, the Village may levy either a special assessment or special charge against the property owned by the Owner who has committed or allowed the Breach in an amount equal to all damages, costs and expenses incurred by the Village (including all attorney fees and other professional consulting expenses) as a result of such Breach. If the Association commits or allows a Breach, the Village may levy either a special assessment or special charge against the property owned by each of the Owners in an amount equal to such Owner's share, based on the fraction set forth in Section 2.6(a), of all damages, costs and expenses incurred by the Village (including all attorney fees and other professional consulting expenses) as a result of such Breach. Each Owner, on his or her own behalf and on behalf of any successors in interest, hereby accept the levy of such special assessment or special charge pursuant to this subsection and hereby irrevocably waive rights of notice and hearing pursuant to Wis. Stats. §66.0627 or any amendment thereto.

ARTICLE 13. EASEMENTS

13.1 Right of Entry. A right of entry to each Lot, Common Area or Outlot is reserved to the Association to service utility installations located on, in or under such Lot, Common Area or Outlot provided request for entry is made in advance and such entry is limited in scope so as to extend only as is reasonably necessary to service such utility installations. In case of emergency, entry by the Association onto any such Lot, Common Area or Outlot may be made immediately, whether the Owner or Occupant of such Lot, Common Area or Outlot is or is not present and without liability of the Association or its agents if such entry is necessary for the safety or welfare of persons or property. Any damage or loss caused as a result of such emergency entry shall be the sole expense of the Owner or Occupant if, in the reasonable judgment of those authorizing the entry, such entry was for emergency purposes.

13.2 Common Area Easements. The Association may grant easements over and through the Common Areas for such purposes as the Board deems reasonable for the benefit of the Owners. The easements granted to the Owners may include but are not limited to the placement of mound systems in the Common Areas to service individual Lots as approved by the Association in accordance with Section 2.5 above.

13.3 Drainage. An easement is reserved to Declarant, the Association and the Village over Lots and Outlots for the installation of drainage tile, swales, streams or other storm sewer and drainage system elements as shown on the Plat or in any master plan approved by the Village.

ARTICLE 14. TERMINATION

14.1 Termination. This Declaration shall be in effect for a period of 25 years and automatically renewed for successive periods of 10 years each, unless terminated at the end of the original or any extended term by: (1) Declarant (if during the period of Declarant control of the Association), or (2) the written consent of the owners of at least 90% of the aggregate Lots provided that no vote shall effect an amendment to or termination of any provision hereof conferring on or reserving a special right or easement to Declarant without the express written consent of Declarant, as appropriate. Voluntary termination of this Declaration must be express and shall be effective upon recording a written instrument to such effect in the Register's Office.

ARTICLE 15. CONSTRUCTION AND EFFECT

15.1 Number and Gender. Whenever used herein, unless the context shall otherwise provide, the singular shall include the plural, the plural shall include the singular, and the use of any gender shall include all genders.

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

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

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

15.5 Remedies. All remedies herein are cumulative.

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

15.7 Assignment of Declarant's Rights. All of the rights and benefits conferred on or reserved herein for Declarant in its status as such (as opposed to those rights or benefits conferred on or reserved for all Owners or groups thereof) may be assigned as follows: (a) to any person by an instrument in writing specifically identifying the rights and benefits so assigned which is recorded in the Register's Office, or (b) to any purchaser of the Declarant's rights in a foreclosure sale or deed in lieu of foreclosure, without any specific written assignment of Declarant's rights, or (c) to any person or entity to which Declarant's rights have been collaterally assigned upon the exercise of such person's or entity's rights under such collateral assignment, without any specific written assignment of Declarant's rights. An assignment of Declarant's rights is effective from the date of recordation of the assignment under (a), the deed under (b), or notice by such collateral assignee of such exercise under (c). A mortgage or other security interest granted in Declarant's rights does not confer on the mortgagee or holder of the security interest the right to act as Declarant without some further act under (a) or (b) or (c). From and after each assignment, only the assignee may act as Declarant under this Declaration with respect to the rights assigned and all prior persons holding Declarant's rights shall no longer be entitled to exercise such rights. No successor Declarant shall be responsible or liable for the obligations of a Declarant arising before the date on which such successor Declarant may act as above.

15.8 Other Regulation. Nothing herein shall preclude or restrict Declarant recording other covenants, conditions or restrictions which further regulate portions of the Subdivision which Declarant owns at the time of recordation.

(Signatures on next page)

Signature Page for Declaration
Harmony Hills

Executed on this 4 day of September, 2003.

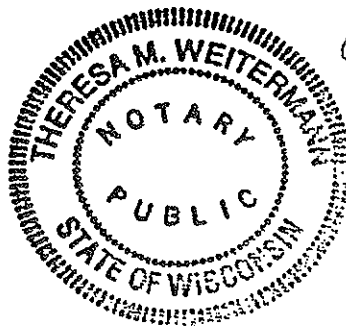
Wexford Heights, LP

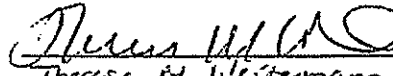
By: JBJRE, LLC, its General Partner

By: 
Brian J. Bence, Member

STATE OF WISCONSIN)
) ss.
COUNTY OF)

Personally came before me this 4 day of September, 2003, the above named Brian J. Bence, Member of JBJRE, LLC, which is the general partner of Wexford Heights, LP, by its authority, and to me known to be the person who executed the foregoing instrument, and acknowledged the same.




Theresa M. Weitermann
Notary Public, State of Wisconsin
My commission: 6-6-04

This instrument was drafted by
and should be returned to:

Hal Karas

MICHAEL BEST & FRIEDRICH LLP

100 East Wisconsin Avenue, Suite 3300

Milwaukee, Wisconsin 53202

EXHIBIT A

A Parcel located in the Northeast 1/4 of the Northwest 1/4, Section 25, Town 8 North, Range 20 East, Village of Menomonee Falls, Waukesha County, Wisconsin bounded and described as follows:

Commencing at the North 1/4 corner of said Section 25, running thence S89°57'57" W along the centerline of Mill Road, 30.00 feet to a point; thence S00°13'43"W, 50.00 feet to the point of beginning of lands hereinafter described:

running thence S00°13'43"W, 1276.14 feet to a point; thence S89°51'36"W, 190.00 feet to a point; thence N00°13'43"E, 971.22 feet to a point; thence N04°57'57"W, 110.45 feet to a point; thence N00°13'43"E, 194.85 feet to a point; hence N89°57'57"E, 200.00 feet to the point of beginning.

Excepting Lot 1, a parcel commencing at the southeast corner of the said northwest 1/4 section, running thence south 89°57'57" west along the north line of the said northeast 1/4 section, 30.00 feet to a point; thence south 00°13'43" west and parallel to the east line of the said northwest 1/4, 50.00 feet to the place of beginning of the lands herein after described:

Continuing thence south 00°13'43" west, 195.77 feet to a point; thence north 89°46'17" west, 200.00 feet to a point; thence north 00°13'43" east 194.85 feet to a point in the south line of mill road, thence north 89°57'57" east, 200.00 feet to the point of beginning.

This includes lots 2 through 10 in Harmony Hills, a subdivision located in the Northeast 1/4 of the Northwest 1/4, Section 25, Town 8 North, Range 20 East, Village of Menomonee Falls, Waukesha County, Wisconsin.