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Declaration of Covenants & Restrictions-Gateway Estates

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DECLARATION OF COVENANTS AND RESTRICTIONS FOR

GATEWAY ESTATES

THIS DECLARATION OF COVENANTS AND RESTRICTIONS (the "Declaration") is hereby made and established as of 2ω day of August, 2003 by Gateway Land Company, LLC, a Wisconsin limited liability company (hereinafter the "Developer").

RECITALS

WHEREAS, Developer owns all those lands located in the City of Hartford, Washington County, Wisconsin, as legally described on Exhibit A hereto (the "Land");

WHEREAS, Developer intends to develop the Land as a residential subdivision containing forty one (41) single family and four (4) duplex lots known as "GATEWAY ESTATES" (the "Subdivision"); and

WHEREAS, Developer desires to subject all of the Land (except dedicated streets and utilities), to the conditions, restrictions, covenants, reservations and easements hereinafter set forth, for the benefit of the Developer, the Subdivision as a whole and for the benefit of each Lot Owner.

DECLARATION

NOW, THEREFORE, DEVELOPER hereby declares that the real estate described on the attached Exhibit A (except for dedicated streets and utilities), shall be used, held, leased, transferred, sold, and conveyed subject to the conditions, restrictions, covenants, reservations and easements hereinafter set forth, which shall inure to the benefit of and shall pass with each Lot as covenants running with the land and shall apply to and bind all successors in interest, users and owners.

I. <u>DEFINITIONS PURPOSE AND USE RESTRICTIONS</u>

1.01 DEFINITIONS

- (a) "Association" shall mean the GATEWAY ESTATES HOMEOWNERS ASSOCIATION, an association which will be created under this Declaration.
- (b) "Developer" shall mean GATEWAY LAND COMPANY, LLC, as well as any Successor-Developer.
- (c) "Family" shall mean one or more persons related by bond, marriage or adoption who are living, sleeping, cooking and eating on the premises as a single housekeeping unit and shall exclude any person or groups of persons where three or more are not so related or engaged as household employees.
- (d) "Home" shall mean a residential building designed and used as a dwelling for one family (which shall not include any attached garage).
- (e) "Lot" shall mean a platted lot within the Subdivision identifiable by reference to a name and lot number, and which is a part of the lands expressly made subject to this Declaration.
- (f) "Lot Owner," "Lot Owners" or "Co-Owners" shall mean the holder(s) of a legal or equitable ownership interest in fee simple record title to a Lot, regardless of the type of tenancy or estate and shall include land contract vendees and vendors, but shall not include the holder of any leasehold interest or any mortgage or consensual lien prior to acquisition of legal or equitable title.
- (g) "Property" shall include a Lot and all improvements thereon.
- (h) "Section" shall mean all those provisions within a numbered heading of this Declaration.
- (i) "Structure" and "improvement" shall be synonymous and shall both mean and include any and all of the following, regardless of whether temporary or permanent in character or intended use: building, outbuilding, shed, booth, garage, carport or aboveground storage facility; tent; exterior lighting or electric fixture, antennae, tower, pole or bug control device; antenna, tower, dish or other device, free-standing or attached, for the transmission or

reception of electronic signals; trelices or arbors; fence, retaining or other wall, fountain or aboveground or inground swimming or wading pool; plantings; driveway, sidewalk or walkway; pet kennels or run line; screened or other type of porch, patio or gazebo, tree house or other exterior play equipment; berms and swales; and any other type of equipment or facility for any decorative, recreational or functional purpose of any kind (including, without limitation, additions or alterations to or deletions from any of the foregoing) not located entirely within the exterior perimeter walls of the single family Home constructed on the Lot. Use of the phrase "structure or improvement" or any other use of such words shall not imply different meanings for such terms.

- (j) "Subdivision" shall mean the lands described on the attached Exhibit "A".
- (k) "Successor-Developer" shall mean any person, corporation, partnership or other entity to which Developer expressly assigns or otherwise transfers his rights and obligations hereunder, or any successor to the Developer by operation of law.
- (I) "City" shall mean the City of Hartford, Washington County, Wisconsin.
- (m) "Common Area(s)" shall have the meaning set fourth under Section 1.07, below.
- (n) "DNR" shall mean the Wisconsin Department of Natural Resources.
- (o) "Pond Lots" shall mean Lots 21-27 and 31-34.
- (p) "Unit Owner" shall mean the owners(s) of one of the condominium units to be located on Lots 42-45.

1.02 GENERAL PURPOSE

The general purpose of this Declaration is to help assure that the Subdivision will become and remain an attractive residential area and in furtherance of such purpose: to preserve and maintain high aesthetic standards for all improvements, as well as the natural beauty of open spaces and common areas; to help assure the best use and most appropriate development and improvement of each Lot; to protect owners of lots against use of surrounding Lots which may detract from the residential value or enjoyment of their

Property; to guard against the erection or maintenance of garish or poorly designed or proportioned structures; to obtain a harmonious and aesthetically pleasing blend of materials, structures and color schemes; to insure a residential development of the Subdivision consistent with high aesthetic standards and the purposes for which each such Lot is platted; to encourage and secure the erection of attractive residential structures with appropriate locations on the Lots; to prevent installation of improvements which may adversely affect the aesthetic appearance of a Lot or surrounding area; to ensure a proper and consistent setback of structures and buildings for aesthetic appearance and to avoid blockage of views for other Properties; to secure and maintain a proper spatial relationship of buildings, structures and other improvements; and to otherwise secure mutual enjoyment of benefits for owners and occupants of residential property within the Subdivision.

1.03 SINGLE FAMILY USE: GENERAL RESTRICTIONS

- (a) Each Lot shall be used solely for residential purposes by one Family, except that business activities may be conducted in or from any Home if confined solely to the transaction of business by telephone or computer. The term "residential purposes" shall include only those activities necessary for or normally associated with the use and enjoyment of a homesite as a place of residence and limited recreation. Notwithstanding the foregoing, the Developer or any builders approved by the Developer shall have the right to construct model homes, which may be used as temporary sales offices.
- (b) Only one Home may be constructed on each Lot and no garage, tent, or other improvement (except for the Home) shall be used for temporary or permanent living or sleeping for family or guests.
- (c) Each Lot and all front, side and rear yards shall be maintained by the Lot Owner so as to be neat in appearance when viewed from any street or other Lot and, if not properly maintained, the Developer or Association may perform yard maintenance and charge the costs thereof to the Lot Owner and levy an assessment against the Lot with respect thereto.
- (d) No Lot shall be used in whole or in part for conducting any unlawful activity or for any unlawful purpose. No noxious odors or loud noises shall be permitted to escape from any Home or Lot nor shall any activity be permitted or engaged in which constitutes a public or private nuisance.

(e) Notwithstanding anything to the contrary in this Section 1.03, Lots 42-45 may each be used for two Family dwellings contained within a single structure.

1.04 RESTRICTIONS ON USE OF VEHICLES

Automobiles, trucks, motorcycles, bicycles, and all other vehicles, including recreational vehicles (which shall include snowmobiles, boats and other watercraft, trail bikes, travel trailers and vans, motor homes and dune buggies and other off-street motorized vehicles of any kind) shall not be parked, kept or stored on any Lot outside an enclosed garage without the prior written approval of the Developer (which may be withheld in its sole and absolute discretion, including aesthetic appearances), except for temporary storage for loading and unloading purposes for a period of not more than 48 hours. Recreational vehicles shall also not be used or operated on any Lot, the Common Areas or otherwise within the Subdivision, except on dedicated streets in accordance with applicable traffic laws.

1.05 ANIMALS AND PETS

No livestock, poultry, reptile or other animal of any kind shall be raised, bred or kept on any Lot except that dogs, cats and other normal household pets (as may be approved by the Developer from time to time) may be kept so long as not kept, bred or maintained for any commercial purpose or in an unreasonable number or manner, or which may be contrary to applicable law. The right of any Lot Owner to keep such a pet on any Lot is subject to the condition that the pet is not allowed to unreasonably annoy any other Lot Owner and is not allowed to run at large. No exterior pet kennels or related structures or enclosures shall be permitted at any time.

1.06 GARBAGE AND REFUSE

No Lot shall be used or maintained for dumping or storage of trash, garbage, or debris of any kind, except for temporary storage in sanitary covered containers located in an enclosed garage. No trash containers shall be stored outdoors. There shall be no burning or burial of any garbage, trash, or debris at any time other than or burning of leaves and light brush if approved by the Developer, and conducted in compliance with all applicable laws and ordinances.

1.07 ESTABLISHMENT OF COMMON AREAS AND FACILITIES

- (a) The term "Common Areas" shall mean Outlot 2, Outlot 3, the Vision Corner, and Landscape Easement Area at the southeast corner of Kettle Moraine Road and Gateway Avenue, the Landscape Easement Area at the northeast corner of Kettle Moraine Road and Gateway Avenue, the Stormwater and Landscape Easement Area located on Lot 46 and the Pond Easement Area over Lots 21-27 and 31-34 (the "Pond Lots").
- (b) The Developer hereby declares all of the "Common Areas" shall be reserved for the benefit of Developer and all Lot Owners of the Subdivision for the purposes intended, including without limitation, the perpetual maintenance operation, repair and replacement of the Common Facilities located therein.
- (c) Developer hereby declares that all of the following facilities and improvements shall be known and identified herein as "Common Facilities" as and to the extent installed and constructed by Developer in its sole discretion:
 - The stormwater detention ponds and all associated storm sewer lines, outfall structures, rip rap and other improvements and facilities located in the Common Areas for storage and management of storm and surface waters.
 - 2. All monuments, decorative structures, signage intended for permanent location, landscaping, fences and other structures and improvements located within the Common Areas.
 - 3. All walking trails, landscaping, wildlife ponds and passive recreational facilities (e.g. benches or footbridges) located in the Common Areas.
- (d) The Association (and all Lot Owners prior to formation of the Association) shall be responsible for all costs and expenses associated with the maintenance and operation on the Common Areas and repair and replacement of the Common Facilities. Until such time as the Association is formed, the Developer shall be responsible for arranging for said operation, maintenance, repairs and replacement subject to reimbursement from all Lot Owners as provided under Section 1.10 hereof.

- (e) The Developer shall have the right at any time following formation of the Association to convey or otherwise transfer to the Association, without cost, all or any portion of the Common Areas, and the Association shall accept title to the same and assume responsibility for the management and maintenance thereof and the Common Facilities as provided herein. In the alternative, the Developer shall have the right to convey to the owners of Lots 1-41 and each said Lot Owner shall accept, at the time of closing of the Lot purchase, an undivided interest in Outlot 2 and Outlot 3 and the easement rights under Subparagraph 1.07 and, the Common Facilities, subject to the easements, limitations and restrictions provided herein.
- (f) Notwithstanding anything to the contrary contained herein, the use and ownership of Outlot 3 shall be subject to the terms and condition of the Developer's Agreement for Gateway Estates Subdivision, recorded as Document No. 889688 with Washington County Register of Deeds on June 14, 2001.

1.08 USE OF COMMON AREAS

- (a) All of the Common Facilities shall be used and maintained (including all necessary repairs and replacements thereto) for their intended purpose (e.g., stormwater management, permanent signage, decorative landscaping, lighting, etc.). Use of the Common Areas shall be limited to the Developer, the Lot Owners and their accompanied guests.
- (b) Except in respect to the Common Facilities, the Common Areas shall be used exclusively for environmental preservation, green space and passive recreational uses such as nature viewing.
- (c) There shall be no grading, excavation or removal of vegetation in the Common Areas, except for the removal of diseased or dead trees or as specifically permitted herein.
- (d) There shall be no signage in the Common Areas, except as erected or permitted in writing by the Developer to builders marketing newly constructed homes. Any signage for the resale of previously occupied homes is strictly prohibited.

1.09 RELOCATED HOMES

No Home shall consist of and there shall not be permitted upon any Lot, any dwelling unit which is constructed or occupied outside the Subdivision and thereafter sought to be moved into the Subdivision. This Section 1.09, however, shall not apply to factory new panelized or modular homes which are installed or assembled on site provided said structures are otherwise in conformance with this Declaration.

1.10 PROPORTIONATE RESPONSIBILITY

Upon acceptance of title to any of Lots 1-41, the Owner(s) of such Lot shall be responsible for an annual assessment related to the maintenance and upkeep of the Common Areas and Common Facilities and may be subject to additional assessments to the extent authorized under Article 3 hereof. General Assessments shall be allocated to each Lot on a fractional basis, the numerator of which is one (1) and the denominator of which is forty one (41).

1.11 WETLAND AREAS

That portion Lots consisting of wetlands (as shown on the Final Plat) shall not be filled, graded or disturbed in any way except with the prior written approval of the City, the Developer and the DNR.

1.12 OUTSIDE STORAGE

No portion of any lot shall be used for the outside storage of any items of personal property, including without limitation, cars, trucks, and other vehicles, equipment, furniture, firewood, trash containers, tools or ladders, except patio furniture which is located outdoors between April 15 and October 31 of each year.

1.13 ENVIRONMENTAL REGULATIONS; NO ALTERATION OR VEGETATION REMOVAL

(a) All grading, excavation, filling and any other construction activities shall be in strict conformance the permit dated June 19, 2002 issued by the DNR under Chapter 30 of the Wisconsin Statutes, and any amendments thereto (the "Chapter 30 Permit"), together with all federal, state and local laws, regulations, ordinances and administrative orders in respect to the protection of waterways, wetlands and other environmental areas (together as

"Environmental Regulations"). Each Lot Owner shall be obligated to indemnify, defend and hold harmless the Developer, its members, contractors, agents and consultants against any violation of Environmental Regulations caused by said Lot Owner, its agents, contractors, or employees. No portion of Lots 1-13 located within the "Primary Environmental Corridor" as shown on the Final Plat may be graded or altered in any way, including removal of vegetation without the Developer's prior written consent, which may be withheld or denied. No structure or personal property shall be located within said Primary Environmental Corridor, except piers or pilings to support an elevated deck, and then only with the Developer's prior written approval which may be withheld, conditioned or denied.

(b) No portion of the Pond Lots (lots 21-27 and 31-34) located within ten (10) feet of the Pond Easement Area shall be graded, mowed, seeded or altered in any way, said area being intended for permanent preservation as a natural area along the waters edge.

1.14 CONSTRUCTION DAMAGE

Each Lot Owner shall be responsible for any damage to any other Lots, the Common Areas, the Common Facilities, or any improvements the Developer is obligated to construct or install under contract with a local governmental unit, caused by said Lot Owner, its agents, employees, or contractors, including without limitation, ruts from vehicles or equipment, destruction of vegetation or the depositing of fill or construction refuse. Such damage shall be fully restored or cleaned up, as applicable, within ten (10) days following the written notice from the Developer. Upon failure to satisfy such requirement, or at Developer's option without advance notice, the Developer shall have the right to arrange for said restoration or clean up and the cost thereof, together with interest therein at the Default Rate accruing from the date incurred, which shall be reimbursed by the Lot Owner, and if not so reimbursed, shall constitute a special assessment against the Lot. Any such damage shall be presumed to be caused by the Owner of the Lot under construction located nearest to said damage, said Lot Owner having the burden of proving the damage was caused by another party who shall be specifically identified to the Developer.

1.15 TREE PLANTING AND REMOVAL

(a) No existing tree having a caliper of two inches or more (measured four (4) feet above the ground), shall be removed without the prior written consent of the Developer, which consent may be withheld, conditioned or denied,

except dead or diseased trees or those posing a threat to safety or property damage. Any Lot Owner violating this provision shall be subject to a special assessment under Section 3.08 as compensation to the Association for the loss of scenery and aesthetic value, in an amount up to \$200.00 for each inch in diameter of the tree(s) wrongfully removed.

(b) Each Lot Owner shall, within ninety (90) days following issuance of the occupancy permit for the Home, (or if said permit is issued after September 15, then prior to June 1 of the following calendar year), plant in the front yard of the Lot (between the sidewalk and the curb), two (2) trees consisting of deciduous trees having a minimum 2 1/2 in caliper measured at least for (4) feet above the ground, or in the case of corner lots, three (3) trees of said size, all as specified in the Street Tree Plan on file with the City Planning Department.

II. CONSTRUCTION OF IMPROVEMENTS

2.01 MINIMUM LIVING AREA AND HEIGHT REQUIREMENTS; GARAGES

- (a) Each Home on Lots 1-12 shall have a minimum living area (exclusive of basement, attic, garage, porches, patios and storage areas) as set forth below:
 - 1. not less than 1,800 square feet for a one-story home.
 - 2. not less than 1,500 square feet on the first floor with a total of 2,000 of area for a one and one-half story home.
 - 3. not less than 2,200 square feet for a two-story home.
 - 4. not less than 2,200 square feet on the two upper levels for a split level home.
- (b) Each home on Lots 13-41 shall have:
 - 1. not less than 1,600 square feet for a one-story home.
 - 2. not less than 1,300 square feet on the first floor with a total of 1,800 of area for a one and one-half story home.

- 3. not less than 2,000 square feet for a two-story home.
- 4. not less than 2,000 square feet on the two upper levels for a split level home.
- (c) No Home shall exceed three stories (excluding the basement) or 35 feet in height above finished grade, whichever is less.
- (d) The roof of all Homes shall be pitched to rise at least eight (8) inches vertically for each twelve (12) horizontal inches.
- (e) An enclosed and attached garage (for at least one and not more than three cars) shall be constructed at the time of construction of the Home and all exterior portions of such garage shall be completed prior to occupancy of the Home. Caution: all 3-car garages will be subject to strict architectural scrutiny to ensure proper scale and proportion to the Home and may be denied for such and any other reasons permitted herein, including general aesthetics.
- (f) Each Home shall have a basement with a useable floor area (exclusive of crawl space) of not less than 60% of the first floor.
- (g) The limitations under sub-paragraphs (a) (f), above, shall not apply to lots 42-45. Each dwelling unit on said Lots shall have a minimum living area of 1,600 square feet.

2.02 SUITABILITY

- (a) Developer makes no representation or warranty whatsoever, express or implied, regarding the physical condition of any Lot. Developer recommends that prospective buyers have their Lot inspected and tested by a qualified professional regarding subsurface conditions or any other matter which may be of concern.
- (b) Developer suggests, but does not require, that buyers utilize a properly licensed architect in any construction.

2.03 LOCATION AND SET-BACK

- (a) All structures or improvements (including eaves, steps, overhangs, and attached porches, patios and other appurtenances) shall be located in conformance with applicable zoning and building codes. Each corner Lot shall be deemed to have two front yards and two side yards and architectural design shall be treated accordingly.
- (b) Approval by the Plan Commission or Building Inspector of the City with respect to set-backs or other matters shall not be binding on the Developer in any respect.
- (c) Notwithstanding the set-back requirement specified above, the orientation and precise location of each Home and garage, as well as all other improvements on the Lot, must be approved in writing by the Developer prior to any construction, it being intended that the Developer may, in its discretion, impose greater set-back requirements than those permitted under City ordinances in order to achieve or maintain the aesthetic appearance for the Subdivision or any portions thereof which the Developer or the Developer deems advisable. Additionally, the approval of the exact location of the Home by the Developer may be for the purpose of ensuring a proper and consistent set-back of structures and buildings and to avoid blockage and views of other properties.
- (c) Each Lot Owner acknowledges and agrees that notwithstanding the reviews and approvals made or required under this Declaration, each Lot Owner has the responsibility for selecting and hiring its own architect or other design professional, construction contractor, subcontractors, material suppliers, inspection professionals and parties associated with the design and construction of the applicable Home, and the Developer shall have no responsibility whatsoever for such parties or for the quality or suitability of any design, materials, workmanship or foundation location, it being understood that the function of the Developer pursuant to the reviews and approvals required hereunder is solely to attempt to ensure compliance with the covenants and restrictions in this Declaration and the intent thereof, and that no Lot Owner shall be entitled to rely upon any such reviews or approvals other than as expressly provided under Section 2.05(e).

2.04 ARCHITECTURAL STYLES AND BUILDING MATERIALS

- (a) Traditional architectural styles of the seventeenth, eighteenth, and nineteenth and twentieth centuries are encouraged. These could include Tudor, Salt Box, Cape Code, Georgian, Greek Revival, Prairie School or any of the Victorians. It is expected that the design of each house be consistent and unified and that building materials appropriate for that design be used. All Homes should reflect the aesthetics and spirit of the traditions they seek to exemplify.
- (b) All exterior building materials shall be natural materials, excluding shutters, windows, and roofing. The Developer shall have the right to permit synthetic materials (not including vinyl) which are substantially similar in appearance and texture to natural materials, as well as heavy gauge, textured aluminum siding. Placement of garage doors on the side elevation of Homes is encouraged. Primary exterior materials shall be consistent on all elevations and all fireplace chimneys shall be enclosed in a suitable housing compatible with the building materials of the Home.
- (c) The front elevation of all Homes shall contain a portion of masonry materials (natural or cultured), the type and amount being subject to section 2.05 hereof, with an absolute minimum of 25% of the front elevation (not including windows and doors).

2.05 ARCHITECTUAL CONTROL

- (a) The Developer shall, subject to any specific assignment by Developer, have the sole and exclusive right to grant approvals, enforce and determine compliance with the standards and restrictions established herein, and to grant variances therefrom, as set forth in this Declaration. The Developer shall retain such right and authority until Developer no longer holds title to any lands shown on Exhibit B attached hereto. Thereafter, the Association shall have the authority to grant the approvals required in this Section 2.05 and upon such event, the term "Developer" as used in this Section 2.05 shall mean the Association.
- (b) No Home, garage or other structure or improvement of any kind shall be installed, erected, constructed or placed on any Lot (or altered or changed with respect to layout, location or exterior design, appearance, elevation, color or material composition) without: (1) prior submission of detailed plans,

specifications and other required application materials to the Developer for its review; and (2) acquisition of prior written approval by the Developer with respect thereto. Plans to be considered appropriate for review by the Developer must include the following (unless the Developer advises a Lot Owner in writing to the contrary): construction drawings, plans and specifications (prepared by a qualified home designer or architect if the improvement involves construction of a Home, garage or addition or change to either) showing dimensions, composition and color of exterior materials and equipment, if any; and a plot plan to scale showing the location of the improvement with respect to set-backs from Lot lines and other buildings and improvements, finish grade elevations, topography, drives, existing plantings and other data pertinent to such review by the Developer as it may reasonably request. The Developer may deny or withhold approval of any proposed improvement based upon any one or more of the following factors in the Developer's sole judgment: any one or more of the general purposes specified in Section 1.02 will not be satisfied; material composition and quality; exterior design, appearance and color; coordination with other existing or contemplated improvements; location with respect to topography and existing surroundings; set-backs; finished grade elevations; access; drainage or landscaping; and general aesthetics. The Developer's judgment as to all matters of aesthetic appearance, design and compatibility shall be final and not subject to challenge or appeal, ANY LOT OWNER WHO CAUSES OR ALLOWS ANY IMPROVEMENTS TO BE CONSTRUCTED, INSTALLED, PLACED OR ALTERED ON THE LOT WITHOUT PRIOR WRITTEN APPROVAL OF THE DEVELOPER SHALL BE REQUIRED TO REMOVE SUCH IMPROVEMENT (OR RESTORE SUCH ALTERATION) IN ITS ENTIRETY AT THE LOT OWNER'S EXPENSE. Without intending to limit the generality of the foregoing, it is intended that the exterior color or appearance of any portion of a Home, garage or other improvement may not be changed in any respect without the prior written approval of the Developer. The Developer shall further have the right to establish additional procedures to ensure compliance with this Article 2.

- (c) Construction of all Homes shall be in conformance with the established grade. The architectural approval submission materials for Lots 1-13 shall include a detailed finish grading plan at 2-foot contours.
- (d) Upon written approval of the plans for the proposed improvement and upon receipt of any necessary City and other governmental approvals or permits, construction or installation of the improvement may commence and, once

commenced, shall be substantially completed within twelve (12) months following either acquisition of Developer approval or issuance of any required building permit by the City, whichever is later. The Developer may, in its discretion, extend such completion deadline up to an additional six (6) months in the event the delay has been caused primarily by factors beyond the control of the Lot Owner and his/her contractors. For its own benefit to ensure compliance, the Developer may, at its discretion, require performance bonds from the contractors responsible for construction of the improvements.

- (e) In the event the Developer fails to act upon proposed plans within 30 days following written acknowledgment by the Developer that it has received such plans and that they are adequate and complete for purposes of its review or in the event no suit to enjoin the erection, installation or change of the improvement or to require removal thereof has been commenced within one (1) year following final completion thereof, no right shall exist to thereafter enforce these restrictions insofar as approval by the Developer is required as to such particular matter.
- (f) Any approval or permission of the Developer under this Section, to be binding or effective, <u>MUST BE IN WRITING</u> signed by an authorized representative. No oral statements, representations or approvals of the Developer or any of its members or agents shall be binding on the Developer under any circumstances, regardless of any reliance thereon by any Lot Owner.
- (g) Within 90 days following construction or installation of any improvement, the Lot Owner shall, upon written request of Developer, furnish an as-built certified survey showing the location of the improvement.
- (h) Except to the extent necessary for the construction of exposed basements or split-level homes, no portion of any Home located above grade level shall be covered within ground, soil or similar materials.

2.06 LANDSCAPING. GRADING AND DRAINAGE

(a) Landscaping plans, if any, including mature shrubbery, must be submitted for approval in conjunction with building plans. At a minimum, landscaping shall include the street trees required under Section 1.15 hereof, together with sodded or seeded lawns on all four (4) sides of the Home.

- (b) All landscaping (including permanent lawns) shall be performed in accordance with the plan approved by the Developer and shall be completed within ninety (90) days following the issuance of the occupancy permit for the Home, or if said permit was granted after September 15, said completion shall be on or prior to June 1 of the following year.
- (c) All grading and excavation activities shall be conducted in conformance with the then most current version of the Wisconsin Construction Site Handbook, published by the DNR. Except as may be expressly approved in writing by the Developer prior to the commencement of any work, there shall be no grading, excavation, cut and fill work or other alteration to the surface of any portion of the Lot (together "Surface Alterations"). All Surface Alterations shall be conducted in conformance with the master grading plan for the Subdivision (on file with the City or the Developer's engineer). No Surface Alterations shall be conducted in a manner which causes erosion or instability of soils within an adjacent Lot or alters the patterns of storm and surface water drainage in a manner which has a material adverse effect on another Lot or the Common Areas. The Owner proposing the work shall have the burden of demonstrating conformance with the foregoing. No consent shall be deemed given hereunder except in reference to a detailed grading plan specifically disclosing all aspects of the work for which approval is requested.
- (d) No fence, wall, hedge, or screen planting shall be installed unless in accordance with landscaping or other plans approved in advance by the Developer under Section 2.05. In general, fencing will be discouraged other than for protection of swimming pools. Any fencing shall be "see through" and decorative such as split rail or picket type fencing. No fencing shall extend higher than 48 inches above finish grade. No swimming pools shall be installed above the surface grade.
- (e) Except for specific landscaped areas, all front, side and rear yards shall be maintained as clipped lawns.
- (f) Prior to commencement of home construction, the Lot shall at all times be free of soil erosion and fully and completely stabilized with turf (which during the mowing season shall be regularly mowed) and kept in a clean and sightly condition. In the event of any failure to comply with any of the foregoing, then the Developer or the Association (or contractors engaged by them) shall have the right to enter the Lot and conduct such repairs or maintenance as required above, and the costs thereof shall become a special assessment against the Lot under Article 3 of the Declaration.

2.07 DRIVEWAY/SIDEWALK/APRON

- (a) Each Lot shall be improved by the Lot Owner with an asphalt, brick or concrete driveway extending from the inside edge of the sidewalk to the garage within ninety (90) days following issuance of an occupancy permit for the Home, or if said permit is granted after September 15, then said completion shall be achieved prior to June 1 of the following year. A plot plan showing the location of the drive shall be submitted to the Developer for its prior approval under Section 2.05 above.
- (b) Each Lot shall further be improved with a concrete sidewalk and driveway apron (between sidewalk and curb) at the Lot Owner's expense prior to issuance of an occupancy permit for the Home, which may be extended for inclement weather only with permission of the City and after posting of an appropriate bond. Sidewalk design and location shall conform to City specifications.

2.08 CONSTRUCTION MATERIALS - STORAGE

No building or construction materials shall be stored on any Lot outside of the Home or garage, other than during periods of actual construction or remodeling and then only for so long as may be necessary. Excess excavated material shall not be stored on any Lot during or after construction without the prior approval of the Developer, unless required for back filling, finish grading, or landscaping.

2.09 WATER SUPPLY

Each Home shall be connected to the municipal City water system and no individual wells shall be permitted.

2.10 WIRES, ANTENNAS, AND SOLAR PANELS: SURVEY MARKERS

(a) All utility lines and wiring for gas, electric, telephone, and cable television service to a Home, garage or other improvement shall be installed underground, unless otherwise permitted by the Developer in writing prior to installation. No Lot Owner shall remove, alter or disturb any monuments or survey markers, or install any improvement or vegetation that obstructs vision between the comer points of any Lot.

(b) No roof-top, tower-mounted or other external antenna or satellite dish for television or radio reception or transmission (except dishes having a diameter not to exceed 18 inches and not visible from the front of the Home), or for other electronic transmission or reception or solar heating panels shall be erected or used in the Subdivision.

2.11 SIGNS

Except for Developer (and its written designees) relating to the marketing of the Subdivision or any homes therein, no sign or banner of any kind shall be placed or displayed to public view on any Lot, except: (i) one sign of not more than six square feet advertising the Property for sale; and (ii) one standard sign (showing the Lot Owner's name) as may be approved by the Developer for uniform use in terms of size, design, appearance and location for each Lot in the Subdivision.

2.12 OUTBUILDINGS

No shed, detached garage or other enclosed structures or outbuildings are permitted on any Lot, except Lots 1-12 and then only with the Developer's prior written consent, which consent may be withheld, conditioned or denied in Developer's sole discretion, including aesthetic considerations.

2.13 MAILBOXES AND YARDLIGHTS

- (a) Each Lot Owner (and each Unit Owner in Lots 42-45) shall be obligated at its expense, to purchase from Developer and install within ninety (90) days following issuance of an occupancy permit for the Home, a yardpost with attached light fixture of a design determined by Developer, which shall be connected to an underground power source and operated automatically by a photoelectric cell. The yard post shall be painted or stained in a color determined by the Developer.
- (b) Each Lot Owner(and each Unit Owner in Lots 42-45) shall be obligated at its expense to purchase from Developer a freestanding mail/newspaper box of a design determined by Developer which will be installed by Developer.
- (c) The yardpost/light and mail/newspaper box shall at all times during the term of the Declaration, be maintained in good condition and repair (including bulb replacement) and when necessary shall be replaced by the Lot Owner at its expense with an identical or most comparable structure then available.

THE ASSOCIATION

3.01 CREATION

- (a) The Developer shall have the right at any time after the recording of this Declaration, to create and establish a non-profit homeowner's association to be known as "GATEWAY ESTATES HOMEOWNER'S ASSOCIATION," for the sole and exclusive purpose of accepting and assuming all of the rights, powers, privileges and obligations expressly provided herein.
- (b) The affairs of the Association shall be governed by the Board of Directors of the Association (the "Board"), as set forth under Section 3.05, below. The Developer may elect to cause the Association to be an unincorporated association or a non-stock, not for profit corporation formed under Chapter 181 of the Wisconsin Statutes. No Lot Owner or other party shall be entitled to compel the Developer to form the Association at any time other than as determined by the Developer, except that the Developer shall form the Association not later than ninety (90) days following the date the Developer no longer owns any of the land described on Exhibit B attached hereto. Until such time as the Association is formed, the Developer shall have the rights and powers of the Association as provided under Article 3 hereof.
- (c) The Developer hereby discloses that it may retain ownership of all or a potion of the land described on Exhibit B attached hereto for an indefinite period of time, and as such defer formation of the Association for a substantial portion of the term of this Declaration.

3.02 MEMBERSHIP

- (a) Each Owner of Lots 1-41 shall automatically be a member of the Association (upon formation) and shall be entitled to one membership, with ownership of a Lot being the sole qualification for membership. The membership in the Association shall be owned jointly and severally by all co-Owners of the Lot, regardless of the form of tenancy, estate, or interest in the Lot. There shall be one (1) vote per Lot regardless of the number of Lot Owners.
- (b) Association membership and voting rights shall be appurtenant to each Lot and shall not be assigned, conveyed or transferred in any way except upon transfer of an ownership interest in the Lot and then only to the transferee, nor shall membership or voting rights be retained except upon retention of an

- ownership interest in the Lot. Any attempt to make a prohibited transfer or retention of such rights shall be null and void.
- (c) Notwithstanding any provision in this Declaration to the contrary, the Developer shall be entitled to one membership and one vote for each Lot owned by the Developer. No Owner of Lots 42-45 (or subsequent Unit Owner) or any land described on Exhibit B shall be a part of the Association.

3.03 VOTING

The vote appurtenant to each Lot shall be cast as whole (in person or by proxy) by the Lot Owner or any co-Owner. Fractional votes will not be allowed; and if co-Owners of a Lot do not agree on how the vote shall be cast or if a fractional vote is attempted, the right to vote on the matter in question shall be forfeited by such Owners. The Association may treat any co-Owner of a Lot or the proxy of any such co-Owner as duly authorized to vote for all co-Owners of that Lot. A quorum for voting purposes shall consist of forty percent (40%) or more of the votes entitled to be cast. There shall be no cumulative voting for election of Board members or on any other matters. All decisions and actions of the Association, except as otherwise specifically provided for in this Declaration, shall be by a majority of the votes present and entitled to be cast.

3.04 ASSOCIATION MEETINGS

- (a) The annual meeting of the Association (except the initial meeting) shall be held in April of each year for the purpose of electing members of the Board (subject to Section 3.05) and transacting any other business authorized to be transacted by the Association. The Board shall select the specific date, time and place of the annual meeting for a given year and shall furnish written notice to each Lot Owner.
- (b) Written notice of all meetings of the Association stating the time, place, and purpose for which the meeting is called shall be given to each Lot Owner not less than four (4) nor more than 30 days prior to the date of such meeting; provided, however, that notice of any meeting may be waived in writing before or after the meeting.

3.05 MANAGEMENT OF ASSOCIATION BY THE BOARD

(a) The Association and its business, activities and affairs shall be managed by the Board. The initial Board shall be appointed by the Developer (regardless

of how many Lots are then owned by Developer) and shall serve until the first annual meeting of the Association. At the annual meeting first following the date the Developer no longer owns any Lot in the Subdivision, all members of the Board shall be elected by the Association.

- (b) The Board may appoint committees consisting of one or more Lot Owners to make recommendations to the Board or the Association on any matter. No person shall receive any payment for services rendered as a member of the Board or the Committee or as an officer of the Association or as a member of any committee unless specifically authorized by prior resolution of the Association. The Association may reimburse out-of-pocket expenses incurred by an officer or committee member in the performance of his/her duties.
- (c) No member of any board or committee or officer of the Association shall be liable to any Lot Owner or to any other party, including the Association, for any loss or damage suffered or claimed on account of any act, omission, error or negligence of such board or committee member or officer, provide such person acted in good faith, without willful or intentional misconduct.

3.06 LOT OWNER'S LACK OF AUTHORITY TO BIND ASSOCIATION

No Lot Owner (other than members of the Board) shall have any authority to act for the Association or the other Lot Owners, as agent or otherwise, nor to bind the Association or the other Lot Owners to contracts, negotiate instruments or other obligations or undertakings of any kind.

3.07 POWERS AND RESPONSIBILITIES OF THE ASSOCIATION

- (a) The Association shall have the following rights and powers in addition to any others which may be necessary or incidental to performance of any duties or powers of the Association specified in this Declaration;
 - 1. to levy and enforce payment of General and Special Assessments on the Lots and against Lot Owners;
 - 2. to enforce this Declaration;

- 3. to purchase, sell and convey Lots (including the improvements thereon) incident to foreclosure of a lien for any assessment;
- 4. to enter and execute contracts, deeds, mortgages, and documents on behalf of the Association which relate to management of the Common Areas and Common Facilities;
- 5. to incur indebtedness on behalf of the Association (but only for the purposes of and as may be reasonably necessary for, carrying out its duties and obligations hereunder) and to execute drafts and other negotiable instruments;
- 6. to employ the services of any person, firm, or corporation to maintain the Common Areas and Common Facilities or to construct, install, repair, replace or rebuild any improvements thereof:
- 7. to acquire, sell, transfer or exchange goods, equipment and other personal property or fixtures in the name of the Association for the operation of the Association;
- 8. to commence, prosecute, defend or be a part to any suit, hearing or proceeding(whether administrative, legislative or judicial) involving the enforcement of this Declaration or otherwise involving the exercise of any powers, duties or obligations of the Association;
- to exercise all other powers necessary to maintain the Common Areas and Common Facilities for their intended purpose and operate the Association for the mutual use and enjoyment of all Lot Owners; and
- to accept title to and ownership of all Common Areas and to properly own, operate, manage and maintain the same, including the Common Area Facilities.
- (c) Any two members of the Board acting together are empowered to negotiate, execute and enter contracts, agreements and other undertakings or documents of any kind on behalf of the Association necessary or incidental to exercise of any powers or obligations of the Association or of the Board under this Declaration.

- (d) The Association shall have the following affirmative obligations:
 - to maintain the Common Areas and the Common Faculties in good condition and repair and in a clean and presentable condition, consistent with other first quality residential developments in southern Washington County, including all necessary repairs and replacements.
 - 2. to keep the Common Areas free from refuse, and to keep all sidewalks fronting Common Areas free to snow and ice.
 - 3. to cause the landscaped or turfed areas (not including nature areas) within the Common Areas to be mowed and maintained on a weekly basis between April 15 and October 15 of each year, and to keep the Pond Easement Area vegetated with native vegetation and free of exotic or invasive vegetation.
 - 4. The Developer and its members shall have the right to enforce the affirmative obligations above during the entire term of this Declaration.

3.08 COMMON EXPENSES AND ASSESSMENTS AGAINST LOTS AND LOT OWNERS

- (a) The Board shall pay or arrange for payment for all costs, expenses and liabilities incurred by the Association out of the proceeds of assessments which shall be made against the Lot Owners and their Lots.
- (b) "Special Assessments" may be made and levied by the Board against a particular Lot Owner and his/her or their Lot (without levy against other Lots) for:
 - costs and expenses (anticipated or incurred) for repair of damage to the Common Areas or Common Facilities caused by or at the direction of the Lot Owner, the family or guests of the Lot Owner, or any other party for whom a Lot Owner is responsible;
 - 2. costs, expenses and actual attorney's fees incurred in, or in

- anticipation of, any suit, action or other proceeding to enforce this Declaration against the Lot Owner;
- 3. interest due on General or Special Assessments; and
- 4. all other costs and expenses anticipated or incurred by the Association which are subject to Special Assessments as provided under this Declaration.
- (c) "General Assessments" may be made and levied by the Board equally against each Lot Owner and his/her or their Lot for the following "common expenses" which may be anticipated, incurred or paid by the Association for:
 - maintenance, repairs, upkeep or operation of the Common Areas or Common Facilities and any improvements or equipment related thereto as may be acquired by the Association;
 - 2. any insurance maintained by the Association;
 - taxes, assessments and charges of any kind made or levied by any governmental authority against the Association or any other property of the Association;
 - 4. all costs and expenses for the operation and administration of the Association, including legal, accounting and management fees and other costs incident to the exercise of any of its powers or obligations;
 - 5. all items subject to Special Assessment which have not been collected from a Lot Owner at the time payment of such item is due, provided that upon collection of the Special Assessment from that Lot Owner, all other Lot Owners shall receive an appropriate adjustment, reimbursement or credit on future General Assessments, as the Board may determine, for payments made under this paragraph;
 - 6. all damages, costs, expenses and attorney fees incurred in, or in anticipation of, any suit or proceeding (whether administrative, legislative or judicial) which are not otherwise collected by Special Assessment;

- 7. costs and expenses of services, if any, made available to all Lots;
- 8. a charge for the establishment or maintenance of a reserve account to pay for unanticipated or significant expenses for which the Association is responsible;
- 9. all other costs and expenses declared to be common expenses under this Declaration. The General Assessments for any of the foregoing expenses shall be levied equally against each Lot, pursuant to the provisions of Section 1.10.
- (d) The Association shall maintain separate books and records for General and Special Assessment accounts of the Lot Owners, as may be necessary, provided that all funds received from either assessment may be co-mingled and thereafter disbursed to pay any costs or expenses incurred by the Association which would be subject to General or Special Assessment.
- (e) Developer shall be responsible for all assessments levied against any platted Lot prior to a sale of such Lot by Developer. However, Developer shall not be responsible or any General or Special Assessments which may be levied for improvements, capital expenditures, reserves, or replacement funds of any kind. The Board may at any time levy assessments for such purposes against the Lot Owners (other than Developer).
- (f) The Board shall determine the estimated expenses of the Association and prepare an annual operating budget in order to determine the amount of the annual General Assessments necessary to meet the estimated common expenses of the Association for the ensuring year and shall furnish a copy to each Lot Owner or one of the co-Owners of the Lot

3.09 PAYMENT OF ASSESSMENTS

(a) Each Lot Owner shall promptly pay, when due, all General and Special Assessments levied by the Board against such Owner and his or their Lot, together with all costs, expenses and reasonable attorney fees incurred by the Association in collection of any delinquent assessment(s). All assessments shall become due at such times and in such manner as the Board may determine in its sole and absolute discretion (in a lump sum or in installments with or without interest). Time is of the essence with respect to all payments.

(b) All co-Owners of a Lot shall be jointly and severally liable for all General and Special Assessments levied against the Lot, regardless of the type of tenancy, estate or interest in the Lot (whether as joint tenants, tenants-incommon, land contract purchaser(s) or seller(s), or otherwise).

3.10 DELINQUENT ASSESSMENTS: INTEREST, LIEN AND COLLECTION

- (a) All General and Special Assessments which are not paid when due shall bear interest at the lesser of twelve percent (12%) per annum, or the maximum rate as may then be permitted by law, from the date due until the assessment is paid in full, shall constitute a lien on the Lot, and shall be collectible and enforceable by the Developer or the Board (in its own name or the name of the Association) by suit against the Lot Owner, by foreclosure of the lien, and/or in any other manner or method provided under this Declaration or laws of the State of Wisconsin. The lien granted hereunder shall also cover and include all interest accruing on delinquent assessments, plus costs, expenses and attorney's fees for collection.
- (b) The Developer and the Association (through the Board), subject to Section 4.07(a), shall have the exclusive right and power to collect or enforce collection of all General and Special Assessments levied by the enforcing party and shall further have the exclusive right to bring any and all actions and proceedings for the collection thereof and/or the enforcement of liens arising therefrom. The Board and the Developer shall have the right to record a document with the Register of Deeds of Washington County giving notice of a lien for any unpaid assessment. Failure to file any such notice shall not impair the validity of the lien. The Association and the Developer may bring an action at law against any Lot Owner personally to collect such assessments and/or to foreclose the lien for such assessments against the Lot (in the same manner and method as an action to foreclose a real estate mortgage). The Board and the Developer shall have the right at any time to notify all Lot Owners within the Subdivision of the delinquency of any Lot Owner,

3.11 ASSESSMENT BY DEVELOPER

Until such time as the Association is formed, and thereafter in respect to the obligations under Section 3.07 (c) if in Developer's sole judgement said obligations are not being satisfied by the Association, the Developer shall have the authority to levy, enforce and collect General and Special assessments in the same manner as permitted by the

Board subject to the terms, limitations and conditions of Sections 3.07-3.10 hereof.

3.12 SERVICE OF PROCESS

Service of process upon the Association for all matters shall be made upon at least two (2) members of the Board of the Association or such legal counsel as the Association may designate to receive service of process by recording such designation with the Register of Deeds for Washington County, Wisconsin.

3.13 WORKING CAPITOL FUND

Each purchaser of a Lot form the Developer, shall at the time of closing, pay to the Developer an amount equal to \$150.00 for the establishment of initial working capital to defray the initial maintenance costs of the Common Areas and Common Facilities as the Subdivision becomes established, which amount may be increased from time to time at the Developer's discretion. The Developer and/or the Association shall not be permitted to use such funds except as just provided. Said amount shall not be considered advanced payments of general assessments and if any such funds are then remaining, shall be turned over to the Association at the time of formation.

3.14 ASSESMENT STATEMENTS

Within twenty (20) days following written request from a Lot Owner, the Association or Developer shall provide a written statement as the existence and amount of any outstanding General or Special Assessment against the Lot.

3.15 LOTS 42-45

Lots 42-45 shall not be subject to the terms of this Article 3, except portions thereof as may be explicitly incorporated by reference in Article 1, 2 or 4.

IV. MISCELLANEOUS

4.01 MISCELLANEOUS: AMENDMENTS TO DECLARATION

This Declaration may be amended by recording in the Office of the Register of Deeds for Washington County, Wisconsin, a document to that effect executed by the Owners of at least 67% of all Lots subject to this Declaration, with all signatures duly notarized, except that;

- (i) so long as the Developer owns any of the lands described or shown on <u>Exhibit B</u>, no amendment shall be valid without the prior written approval of the Developer; and
- (ii) no potion of Article 3 or 4 may be amended at any time without the prior written consent of the Developer or its members.

Any amendment shall become effective only upon recording.

4.02 RESERVATION BY DEVELOPER OF RIGHT TO GRANT EASEMENTS

Developer hereby reserves the right to grant, convey or establish easements to the City, and/or to any public or private utility company upon, over, through or across those portions of any Lot in the Subdivision within a reasonable distance from any Lot line for purposes of allowing the provision of gas, electric, water, sewer, cable television or other service to any Lot(s) or through any portions of the Subdivision or for purposes of facilitating drainage of storm or surface water within or through the Subdivision. Such easements may be granted by Developer, in its own name and without the consent or approval of any Lot Owner, until such time as Developer has conveyed legal title to all Lot within the Land, as described on Exhibit A to persons other than a Successor/Developer.

4.03 SEVERABILITY

The invalidity or unenforceability of any term, condition or provision of this Declaration shall in no way affect the validity or enforceability of any other term, condition, or provision of this Declaration, all of which shall remain in full force and effect.

4.04 COVENANTS RUN WITH LAND

All terms, conditions and provisions of this Declaration (and as may be amended) shall constitute covenants running with the land.

4.05 TERM OF DECLARATION

This Declaration (and any amendments) shall be binding for a period of 20 years (from the date the Declaration is recorded) upon all Lot Owners and any other persons claiming under or through the Developer. Upon the expiration date of such initial 20-year period, this Declaration shall be automatically renewed for successive periods of (10) years each.

4.06 DISCLAIMER

Notwithstanding any other provision(s) of this Declaration, Developer is under no obligation to any Lot Owner to develop or plat at any time any portion(s) of the Subdivision not already platted as of the date of recording this Declaration.

4.07 ENFORCEMENT

- The Developer shall have the exclusive right to enforce, by proceedings at (a) law or in equity, all the terms, conditions, and provisions of this Declaration and any Rules or Regulations adopted by the Developer, except that the Association shall assume such exclusive responsibility at such time as the Developer, its successors or assigns, no longer owns a Lot in the Subdivision or any land described on Exhibit B. Notwithstanding the foregoing, any Lot Owner may proceed, at such Owner's expense and subject to the limitations of Section 2.05(e), to enforce any such terms, conditions or provisions (other than for collection of assessments against Owners of other Lots) if the Developer or Association, as the case may be, fails to take such appropriate action within 60 days following a written request by such Lot Owner to do so. Any Lot Owner violating any of the terms, conditions or provisions of this Declaration or any Rules or Regulations shall pay all costs, expenses and actual attorney's fees incurred by the Developer or the Association in the enforcement thereof. Neither the Association or the Developer shall be subject to any suit or claim by any Lot Owner for failure of the Association or the Developer to take any action requested by such Lot Owner against any other Lot Owner.
- (b) The Developer shall have the right to levy and collect an assessment (which is due upon receipt of notice) against any Lot for any costs and expenses incurred by the Developer in the enforcement of the provisions of this Declaration with respect to such Lot, and the cost of consultants and actual attorneys' fees, and whether or not litigation is commenced with respect thereto. Any assessments not paid when due shall bear interest at 12% per annum (the "Default Rate") until paid in full, and such unpaid assessment, together with the interest thereon, shall constitute a continuing lien against the real estate for which the assessment is made. Said lien may be foreclosed in the same manner as real estate mortgages under Wisconsin law, provided that such liens shall be subordinate to any purchase money or construction mortgage. The assessment and interest thereon shall further be the personal obligation of the applicable Lot Owner.

- (c) Each remedy set forth in this Declaration shall be in addition to all other rights and remedies available at law or in equity. All such remedies shall be cumulative and the election of one shall not constitute a waiver of any other. Any forbearance or failure of the Developer to exercise any such right or remedy for any violation (including, without limitation, violations of Section 2.05(b)) shall not be a waiver of such right or remedy under any circumstances in respect to said violation or any similar violation by another party (except as provided in Section 2.05(e)) unless a written waiver is obtained from the Developer.
- (d) Under no circumstances shall any violation of this Declaration or of any Rule or Regulation result in any reverter or reversion of title to any Lot.

4.08 NO LIABILITY

All decisions of the Developer or the Board on any matter (including, without limitation, decisions under Section 2.05) shall be enforceable against any Lot Owner if made in a good faith exercise of the judgment or discretion of its members so long as such decision is not clearly in conflict with the express provisions of this Declaration. Any Lot Owner or other person seeking to avoid, set aside or challenge any such decision of the Developer or the Board shall have the burden of proof to establish that such standards were not met at the time the decision was made.

4.09 RULE AND REGULATIONS

The Developer, and thereafter the Association, shall have the right at any time and from time to time, to adopt or amend Rules and Regulations in respect to the use of the Common Areas and administration of the rights and obligations under this Declaration, provided that the same shall not be contrary to any express terms hereof (the "Rules and Regulations"). Said Rules and Regulations, or amendments thereto, shall be effective upon transmittal in writing by regular mail to all Lot Owners.

4.10 INTERPRETATION

These Declarations shall be construed and interpreted in favor of restricting the use of each Lot consistent with the purposes hereof and any ambiguity shall be resolved against any Lot Owner who installs any structure or engages in any activity not clearly authorized under these Declaration or approved in writing by the Developer. This Declaration shall be interpreted and construed in accordance with the laws of the State of Wisconsin.

4.11 PARADE OF HOMES

Developer discloses that Developer may arrange for the Subdivision or any phase thereof to be included in a "Parade of Homes" or similarly titled event in which members of the public are invited to inspect, at one time, a number of Lots improved by buildings constructed by one or more contractors. Such events may result in temporary periods of significant construction activity, traffic slow downs and large crowds, and may continue for a period of several weeks. By acceptance of a deed or other conveyance to a Lot, an Owner is deemed to acknowledge the possibility of such event and is deemed to have waived any objection to the issuance of any municipal permits required for such event. Developer is not, however, required to include the Subdivision in any such event, and may base its decision of whether or not to do so on Developer's individual needs.

4.12 CONDOMINIUM ASSOCIATION

- (a) No construction may commence on any of Lots 42-45 until the formation of a Condominium Association and recordation of a Condominium Declaration and Plat governing the use and ownership of said Lots, the terms of which shall be subject to the prior written approval of the Developer, said Declaration and Plat having no force or effect without said written approval (together the "Condominium Documents").
- (b) The Condominium Association, in addition to its other duties and obligations, shall be obligated for the perpetual maintenance, repair and replacement (in a manner consistence with first class, luxury residential developments located southern Washington County), of all landscaping, signage, monumentation and other improvements located within the planting island located in the right of way of Gateway Avenue fronting Lots 42-45. Prior to formation of the Condominium Association, the Developer shall be responsible for said maintenance obligation and shall be entitled to levy assessments against Lots 42-45 (25% per lot or 12.5% per unit) for reimbursement of all costs and expenses related thereto in the same manner as the Developer has to levy, collect and enforce collection of assessments under Article 3 hereof. The Developer shall have the right to retain said duties and rights of assessment until the Developer no longer owns any Lot in the Gateway Estates Subdivision.

- (c) Lots 42-45 shall each contain a maximum of one (1) structure intended for and occupied by no more than two (2) Families, for a maximum total of eight (8) Families on all four Lots. Each unit within each structure shall be owner-occupied.
- (d) In furtherance and not in limitation of any other provisions of this Declaration, and so long as Developer retains title to any Lot in the Subdivision, no Unit Owner shall alter or change the exterior appearance of any structure on said Lots (including colors), and the Condominium Association shall not permit any such alterations or change, without the prior written consent of the Developer, which consent may be withheld, modified or denied.

4.13 GENERAL ADMINISTRATION AND ENFORCEMENT

Each Lot Owner and Unit Owner hereby expressly acknowledges that the administration and enforcement of this Declaration will be carried out by human beings, and as such will not be perfect or flawlessly consistent. The Develop intends to use its good faith efforts to administer and enforce this Declaration in a consistent and even handed manner so as to bring about the establishment of a development which is materially different from a residential neighborhood that is not or minimally regulated. The complexity and volume of regulated subject matter, however, indicate that some mistakes, errors and inconsistencies are likely to occur. Said mistakes, errors and inconsistencies shall not serve as a legal excuse or justification for non-compliance herewith, whether or not similar or identical to the matter in controversy unless it can be shown that there has been a complete, flagrant, persistent and comprehensive pattern of non-enforcement or nonadministration hereof, which shall be the burden of the party seeking to avoid enforcement to demonstrate. By way of illustration and not in limitation of the foregoing, structures or architectural features permitted by the Developer due to an oversight, or that in retrospect turn out to be unattractive or undesirable, shall in no way limit or constitute a waiver of the Developer's right to subsequently deny or require modifications to an identical or similar structure or architectural feature.

IN WITNESS WHEREOF, this Declaration of Covenants and Restrictions is executed by the Developer as of the date first written above.

GATEWAY LAND COMPANY, LLC

By Dittmar Realty, Inc., its Manager

Kevin S. Dittmar, President

STATE OF WISCONSIN

) SS

COUNTY OF WAUKESHA)

Carolan S. Smith

Notary Public, State of Wipconsin My Commission: 10/33/06

This instrument was drafted by:

Kevin S. Dittmar c/o Dittmar Realty, Inc. P.O. Box 1297Menomonee Falls, WI 53051-1297





Exhibit A

Lots 1-45 in Gateway Estates, part of the Northeast 1/4 and the Northwest 1/4 of the Northwest 1/4 of Section 24, Town 10 North, Range 18 East in the City of Hartford, Washington County, WI, together with that portion of Lot 46 in said Gateway Estates encumbered by the Stormwater and Landscape Easement Area shown on sheet 2 of the Final Plat.

Exhibit B

Lots 46-49 in Gateway Estates, part of the Northeast 1/4 and the Northwest 1/4 of the Northwest 1/4 of Section 24, Town 10 North, Range 18 East in the City of Hartford, WI, Washington County, WI.