

DECLARATION & BY-LAWS
THE MEADOWS
434 EAST 11TH STREET
NEW RICHMOND, WI 54017

Mae Gherty
Updated & Redrafted 04/89

DISCLOSURE OF MATERIALS

Name and location of Condominium: The Meadows
434 East Eleventh Street
New Richmond, Wisconsin
54017

Name and address of Declarant: Derrick Construction, Inc.
Route 1, Box 193
New Richmond, Wisconsin
54017

Name and address of Declarant's
Agent: William H. Derrick
Route 1, Box 193
New Richmond, Wisconsin
54017

1. THESE ARE LEGAL DOCUMENTS COVERING YOUR RIGHTS AND RESPONSIBILITIES AS A CONDOMINIUM OWNER. IF YOU DO NOT UNDERSTAND ANY PROVISIONS IN THEM, YOU SHOULD OBTAIN PROFESSIONAL ADVICE.
2. THESE DISCLOSURE MATERIALS ARE GIVEN TO YOU AS REQUIRED BY LAW AND MAY BE RELIED UPON AS CORRECT AND BINDING. ORAL STATEMENTS MAY NOT BE LEGALLY BINDING.
3. YOU MAY AT ANY TIME WITHIN FIVE (5) BUSINESS DAYS FOLLOWING RECEIPT OF THESE DOCUMENTS, OR FOLLOWING NOTICE OF ANY MATERIAL CHANGES IN THESE DOCUMENTS, CANCEL IN WRITING THE CONTRACT OF SALE AND RECEIVE A FULL REFUND OF ANY DEPOSITS MADE.

INDEX OF DISCLOSURE MATERIALS

I. DECLARATION

The Declaration establishes and describes the condominium, the units and the common areas. The Declaration begins on

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II. PLAT OF SURVEY

The Meadows Townhouse Condominiums consists of Lots 12, 13 and 14 of the Southview Addition to the City of New Richmond, WI, with an address of 434 East 11th Street, New Richmond, WI 54017. The Plat of Survey begins on

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III. FLOOR PLAN AND MAP

The Declarant has provided a floor plan of the unit being offered for sale and a map of the condominium which shows the location of the unit which you are considering and all facilities and common areas which are part of the condominium. The Floor Plan and Map begin on

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IV. BY-LAWS

The By-Laws contain rules which govern the condominium and affect the rights and responsibilities of each unit owner. The By-Laws begin on

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V. ANNUAL OPERATING BUDGET

The Association incurs expenses for the operation of the condominium which are assessed to the unit owners. The operating budget is an estimate of those charges which are in addition to mortgage and utility payments. The Budget begins on

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VI. MANAGEMENT CONTRACT

Certain services are provided to the condominium through contracts with individuals or private firms. Reference to the Management Contract begins on

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CONDOMINIUM DECLARATION OF
THE MEADOWS
A CONDOMINIUM

This Declaration is made pursuant to the CONDOMINIUM OWNERSHIP ACT of the State of Wisconsin this 26th day of September, 1979, by Derrick Construction, Inc., a Wisconsin corporation, (hereinafter referred to as "Declarant").

Article 1. Purpose: The purpose of this declaration is the subject of the land hereinafter described and the improvements to be constructed thereon, to the condominium form of ownership in the manner provided by the CONDOMINIUM OWNERSHIP ACT, Chapter 703 of the Wisconsin Statutes and by this Declaration. The Declarant hereby declares that it is the sole owner of the real property described in Article 5 hereof, together with all buildings and improvements thereon, which is intended to be subjected and is hereby subjected to the condominium form of use and ownership as provided in the CONDOMINIUM OWNERSHIP ACT, Chapter 703 of the Wisconsin Statutes, and this Declaration, which property shall be held, conveyed, devised, leased, encumbered, used, improved and in all respects otherwise affected subject to the provisions, conditions, covenants, restrictions and easements of this Declaration. All provisions hereof shall be deemed to run with the land and shall constitute benefits and burdens to the Declarant, its successors and assigns, and to all parties hereafter having any interest in the property.

Article 2. Name: The name of the Association shall be The Meadows and the address of the Association shall be 434 East Eleventh Street, New Richmond, Wisconsin 54017.

Article 3. Duration: The period of existence of the Association shall be perpetual.

Article 4. Definition: Unless the context of this Declaration requires otherwise, the definitions of the words used herein, in the By-Laws, and in any other documents executed pursuant to this Condominium Declaration, shall be those set forth in Wisconsin Statutes Chapter 703.

Article 5. Description of Land: The property submitted and subjected to the provisions of the CONDOMINIUM OWNERSHIP ACT is described as follows:

Lots Twelve (12), Thirteen (13) and Fourteen (14) of Southview Addition to the City of New Richmond, St. Croix County, Wisconsin.

All as is described in the Plat of Survey attached hereto as Exhibit "A" and incorporated herein by reference as a portion of this Condominium Declaration.

Exhibits
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Article 6. Description of Building: The description of the building or buildings constructed on said real estate is described in Exhibit "B" and incorporated herein by reference as a portion of this Condominium Declaration. All of said buildings contain ground level and upper story and some units contain

basements, and are constructed of steel, concrete and wood, all of which is more particularly set forth in Exhibit "B".

Article 7. The Units: The unit letters of the units contained in said buildings in Exhibit "A" are as follows:

A, B, C, D, E, F, G, H, I, J, K and L

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Each future owner shall be entitled to the exclusive ownership and possession of his unit in accordance with the terms of this Declaration. Each unit, together with its undivided interest in the common area and facilities, shall for all purposes constitute real property.

The location, approximate area, number of rooms and immediate common area to which each unit has access is set forth in Exhibits "A" and "B". The legal description of each unit shall consist of its letter as aforesaid. Every deed, lease, mortgage or other document may describe a unit by its identifying letter shown on Exhibit "A", and such description shall be good and sufficient for all purposes. No unit owner may subdivide his unit smaller than that shown on Exhibit "A". Each unit shall consist of the space enclosed and bounded by the interior surfaces of the floors and ceilings and perimeter walls of such unit as shown on Exhibit "A", and further designated on Exhibit "B", subject to any encroachment created by settlement or moving of the building, or permissible repairs or modifications which are deemed valid easements for the benefit of such unit owners, or the common element, as the case may be, excepting such as may be created by willful conduct.

Article 8. Description of Common Elements and Facilities: The common elements and facilities shall consist of all of the property designated on the said Plat of Survey (Exhibit "A") as common areas, not occupied by the buildings themselves.

All easements and rights described herein are appurtenant, running with the land, perpetual, binding on the undersigned, its successors and assigns, and where designated as common elements and facilities, shall constitute such common elements and facilities pursuant to this Condominium Declaration.

Article 9. Description of Limited Common Elements and Facilities: The limited common elements and facilities shall consist of all of the property designated on the said Plat of Survey (Exhibit A) as limited areas and shall be for the exclusive use of the unit owner whose unit abuts on such limited area. When all units are sold, the By-Laws may designate specific parking areas as limited common area reserved for the use, (for parking of an automobile) of any unit owner to the exclusion of all other units in the building. Such designation of a parking area must, however, be located in the area provided for the parking of automobiles as shown on Exhibit "A".

Article 10. Value of Property: The percentage of undivided interest in the common elements and facilities appertaining to each unit and its owner for all purposes, including voting, shall be eight and one-half percent (8-1/2% or 1/12) for each of the units and each unit shall have an equal share of one vote per unit owned.

Each unit owner shall own an undivided interest in the percentages herein before set forth, in the common elements and in the facilities, as a tenant in common with all other unit owners and, except as may otherwise be limited in this Declaration, shall have the right to use and occupy the common elements and facilities for all purposes incident to the use and occupancy of his unit as a place of residence, including the right to vote as hereinafter set forth, and such incidental uses permitted by this Declaration, which right shall be appurtenant to and run with his unit. The above percentages shall be permanent and may not change without consent of all unit owners by amendment to this Declaration.

The building and premises, including all individual units, are to be used solely for residential purposes in strict conformity with the restrictions and covenants hereto attached, as Article 22.

Article 11. Agent for Service of Process: The agent of the Association designated for the purpose of receiving service of process shall be William H. Derrick, Route 1, Box 193, New Richmond, Wisconsin. The Association of Unit Owners may designate a successor to such person authorized to receive service of process by majority vote of the unit owners present at a duly constituted meeting of this Association.

Article 12. Damage or Destruction: In case of damage or destruction of all or part of the property, the insurance proceeds (provided for in paragraph 6 (b), 6 (c) and 6 (d) of the

By-Laws), if sufficient to reconstruct the building, shall be applied to such reconstruction. Reconstruction, as used in this Article 12, means restoring the building to substantially the same condition in which it existed prior to the fire or disaster, with each unit and the common areas and facilities having the same vertical and horizontal boundaries as before.

In case of damage or destruction of all or part of the property, if the insurance proceeds are not sufficient to reconstruct the building, then the Association of Unit Owners, by the affirmative vote of two-thirds of the unit owners, shall determine whether to reconstruct all of the property so damaged. If the unit owners decide so to construct, all of such insurance proceeds shall be applied to such reconstruction and the balance of the cost thereof shall be a common expense or the expense of the individual unit owner as the case may be. If, within 90 days of the date of the damage or destruction to all or part of the property, it is not so determined to reconstruct, then Section 703 of the Wisconsin CONDOMINIUM OWNERSHIP ACT shall be applicable.

Article 13. Easements and Encroachments: Easements are hereby declared and granted for utility purposes, including the right to install, lay, maintain, repair, and replace water mains and pipes, sewer lines, gas mains, telephone wires and equipment, and electrical conduits and wires and equipment over, under, along and on any part of the common elements and facilities as they exist on the date of the recording hereof, appear of record and appear on said Exhibit "A".

Article 14. Sale, Leasing or Other Alienation:

(a) Any unit owner, other than the Developer, who wishes to sell, lease, assign, or sub-lease his unit to any person shall give to the Board of Directors (hereinafter referred to as the "Board") no less than thirty (30) days written notice of any such proposed sale, lease, assignment or sub-lease, setting forth in detail the terms of any contemplated sale, lease, assignment or sub-lease, which notice shall specify the name and address of the proposed purchaser, assignee, or lessee. The members of the Board shall have the first right and option to purchase or lease such unit upon the same terms, which option shall be exercised within a period of thirty (30) days after receipt of such notice. If said option is not exercised by the Board within said thirty (30) days, the unit owner (or lessee) may, at the expiration of said thirty day period and at any time within sixty (60) days after the expiration of said thirty (30) day period, contract to sell or lease (or sub-lease or assign) such unit to the proposed purchaser, assignee or lessee named in such notice upon the terms specified therein.

(b) Any unit owner other than the Developer who wishes to make a gift of his unit, or any interest therein, or who wishes to transfer his unit or any interest therein, or who wishes to transfer his unit or any interest therein for a consideration other than cash, or notes (secured or unsecured) of such transferee, or the assumption of an existing indebtedness, to any person or persons who would not be heirs at law of the unit owner under the Rules of Descent of the State of Wisconsin were he to

die within sixty (60) days prior to the contemplated date of such gift or other transfer, shall give to the Board not less than sixty (60) days written notice of his intent to make such gift or other transfer prior to the contemplated date there-of. Said notice shall state the contemplated date of such gift or other transfer, the intended donee or transferee, and the terms in detail of such proposed transfer. The members of the Board shall have the first right and option to purchase said unit or interest therein for cash at fair market value which shall be determined by arbitration as herein provided. Within fifteen (15) days after receipt of said written notice by the Board, the Board and the unit owner desiring to make such gift or other transfer shall each appoint a qualified real estate appraiser to act as arbitrators. The two arbitrators so appointed shall, within ten (10) days after their appointment, appoint another qualified real estate appraiser to act as the Board arbitrator. Within fifteen (15) days after the appointments of said third arbitrator, the three arbitrators shall determine, by majority vote, the fair market value of the unit or interest therein which the unit owner contemplates conveying and shall thereupon give written notice of such determination to the unit owner and the Board. The Board's option to purchase the unit or interest therein shall expire forty-five (45) days after the date of receipt by it of such notice. If said option is not exercised by the Board within said forty-five (45) day period, the unit owner at the expiration of said forty-five (45) day period, and within sixty (60) days

thereafter, may complete, or contract to complete, the proposed gift or other transfer upon the terms stated in the notice to the Board.

(c) In the event that any unit owner dies leaving a will devising his unit, or any interest therein, to any person or persons not heirs at law of the deceased unit owner under the Rules of Descent of the State of Wisconsin, and said will is admitted to probate, the members of the Board shall have an option to purchase said unit or interest therein from the estate of the deceased unit owner, or from the devisee named in such will if no power of sale is conferred by said will upon the personal representative named therein, for cash at fair market value which shall be determined by arbitration as herein provided. Within sixty (60) days after the appointment of a personal representative for the estate of the deceased unit owner, the Board shall appoint a qualified real estate appraiser to act as an arbitrator and shall give written notice of such appointment to the said devisee or devisees, or personal representative, as the case may be. Within fifteen (15) days thereafter, said devisee or devisees, or the personal representative, as the case may be, shall appoint a qualified real estate appraiser to act as an arbitrator. Within ten (10) days after the appointment of said arbitrators, the two so appointed shall appoint another qualified real estate appraiser to act as the third arbitrator. Within fifteen (15) days thereafter, the three arbitrators shall determine by majority vote, the fair market value of the unit or interest therein

devised by the deceased unit owner and shall thereupon give written notice of such determination to the Board and said devisee or devisees, or personal representative, as the case may be. The Board's right to purchase the unit or interest therein at the price determined by the three arbitrators shall expire sixty (60) days after the date of receipt by it of such notice of the personal representative of the deceased unit owner who is empowered to sell, and shall expire thirty (30) days after the expiration of the time within which claims could be filed against the estate of the deceased unit owner if the personal representative is not so empowered to sell. The Board shall be deemed to have exercised the option if it tenders the required sum of money to said devisee or devisees or to said personal representative, as the case may be, within said option periods. Nothing herein contained shall be deemed to restrict the right of the Board or its authorized representative to bid at any auction or sale of the unit or interest therein of any deceased unit owner.

(d) In the event any unit or interest therein is sold at a judicial or execution sale (other than a mortgage foreclosure sale) the person acquiring title through such sale shall, before taking possession of the unit so sold, give thirty (30) days written notice to the Board of his intention so to do, whereupon the members of the Board, and their successors in office, shall have an irrevocable option to purchase such unit or interest therein at the same price for which it was sold at said sale. If said option is not exercised within said thirty (30) days after

receipt of such notice it shall thereupon expire and said purchaser may thereafter take possession of the unit. The Board shall be deemed to have exercised its option if it tenders the required sum of money to the purchaser within said thirty (30) day period.

(e) In the event any unit owner shall default in the payment of any monies required to be paid under the provisions of any mortgage or trust deed against his unit, the Board shall have the right to cure such default by paying the amount so owing to the party entitled thereto and shall thereupon have a lien therefore against such unit ownership, which lien may be foreclosed in like manner as a lien for unpaid common expenses as provided in the CONDOMINIUM OWNERSHIP ACT.

(f) The Board shall not exercise any option hereinabove set forth to purchase any unit without the prior written unanimous consent of the unit owners. The members of the Board, or their duly authorized representatives, may bid to purchase at any auction or sale of the unit or interest therein of any unit owner, deceased or living, which said sale is held pursuant to an order or direction of a court upon the prior written unanimous consent of the unit owners, which said consent shall set forth a maximum price which the Board is authorized to bid and pay for said unit or interest therein.

(g) Upon the written consent of all the members of the Board, any of the options contained in this Article 14 may be released or waived and the unit or interest therein which is

subject to an option set forth in this paragraph may be sold, conveyed, leased, given or devised free and clear of the provisions of this paragraph.

(h) The terms of this Article 14 shall not be applicable to the transfer by gift, sale testate or intestate succession, operation of law or otherwise, of any interest of the Developer, or of the interest of a co-owner of any unit to any other co-owner of the same unit, where such co-owners hold title to such units as tenants in common or as joint tenants.

(i) Where title to any unit is held by a trust, the bequest, sale, assignment, conveyance or other transfer by a beneficiary of such trust of his interest in such trust (other than as security for a bona-fide indebtedness) shall be deemed an assignment, sale, conveyance, devise, or other transfer of the unit owned by such trust.

(j) Where title to any unit is held by a corporation, or a partnership, the transfer or bequest of fifty percent (50%) or more of the issued and outstanding shares of such corporation, or of fifty percent (50%) or more of the interest in such partnership, shall be deemed a transfer or devise of the unit owned by such corporation or partnership.

(k) The terms of this Article 14 shall not be applicable to the sale, conveyance, or leasing of a unit by any mortgagee of the Developer if said mortgagee shall acquire title to such unit by foreclosure of a mortgage on the property, or any unit.

(l) Acquisitions of units or interests therein under the provisions of this Article 14 shall be by unanimous consent of

the Board and the Board, in its discretion, may borrow money to finance the acquisition as authorized pursuant to this paragraph, provided, however, that no financing may be secured by an encumbrance or hypothecation of any portion of the property described in this Declaration other than the unit or interest therein to be acquired.

(m) Units or interests therein acquired pursuant to the terms of this Article 14 shall be held of record in the name of the President of the Association of Unit Owners in trust for the use and benefit of all the unit owners in proportion to their ownership interest.

(n) Notwithstanding the provisions of Article 14 any mortgagee that acquires title to any unit by reason of any default in any mortgage placed against any unit, is not bound by this Article 14 regarding sale, leasing or other alienation by such mortgagee in the use of or disposition of such unit.

The Developer's mortgagee shall likewise not be liable for any extraordinary assessments during any foreclosure of the Developer's mortgage without its written consent, other than for common expenses for heat, light, insurance and the like during such foreclosure.

Article 15. Membership Each unit owner at the time he purchases or obtains a unit, whether such unit owner consists of one more more persons, or a corporate entity, shall become one of twelve (12) members of the Association and shall be entitled to the rights, privileges and responsibilities of the Association of

Unit Owners, for each such purchase without further affirmative action on the part of such unit owner or notice on the part of the Association. A sale or transfer of any kind of such unit shall terminate membership without further notice or action. The term "Association of Unit Owners" as used herein shall mean all of the unit owners acting in a group in accordance with the terms of this Declaration. If any unit is owned by more than one person, the voting rights with respect to such unit shall not be divided, but shall be exercised as if the unit owners consist of only one person in accordance with the proxy or other designation made by the persons constituting the unit owner.

The direction and administration of the property on behalf of the Association of Unit Owners shall be vested in the Board of Directors of the Meadows (herein referred to as the "Board") and their action shall be consistent with, and in strict conformance to, the By-Laws attached hereto as Exhibit "C" and incorporated herein by reference as if set out in full herein.

Article 16. Entry by the Board: The Board or its agents or employees shall have the irrevocable right to enter and may enter any unit at reasonable times as may be necessary in connection with any painting, maintenance, repair, replacement or reconstruction for which the Board is responsible or which the Board has the right or duty to do pursuant to this Declaration. Such entry shall be made with the minimum inconvenience to the unit owners as is practicable and any damage caused thereby shall be repaired by the Board at the expense of the maintenance fund.

Article 17. Violation of Declaration: The violation of any restriction or condition or regulation adopted by the Board, or the breach of any covenant or provisions herein contained or contained in the CONDOMINIUM OWNERSHIP ACT, shall give the Board the right, in addition to any other rights provided for in this Declaration: (a) to enter upon the unit, or any portion of the property upon which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting unit owner, any structure, thing or condition that may exist thereon contrary to the intent and meaning of the provisions hereof, and the Board, or its employees or agents, shall not thereby be deemed guilty in any manner of trespass, or (b) to enjoin, abate, or remedy by appropriate legal proceedings, either by law or in equity, the continuance of any breach.

Furthermore, if any unit owner (either by his own conduct or by the conduct of any other occupant of his unit) shall violate any of the covenants of this Declaration or the regulations adopted by the Board and such violations continue for thirty (30) days after notice in writing from the Board, or occur during any thirty (30) day period after written notice or request to cure such violation from the Board, then the Board shall have the power to issue to the defaulting unit owner a ten (10) day notice in writing to terminate the rights of the said defaulting unit owner to continue as a unit owner and to continue to occupy, use or control his unit and thereupon an action in equity may be filed by the Board against the defaulting unit owner for a decree of mandatory injunction against the unit owner or occupants,

subject to the prior consent in writing of any mortgagee having a security interest in the unit of the defaulting unit owner, which consent shall not be unreasonably withheld. In the alternative, a decree declaring the termination of the defaulting unit owner's right to occupy, use or control the unit owned by him on account of the breach of covenant and ordering that all the right, title and interest of the unit owner in the property shall be sold (subject to the lien of any existing mortgagee) at a judicial sale upon such notice and terms as the court shall establish, except that the court shall enjoin and restrain the defaulting unit owner from re-acquiring his interest at such judicial sale or by virtue of the exercise of any right of redemption which may be established, shall be sought. The proceeds of any such judicial sale shall first be paid to discharge court costs, court reporter charges, reasonable attorney fees and all other expenses of the proceeding and sale, and all such items shall be taxed against the defaulting unit owner in said decree. Any balance of proceeds after satisfaction of such charges and any unpaid assessments hereunder or any liens, shall be paid to the unit owner. Upon the confirmation of such sale, the purchaser thereof shall thereupon be entitled to a deed to the unit and immediate possession of the unit sold and may apply to the court for a writ of assistance for the purpose of acquiring such possession, and it shall be a condition of any such sale, and the decree shall so provide, that the purchaser shall take the interest in the property sold subject to this Declaration.

Article 18. Incorporation: The Board may, upon the affirmative vote of the majority of the unit owners, at any time hereafter, cause the formation of a Wisconsin non-profit corporation for the purpose of facilitating the administration and operation of the property herein described or may join with compatible associations for such purpose, and in such event:

(a) The Articles of Incorporation of such corporation shall not be inconsistent with this Declaration and the name of such corporation shall be The Meadows, Inc., or a derivation thereof.

Article 19. Failure to Enforce: No terms, obligations, covenants, conditions, restrictions or provisions imposed hereby or contained herein shall be abrogated or waived by any failure to enforce the same, no matter how many violations or breaches may occur.

Article 20. Notices: Notices required or permitted to be given to the Board or any unit owner may be delivered to any member of the Board or such unit owner either personally or by mail, addressed to such Board member or unit owner at his unit.

Notices required to be given to any devisee or personal representative of a deceased unit owner may be delivered, either personally or by mail to such party, at his or its address appearing in the records of the court wherein the estate of such deceased owner is being administered.

Article 21. Severability: The invalidity of any restrictions hereby imposed, or of any provision hereof, or of any part of

such restriction or provisions, shall not impair or affect in any manner the validity, enforceability or effect of the rest of this Declaration and all of the terms hereof declared to be severable.

Article 22. Restrictions and Covenants: The undersigned Developer does hereby covenant with all persons who may purchase parcels of land from him in the property described in Article 5 of this Condominium Declaration, that there shall be imposed on all of said parcels in the deeds of conveyance from the undersigned, as Covenants to run with the land, the following restrictions:

(a) Each unit shall be used for residential purposes only and the number of residents or occupants occupying such unit shall not exceed six (6) people for a three bedroom unit or four (4) people for a two bedroom unit as these units are designated in Exhibit "B".

(b) No industry, business, trade, occupation or profession of any kind, commercial, religious, educational, or otherwise, designed for profit, altruism, exploration, or otherwise, shall be conducted, maintained, or permitted on any part of the property. No "For Sale" or "For Rent" signs, advertising or other displays shall be maintained or permitted on any part of the property except at such location and in such form as shall be determined by the Board. The right is reserved by the Developer or its agent or agents, to place "For Sale" or "For Rent" signs on any unsold or unoccupied units, and on any part of the common elements and facilities, and the right is hereby given to any mortgagee, who may become the owner of any unit, to place such

signs on any unit owned by such mortgagee. The Developer shall have the right to use any unsold unit or units for sales or display purposes.

(c) There shall be no obstruction of the common elements or facilities, nor shall anything be stored in the common elements or facilities without the prior consent of the Board except as herein expressly provided. Each unit owner shall be obligated to maintain and keep his own unit, its windows, and doors, and the patio which is a limited common element reserved for the use of his unit in good, clean order and repair. No unit owner shall do any work that jeopardizes the soundness or safety of the property, reduces the value thereof, or impairs any easement or hereditament without first obtaining unanimous consent of all other unit owners.

(d) Nothing shall be done or kept in any unit or in the common areas or facilities which will increase the rate of insurance on the building, or contents thereof, applicable for residential use, without the prior written consent of the Board. No unit owner shall permit anything to do done or kept in his unit or in the common elements or facilities which will result in the cancellation of insurance on the building, or contents thereof, or which would be in violation of any law. No waste shall be committed in the common areas or facilities.

(e) Unit owners shall not cause nor permit anything to be hung or displayed on the outside of windows or placed on the outside walls of the building and no sign, awning, canopy, shutter, radio or television antenna shall be affixed to or

placed upon the exterior walls or roof or any part thereof, without the prior written consent of the Board.

(f) No animals, rabbits, livestock, fowl or poultry of any kind shall be raised, bred, or kept in any unit or in any part of the property, except that dogs, cats, or other household pets, not to exceed fifteen (15) pounds per animal may be kept in units, subject to rules and regulations adopted by the Board, provided that they are not kept, bred, or maintained for any commercial purposes and provided further that any such pet causing or creating a nuisance or unreasonable disturbance shall be permanently removed from the property upon three (3) days written notice from the Board.

(g) No noxious or offensive activity shall be carried on in any unit or in the property, nor shall anything be done therein, either willfully or negligently, which may be or become an annoyance or nuisance to the other unit owners or occupants.

(h) Nothing shall be done in any unit or in, on or to the common areas or facilities which will impair the structural integrity of the building or which would structurally change the building except as otherwise provided herein.

(i) No clothes, sheets, blankets, laundry of any kind or other articles shall be hung out or exposed on any part of the common areas or facilities. The common elements and facilities shall be kept free and clear of rubbish, debris, and other unsightly materials. Each unit owner shall provide an area for storage of trash and garbage. No house trailers or campers may be stored on the premises at any time.

(j) Nothing shall be altered or constructed in or removed from the common elements or facilities, except upon the written consent of the Board.

(k) No fencing shall be erected except with permission of the Board and then in such manner and form as is uniform and consistent for all units and with approval of the Board of Directors.

(l) The Board of Directors by unanimous consent may impose such additional restrictions and covenants as they may deem advisable.

Article 23. Construction: The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the development and operation of a first-class condominium apartment development.

Article 24. Amendments: The provisions of paragraphs 1 through 10 and of paragraph 24 of this Declaration may be amended, changed or modified by an instrument in writing setting forth such amendment, change or modification, signed and acknowledged by all members of the Board, all of the unit owners and all mortgagees having bona fide liens of record against any units. Other provisions of this Declaration may be amended, changed or modified by an instrument in writing setting forth such amendment, change or modification, signed and acknowledged by at least seventy-five (75%) percent of the unit owners and containing an affidavit of an officer of the Board certifying the

authenticity of such amendment, and that a copy of such amendment, change or modification has been mailed by certified mail to all mortgagees having a bona fide lien of record against any unit, not less than ten (10) days prior to the date of such affidavit. Any amendment, change or modification shall conform to the provisions of the CONDOMINIUM OWNERSHIP ACT if that Act by its terms requires approval of a percentage of consenting unit owners greater than seventy-five (75%) percent, the provisions of that Act shall control.

STATE OF WISCONSIN)
) ss.
ST. CROIX COUNTY)

Lee F. Villeneuve, being first on oath duly sworn, deposes and says:

That he is a Registered Engineer of the State of Wisconsin.

That Exhibits "A" and "B" which are attached to the above and foregoing Condominium Declaration is an accurate copy of portions of the plans of the building as filed with the public agency having jurisdiction over the issuance of permits for the construction of the building.

That Exhibits "B" fully and accurately depict the layout, unit numbers and dimensions of the units to be built.

/s/ Lee F. Villeneuve
Lee F. Villeneuve
Registered Engineer

In the Presence of:

/s/ Michael Stevens

/s/ Mary Ann Derrick

Subscribed and sworn to me this
26th day of September, 1979

/s/ Jerome F. Trexler
Notary Public
Dunn County, Wisconsin
My Commission: 1/31/82

THE MCDONNELL

TOWNHOUSE CONDOMINIUMS

LOTS 11, 12, AND 14.

OF THE

SOUTHWICH ADDITION

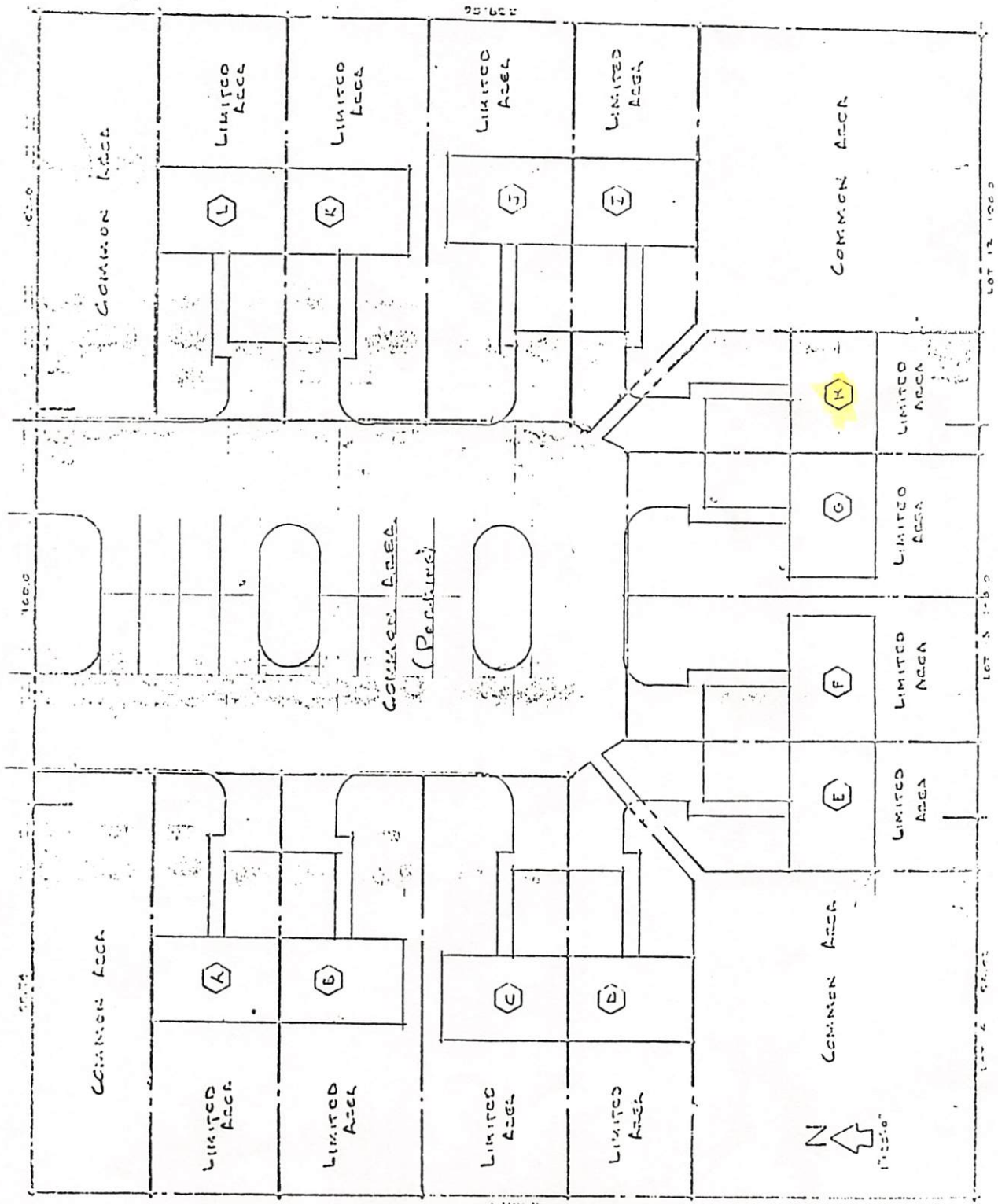
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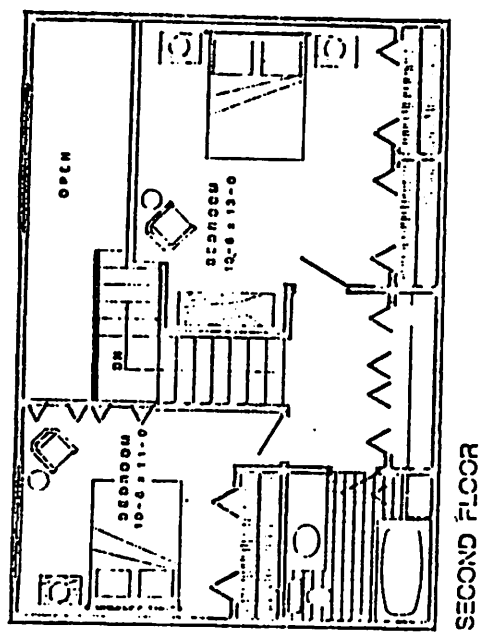
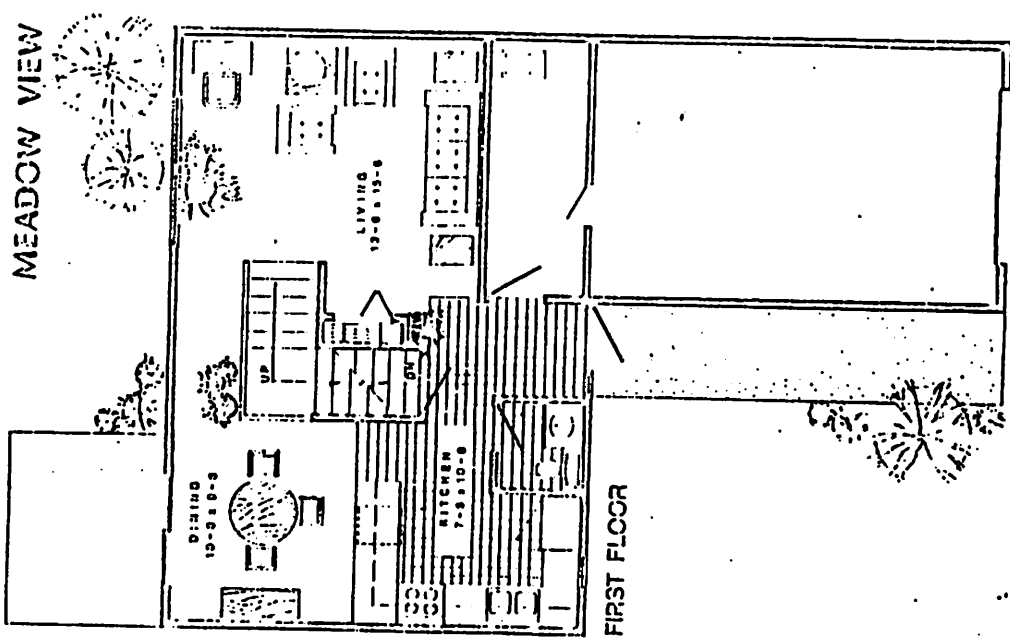
CITY OF NEW RICHMOND, VA.

1454 EAST 11TH STREET

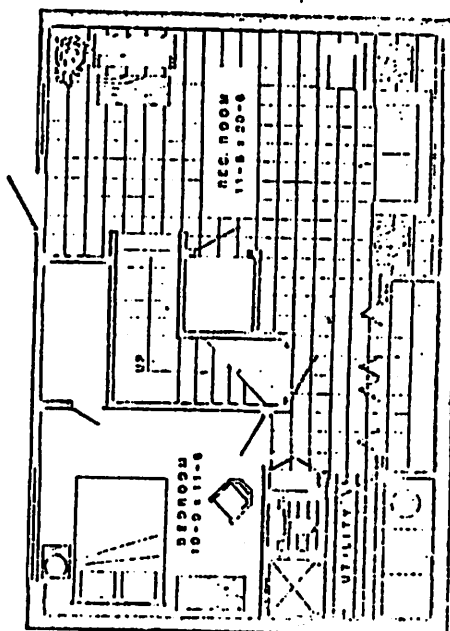
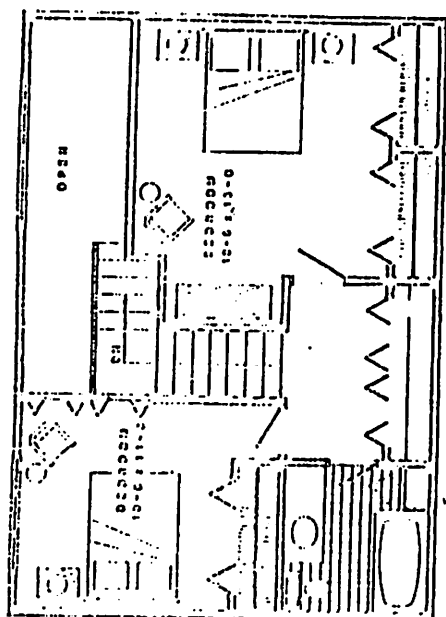
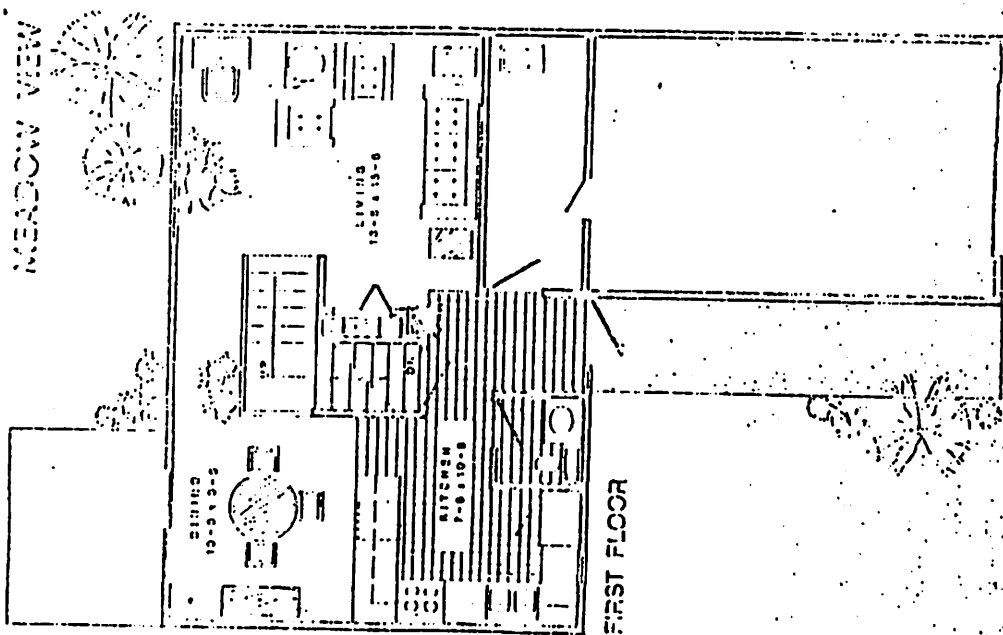
NEW RICHMOND, VA

SECTION





THE MEADOWS TOWNHOUSES: TYPICAL UNITS A, B, C, D, I, J, K, AND L



BASEMENT
Partitions and Fixtures are optional

THE MEADOWS TOWN HOUSES: TYPICAL UNITS C, E, G, AND J-A

BY-LAWS OF THE MEADOWS
EXHIBIT "C"
TO CONDOMINIUM DECLARATION OF THE MEADOWS

The By-Laws herein stated as Exhibit "C" to the Condominium Declaration of the Meadows shall constitute the By-Laws by which, in addition to the other provisions of this Declaration, and incorporated in said Declaration by reference, the administration of the property described shall be governed.

Article 1. Definitions: The term "Association of Unit Owners" as used herein shall mean all of the unit owners acting as a group in accordance with the terms of this Declaration. Any specified percentage of unit owners, whether majority or otherwise, for purposes of voting and for all purposes and wherever provided in this Declaration, shall mean such percentage in the aggregate, in interest of the undivided ownership of the common areas and facilities. If any unit is owned by more than one person, the voting rights with respect thereto shall not be divided, but shall be exercised as if the unit owners consist of only one person in accordance with the proxy or other designation made by the persons constituting such unit owner.

Article 2. Administration: The direction and administration of the property on behalf of the Association of Unit Owners shall be vested in a Board of Directors (hereinafter referred to as the "Board") consisting initially of six persons who shall be elected in the manner hereinafter provided. The number of Board of

Directors may thereafter be reduced by unanimous vote of the Association of Unit Owners to less than six members, but in no event less than three members. Each member of the Board shall be one of the unit owners, provided, however, that in the event a unit owner is a corporation, partnership, trust or other legal entity other than a natural person or persons, then any shareholder, officer or director in such corporation, partner of such partnership, beneficiary or individual trustee of such trust, or manager of such other legal entity, shall be eligible to serve as a member of the Board.

Article 3. Board of Directors: At each annual meeting of the unit owners, the unit owners shall, by a vote of a majority of the unit owners present at such meeting, elect the entire Board for the forth-coming year. Members of the Board shall serve without compensation for a term of one (1) year, and until their successors are elected. Vacancies in the Board shall be filled by the unanimous vote of the members of the Board. A majority of the members of the Board shall constitute a quorum. The Board shall not act by the vote of the majority of those members present at a meeting of the Board when a quorum is not present.

Article 4. Board Meetings: A regular meeting of the Board shall be held immediately after, and at the same place as, the annual meeting of the unit owners. Other meetings of the Board may be called, held and conducted in accordance with such regulations as the Board may, from time to time, adopt.

Article 5. Board Powers: The Board shall have the power:

(a) To engage the services of a manager or managing agent, who may be any person, firm or corporation as the Board deems fit, and to remove such manager or managing agent at any time;

(b) To engage the services of any persons deemed necessary by the Board at such compensation deemed reasonable by the Board, in the operation, repair, maintenance and management of the property, and to remove, at any time, any such personnel;

(c) To establish or maintain one or more bank accounts for the deposit of any funds paid to, or received, by the Board.

The Board shall further have the power to acquire and make arrangements for, and pay for out of the maintenance fund, in addition to the manager, managing agent or other personnel above provided for, the following:

(a) Water, waste removal, electricity and telephone and other necessary utility service for the common areas and facilities and such services to the units (including, but not limited to, heating) as are not separately metered or charged to the owners thereof;

(b) A policy or policies of insurance for the property against loss or damage by fire and such other hazards as are covered under standard extended coverage provisions for the full insurable replacement cost of the common areas and facilities and the units. Such insurance coverage shall be written in the name of, and the proceeds thereof shall be payable to, the Board as Trustee for each of the unit owners in the percentage set forth in Article 10. The Board may also purchase such other insurance

as the Board deems advisable in the operation, and for the protection, of the property and the units. Premiums for all insurance provided for in this Declaration shall be common expenses;

(c) A policy or policies insuring the Board and the unit owners against any liability to the public or to the owners of units and of the common areas and facilities, and their invitees, or tenants, incident to the ownership and/or use of the common areas and facilities, the liability under which insurance shall be not less than One Hundred Thousand and No/100 (\$100,000.00).

(d) If the Board does not acquire casualty and liability insurance as set forth above in paragraphs 6 (b) and 6(c), it will be the responsibility of each unit owner to secure such insurance for his own unit in accordance with the provisions set forth in paragraphs (b) and (c) of this Article 6. Each unit owner shall file with the Secretary Of The Board a certificate showing that such insurance is in force and effect. If any unit owner fails or neglects to secure such insurance, the Board shall do so and charge the cost thereof to such unit owner.

(e) Workers compensation insurance to the extent necessary to comply with any applicable laws;

(f) Landscaping, gardening, snow removal, painting, cleaning, tuckpointing, maintenance, decorating, repair and replacement of the common areas and facilities, including the parking area, (but not including the interior surfaces, windows, and doors of the units, or the patios or any limited common areas, or facilities, which the respective unit owner shall

paint, clean, decorate, maintain and repair) and such furnishings and equipment for the common areas and facilities;

(g) Any other materials, supplies, furniture, labor, services, maintenance, repairs, structural alterations, or assessments which the Board deems necessary or proper for the maintenance and operation of the property as a first-class apartment building or for the enforcement of any restrictions or provisions contained herein;

(h) Any amount necessary to discharge any mechanic's liens or other encumbrance levied against the property or any part thereof which may, in the opinion of the Board, constitute a lien against the property or against the common areas or facilities, rather than merely against the interests therein of particular unit owners. Where one or more unit owners are responsible for the existence of such lien, they shall be jointly and severally liable for the cost of discharging it and any cost incurred by the Board by reason of said lien or liens shall be specially assessed to said unit owners and shall, until paid by said unit owners, constitute a lien on the interest of such unit owners in the property, which lien may be foreclosed in like manner as a lien for unpaid common expenses as provided in the CONDOMINIUM OWNERSHIP ACT.

(i) Maintenance and repair of any unit or any other portion of the property which a unit owner is obligated to maintain and repair under the terms hereof, if such maintenance or repairs is necessary, in the discretion of the Board, to protect the common areas or facilities or any other portion of the property, and the

owner or owners of said unit have failed or refused to perform said maintenance or repair within a reasonable time after written notice of the necessity of said maintenance or repairs delivered by the Board to said unit owner or owners, provided that the Board shall levy a special assessment against such unit for the cost of said maintenance or repair and the amount of such special assessment shall constitute a lien on the interest of such unit owner or owners in the property, which lien may be foreclosed in like manner as a lien for unpaid common expenses as provided in the CONDOMINIUM OWNERSHIP ACT.

Article 6. Annual Meeting of Association: The first annual meeting of the Association of Unit Owners shall be called by the Developer, upon ten (10) days written notice, not later than when 50% of the units are occupied. Thereafter, the annual meeting of the Association of Unit Owners shall be held consistent with the summer quarterly meeting for the purpose of electing members of the Board and such other business as may come before the meeting. Special meetings of the Association of Unit Owners may be called, for any reasonable purpose, either by the President, or not less than 33-1/3% of the unit owners, the notice for which shall specify the matters to be considered at such special meeting.

Article 7. Time and Place of Association Meetings: All meetings of the Association of Unit Owners shall take place at 6:30 P.M. in some section of the property designated by the person or

persons calling a meeting, or at such other reasonable place or time designated by the Board. Written notice of the holding of any regular or special meeting of the Association of Unit Owners, stating the date, hour and place of such meeting shall be delivered or sent, in person or by mail, to each unit owner in care of his unit at least five (5) days before the date of such meeting. A majority of the unit owners shall constitute quorum at all such meetings. A unit owner may vote either in person or by proxy at any regular or special meeting of the unit owners. Every proxy must be in writing and no proxy shall be valid after eleven (11) months from the date of its execution.

Article 8. Officers of Association: A president, one or more vice presidents, a secretary and a treasurer, shall be elected at each annual meeting of the Board from among its members. Any such officer may be removed by the vote of a majority of the Board at any time. A vacancy in any office may be filled by the Board for the unexpired term.

Article 9. Duties of President: The president shall preside over the meetings of the Board and meetings of the Association of Unit Owners; he may sign, together with any other officer designated by the Board, any contracts, checks, drafts, or other instruments designated or approved by the Board. In the absence of the president or in the event of his inability to act, the vice presidents (in the order elected) shall perform the duties of the president.

Article 10. Duties of Secretary: The secretary shall keep the minute book wherein all resolutions shall be recorded and shall see that all notices (except the notice for the first annual meeting of the unit owners) are duly given as herein provided.

Article 11. Duties of Treasurer: The treasurer shall keep all financial records and books of account. All expense, charges and costs of the maintenance, repair or replacement of the common areas and facilities, and any other expenses, charges or costs which the Board may incur or expend pursuant hereto, shall be approved by the Board, and a written voucher thereof prepared and signed by the treasurer. There shall be no structural alterations, capital additions to, or capital improvements on, the common areas or facilities (other than for purposes of replacing or restoring portions of the common areas and facilities) requiring an expenditure in excess of One Thousand and No/100 (\$1,000.00) Dollars without the prior approval of at least seventy-five (75%) of the unit owners.

Article 12. Budget and Assessments: Each year on or before July 1, The Board shall estimate the annual budget of common expenses (the "annual budget") including the total amount required for the cost of wages, materials, insurance, services and supplies which will be required during the ensuing calendar year for the rendering of all services, together with a reasonable amount considered by the Board to be necessary for a reserve for contingencies and replacements, and shall, on or

before July 10, notify each unit owner in writing as to the amount of such estimate with reasonable itemization thereof. Said annual budget shall be assessed to the unit owners according to each unit owner's percentage of ownership in the common areas and facilities as set forth in Article 10 hereof. All sums so assessed shall be deemed common expenses under the terms of the CONDOMINIUM OWNERSHIP ACT. On or before January 1 of the ensuing year, and on the first day of each and every month of said year each unit owner shall be obligated to pay to the Board, or as it may direct, one twelfth (1/12th) of the assessment made pursuant to this paragraph. On or before the first day of July of each calendar year the Board shall supply to all unit owners an itemized accounting of the maintenance expenses for the preceding calendar year, actually incurred and paid, together with a tabulation of the amounts collected pursuant to the estimates provided, and showing the net amount over or short of the actual expenditures plus reserves. Any amount accumulated in excess of the amount required for actual expenses and reserves and all common profits (as defined in the CONDOMINIUM OWNERSHIP ACT) shall be credited according to each owner's percentage of ownership in the common areas to the next monthly installments due from owners under the current year's estimate, until exhausted, and any net shortage shall be added according to each unit owner's percentage of ownership in the common areas and facilities to the installments due in the succeeding six (6) months after rendering of the accounting. The Board shall build up and maintain a reasonable reserve for contingencies and

replacements. Extra-ordinary expenditures not originally included in the annual budget which may become necessary during the year, shall be charged first against such reserve. If said annual budget proves inadequate for any reason, including non-payment of any owner's assessment, the Board may at any time levy a further assessment, which shall be assessed to the unit owners according to each unit owner's percentage of ownership in the common areas and facilities. Said further assessment shall also be deemed common expenses under the terms of the CONDOMINIUM OWNERSHIP ACT. The Board shall serve notice of such further assessment on all unit owners by a statement in writing giving the amount and reasons therefor, and such further assessment shall become effective with the monthly maintenance payment which is due more than ten (10) days after the delivery or mailing of such notice of further assessment. All unit owners shall be obligated to pay the adjusted monthly amount. The Board shall collect all such assessments and any other assessments herein provided for.

When the first Board elected hereunder takes office, it shall determine the estimated budget, as hereinabove defined, for the period commencing thirty (30) days after said election and ending on December 31 of the calendar year in which said election occurs. Assessments shall be levied against the unit owners during said period as provided in this paragraph.

The failure or delay of the Board to prepare or serve the annual or adjusted budget on the unit owners shall not constitute a waiver or release in any manner of the unit owner's obligation

to pay the maintenance and other costs and necessary reserves, as herein provided, whenever the same shall be determined, and in the absence of any annual budget or adjusted budget the unit owners shall continue to pay the monthly assessment charges at the then existing monthly rate established for the previous period until the monthly assessment payment which is due more than ten (10) days after such new annual or adjusted budget shall have been mailed or delivered.

In the event of the foreclosure of a lien for unpaid common expense, the unit owner who is the defendant in such proceeding shall be required to pay a reasonable rental for such unit.

Article 13. Books of Account: The Board shall keep full and correct books of account and the same shall be open for inspection by any unit owner or any representative of a unit owner duly authorized in writing, at such reasonable time or times during normal business hours as may be requested by the unit owner. All funds collected hereunder shall be held and expended solely for the purposes designated herein, and (except for such special assessments as may be levied hereunder against less than all the unit owners and for such adjustments as may be required to reflect delinquent or prepaid assessments) shall be deemed to be held for the benefit, use and account of all the unit owners in the percentages set forth in Article 10 hereof.

Article 14. Unpaid Charges and Assessments: In addition to any remedies or liens provided by law, if a unit owner is in default

in the monthly payment of the aforesaid charges or assessments for thirty (30) days, the Board may bring suit for and on behalf of itself and as representative of all unit owners, to enforce collection thereof or to foreclose the lien hereinafter provided; and there shall be added to the amount due the costs of said suit, together with legal interest and reasonable attorney fees to be fixed by the Court. No owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the common areas and facilities or abandonment of his unit. The unpaid common expenses assessed to a unit owner shall constitute a lien against the unit of such unit owner and against such unit owner's interest in the property, as provided in the CONDOMINIUM OWNERSHIP ACT.

Article 15. Statement of Account: Upon ten (10) days' notice to the Board, and the payment of a reasonable fee fixed by the Board not to exceed Ten and No/100 (\$10.00) Dollars, any unit owner shall be furnished a statement of his account setting forth the amount of any unpaid assessments or other charges due and owing from such owner.

Article 16. Administrative Rules and Regulations: The Board may, from time to time, adopt or amend such administrative rules and regulations governing the operation, maintenance, beautification and use of the common areas and facilities, and the units, not inconsistent with the terms of this Declaration, as it sees fit, and the unit owner shall conform to, and abide

by, such rules and regulations. Written notice of such rules and regulations shall be given to all unit owners and occupants. A violation of such rules or regulations shall be deemed a violation of the terms of this Declaration. Such administrative rules and regulations shall be effective upon, and may be amended at any time upon, the affirmative vote of a majority of the unit owners.

Article 17. Waiver of Notice: Whenever any notice whatever is required to be given under the provisions of this Declaration, or By-Laws, a waiver thereon in writing by the person or persons entitled to such notice, whether before or at the time stated therein shall be deemed equivalent to the giving of such notice.

Article 18. Non-Profit Declaration: Nothing hereinabove contained shall be construed to give the Board authority to conduct an active business for profit on behalf of all the unit owners or any of them.

OPERATING BUDGET

Current annual operating budget is \$7,200 (\$50/Month/Unit). Each owner is responsible for his own electricity, water/sewer charges and real estate taxes.

MANAGEMENT CONTRACT

There is no contract for the management of the premises.