

PRAIRIE RIDGE RESIDENTIAL DEVELOPMENT
Declaration of Restrictions and Covenants

THIS DECLARATION OF RESTRICTIONS AND COVENANTS ("Declaration"), is made this 11th day of March, 1998, by V. K. DEVELOPMENT CORPORATION, a Wisconsin Developer ("Developer") with its principle place of business at 19275 W. Capitol Drive, Brookfield, WI 53045.

WITNESSETH:

WHEREAS, the Developer is the owner of real property located in the Village of Pleasant Prairie (the "Village"), County of Kenosha, State of Wisconsin known as Prairie Ridge consisting of approximately 412 acres;

WHEREAS, Developer desires to subject the real property, described on the attached Exhibit A, including Outlots 3, 4 and 7 as shown on the final plat, which is made a part hereof and described in Article II of this Declaration (the "Property"), being a part of Prairie Ridge, to conditions, covenants, restrictions, easements liens and charges (hereinafter collectively referred to as "Covenants ") set forth in this Declaration, each and all of which is and are for the benefit of such Property, the Developer, Village and for each owner thereof and shall pass with ownership of such Property, and each and every parcel thereof, and shall apply to and bind the successors in interest, and any owner thereof;

WHEREAS, it is the Developer's intention to develop the Property into 216 single family lots which are zoned under the Village Residential Zoning Classification.

NOW, THEREFORE, Developer hereby declares that the Property is and shall be held, used, transferred, sold and conveyed subject to the Covenants hereinafter set forth.

ARTICLE I
DEFINITIONS

The following words when used in this Declaration (unless the context shall prohibit) shall have the following meanings:

1.1 "Developer" shall mean V. K. DEVELOPMENT CORPORATION, a Wisconsin Developer. The "Developer" may also mean the Architectural Control Committee, and visa versa, with respect to any required approval and review process under the Declaration.

1.2 "Association" shall mean and refer to the Prairie Ridge Homeowners Association, Inc.

1.3 "Property" shall mean and refer to all existing properties as are subject to this Declaration.

1.4 "Common Areas" shall mean all real property and real property interests located within Prairie Ridge and designated as Restricted Stormwater Detention Areas, Restricted Wetland Conservancy Areas, Restricted Planting and Landscape Easement areas, Entry Monument Easement areas and other areas as shown on a final plat for Prairie Ridge and which at the time of filing of the final plat, incorporation of the Association or at such other time the Developer in its sole discretion desires to convey to the Association and which upon conveyance the Association shall have the responsibility to maintain. Such interest shall also include all personal property, easements, fixtures, structures and improvements as the same are located on the real property.

1.5 "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision or land division map or any certified survey map of the Property, with the exception of Common Areas.

1.6 "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot; except that as to any Lot which is the subject of a land contract wherein the purchaser is in possession, the terms, "Owner" shall refer to such person instead of the vendor.

1.7 "Member" shall mean and refer to all those Owners who are Members of the Association as provided in Article IV, Section 1.

ARTICLE II PROPERTY SUBJECT TO THIS DECLARATION

2.1 Existing Property. The Property, more particularly described on Exhibit A attached hereto and including Outlots 3, 4 and 7 as shown on the final plat, which is and shall be held, used, transferred, sold, conveyed and occupied subject to this Declaration is located in Kenosha County, Wisconsin. The term "Existing Property" as used in this Declaration shall refer to all property which is subject to the provisions hereof.

2.2 Additions to the Property. Developer may, from time to time and in its sole discretion, subject all or a portion of the property described on Exhibit B attached hereto to this Declaration, or any other portion of property being a part of Prairie Ridge, by appropriate reference hereto. The additions authorized herein shall be made by filing for record Declarations in the Office of the Register of Deeds for Kenosha County a Supplemental Declaration with respect to the additional property which shall extend the scheme of the restrictions and covenants of this Declaration to such property, including increasing the number of Members and votes in the Association (as hereinafter defined) and the amount of property owned by the Association. Such Supplemental Declaration may contain such complementary additions and modifications of the restrictions and covenants applicable to the additional property as may be necessary to reflect the different character, if any, of the additional properties and as are not inconsistent with the scheme of this Declaration. Such Supplemental Declaration may also provide for the use and

enjoyment of the Common Areas by the owners of lots contained within the additional properties which become subject to this Declaration. Upon the recording of a Supplemental Declaration, the property described therein shall become a part of the Property and shall be subject to all of the terms of this Declaration.

ARTICLE III GENERAL PURPOSES AND CONDITIONS

3.1. General Purpose. The Properties are subject to the Covenants to insure the best use and the most appropriate development and improvement; to protect the Owners against such improper use of the Property as will depreciate the value thereof; to preserve, so far as practicable, the natural beauty of the Property; to provide for entrances to the Property; to guard against erection of poorly designed or proportioned structures, and structures built of improper or unsuitable materials; to guard against an excess of similar architectural styles and thereby avoid housing monotony, to obtain harmonious color schemes; to insure the highest and best development of the Property; to encourage and secure the erection of attractive, substantial homes, with appropriate locations on Lots; to prevent haphazard and inharmonious improvement of Lots; to secure and maintain proper setbacks from street and adequate free space between structures; to encourage, secure and maintain attractive and harmonious landscaping of Lots and Common Areas; and in general to provide adequately for a high type and quality of improvement in the Property and thereby to enhance the value of investments made by purchasers of Lots.

Acceptance of Dedications, Restrictive Covenants and Declarations. The Association hereby accepts the dedications and agrees to be bound by the restrictive covenants running with the land, both as contained on the final plat. The Association further accepts the obligations imposed by this Declaration.

Initial Construction of Common Areas. Notwithstanding anything contained herein to the contrary, the Developer shall be responsible for the initial construction, installation and landscaping of the Stormwater Detention Areas, Entry Monuments and their related landscaping and lighting elements, Planting and Landscape Areas, landscaping within the cul-du-sac islands and medians, and street trees (all as described below). Nothing contained herein shall constitute a waiver by the Developer to subsequently assess the costs of all, or portion thereof, of the above-mentioned construction, installation and landscaping to the Association pursuant to a separate agreement.

3.2. Land Use and Building Type. No Lot shall be used for any purpose except for single family residential purposes as defined by the Village of Pleasant Prairie (hereinafter "Village") zoning ordinance. No building shall be erected, altered, placed or permitted to remain on any Lot other than one, single-family dwelling not exceeding two (2) stories or thirty five (35) feet (plus attic) in height, and a private attached garage for not less than two cars. Notwithstanding anything contained herein to the contrary, the Developer and any subsequent

purchaser of a Lot may use such Lot for purposes of building model homes open to the public for inspection and/or sale subject to the requirements set forth herein.

3.3. Architectural Control. No building, fence, wall, swimming pool, driveway, deck, side walk, landscaping or other structure or improvement of any type (including antennae of any size or shape, whether freestanding or attached to another structure) shall be commenced, erected or maintained upon any Lot, nor shall any exterior addition or improvement to or change or alteration on any Lot (including without limitation, adding a deck, patio or side walk, repainting or landscaping changes on existing homes for which plans have previously been approved) be made until the plans, specifications and plot plan showing the nature, kind, shape, height, materials, color and location of the same and the landscape layout described in section 3.9 hereof shall have been submitted to and approved in writing as to quality, materials, harmony of exterior design and location in relation to other structures, topography and compliance with the provisions of this Declaration, by the Board of Directors of the Association, or by an Architectural Control Committee (hereinafter "ACC") composed of three (3) representatives appointed by the Board (in either case hereinafter called the "Architectural Control Committee"). Notwithstanding anything to the contrary, as long as the Developer owns one or more Lots, the Developer reserves the right to carry out the functions of the ACC. No Owner shall request or obtain a building permit for a Lot from the Village without first obtaining the written approval of the plans and specifications from the ACC. In the event the ACC fails to approve or disapprove within 30 days after the plans and specifications have been submitted to it, or in the event of disapproval, if no suit to enjoin the addition, alteration or change or to require the removal thereof has been commenced before one year from the date of completion thereof, then approval will not be required and this section will be deemed to have been fully complied with. The ACC shall have the right to waive minor infractions or deviations from these restrictions in cases of hardship or as otherwise determined by the ACC. The ACC shall have the sole discretion to determine which of the dwelling size requirements of this Declaration applies to a particular proposed dwelling and whether the same has been met. The provisions of this Declaration are minimum requirements and the Developer, or ACC, may in its discretion require stricter standards, or conversely, may relax standards, on a case by case basis if it reasonably determines that such modified standards are required for the benefit of the entire Premises, provided such variance is not in conflict with the dedications and restrictive covenants running with the land as described on the final plat or the obligations imposed by this Declaration on Owners or the requirements of the Village ordinances. Further the Developer may require reasonable alterations to be made to any of the plans to be submitted under this Declaration and said recommendations of the Developer shall be binding upon each and every Owner.

No building shall be placed or permitted to remain on any Lot other than buildings newly constructed on the Lot; no previously constructed dwelling or structures shall be relocated to or situated upon any Lot without the written approval of the ACC.

3.4. Dwelling Size. No dwelling shall be erected on any Lot having a ground area within the perimeter of the main building, at or above finish grade elevation (exclusive of garages, porches, patios, breezeways and similar additions), measured along the exterior walls, of less than the following areas:

- (a) Not less than 1,400 square feet for a one-story dwelling;
- (b) Not less than 1,700 square feet for a split-level with a minimum first floor area of 1,000 square feet;
- (c) Not less than 1,700 square feet for a two story dwelling with a minimum first floor area of 1,000 square feet;
- (d) With respect to all other types of dwellings, not less than such areas, determined by the ACC, as are consistent with the foregoing and with other provisions hereof.

However, the ACC, in its sole discretion, reserves the right to make any deviation from the above requirements.

3.5. Grading, Building, Location and Lot Area.

- (a) Any grading of a Lot must conform to the last approved Master Grading and Drainage Plans ("Grading Plans") on file with the Community Development Department of the Village. All Lots shall have setbacks from the front lot line and from the interior lot lines of distances determined by the ACC, but in no event less than that provided by the applicable Village ordinance. Generally, the ACC shall endeavor to maintain front structural setbacks of not less than 65 feet from the right-of-way of all Federal, State and County Highways and not less than 30 feet from other road right-of-ways, side yard setbacks of not less than 10 feet and rear yard setbacks of not less than 25 feet.
- (b) Within each set of building construction plans submitted to the ACC for approval, shall be a plat of survey showing the placement of the proposed dwelling with the existing ground grade shown at all corners together with all easements as shown on the final plat. The ACC reserves the right to make modifications as to the final first floor grade of the building. The landscaping and drainage of the Lot shall conform to Grading Plans.
- (c) Each Owner shall be responsible for insuring that drainage from their Lot adheres to the existing drainage patterns as set forth in the Grading Plans and that the Owner's construction and other building activity does not interfere with or disrupt the existing or planned drainage patterns. The existing drainage pattern on a Lot shall not be changed significantly, and no change to the drainage pattern on other lands within the Property or Prairie Ridge shall be caused by an Owner which varies from the Grading Plan as that plan is amended by the Developer

from time to time, subject to Village approval. Minor changes from said Grading Plan, where these changes do not violate the purpose, spirit and intent of said Grading Plan, shall be reviewed and may, if for good and sufficient reasons, be approved by the ACC and the Village; in all other cases the approved grades shall be strictly adhered to. Lot owners shall be held responsible for any violation that will cause additional expense to the Developer or any other Owner to correct any grading problems.

(d) Grading adjacent to wetlands on Lots 25 through 35 shall not exceed a 4:1 slope and shall conform to the top of foundation and finished yard grades as shown on the Grading Plans.

(e) Upon the approval of building grades by the ACC, the applicant shall file the approved grade with the Village for its review and approval prior to commencing any grading.

(f) Any excess fill from excavations shall be hauled, at the Lot Owner's cost, to a location within the Property or Prairie Ridge specified by the Developer and shall not be removed from the Property without the permission of the ACC.

(g) Lots 22 through 38 inclusive are designed to have split grade houses. Houses on these lots must be designed to conform to the split grades given on the Grading Plans and approved plat or survey.

3.6. Completion. All construction of dwellings and other incidental structures shall be completed within one year from date of commencement of construction. Pavement of driveways, construction of walkways, landscaping (except topsoil & grass) shall be completed within one year from issuance of an occupancy permit from the Village.

3.7. Easements/Dedications/Obligations.

(a) Certain Easements affecting the Property are recorded on the final plat for Prairie Ridge in the office of the Register of Deeds of Kenosha County, Wisconsin. Each Lot shall be subject to any easement, dedication, restrictive covenant or any other restriction granted (and/or retained) by the Developer on such final plat or hereafter to be granted (and/or retained) by the Developer or its successors and assigns to the Village, or public or semi-public utility companies, for the erection, construction and maintenance of all poles, wires, pipes and conduits for the transmission of electricity, telephone and for other purposes, and for sewers, storm water drains, gas mains, water pipes and mains, and similar services, for performing any public or quasi-public utility function or for any other purpose that Developer or its successors and assigns may deem fit and proper for the improvement and benefit of Prairie Ridge and for any other purpose as set forth in dedications and restrictive covenants on the final plat. The Owner of any Lot on which such easement area(s) are located may use such areas, together with the area between the roadway and their lot, for grass, plantings driveways and other such uses as are described on the

final plat and shall otherwise care for and maintain such area provided such uses shall not interfere with the improvements, their uses and purposes, and the uses and purposes of the Village; nor shall any improvement be placed within such areas without the prior written consent of the Developer, Village and/or any other party having an interest in the respective easement area.

The minimum front or street setback, shore yard, side yard rear yard, wetland yard and on other such areas ("Setback Areas") are and shall be reserved for the use of non-exclusive easements for utilities serving, in whole or in part, Prairie Ridge and or the Property or any Lot or Outlot located therein. By accepting title to a Lot and if not delineated on a final plat, each Owner hereby agrees that such Setback Areas may be subjected to easements for utility lines for electricity, sewer, water, gas, telephone, cable television, or other similar utilities. Within fifteen (15) days of written request therefor by the Developer, or, after creation of the Association as provided herein, each Owner, if necessary and if not previously obtained, shall grant specific easements (and cause their lenders to agree to non-disturbance of such easements) upon such terms as may be reasonably requested. No structures or other improvements may be constructed in the Setback Areas except landscaping in accordance with approved landscaping plans or as otherwise specifically permitted by the ACC and subject to any additional restrictions as set forth in the final plat.

(b) Entry Monuments, including related landscaping elements and lighting, all of which shall be collectively referred to as "Entry Monuments" may be located on Lot 1 and Lot 49, on Outlots 8 and 24 near the intersection of 104th Avenue and 79th Street and on Outlots 5 and 6 near the intersection of 79th Street and 100th Avenue. Easements coextensive with the areas shown on the final plat as Dedicated Entry Monument Easements located within such Lots/Outlots have been dedicated, given, granted and conveyed by the Developer to the Association for the purposes of placing, constructing, installing and maintaining Entry Monuments all in accordance with the Village approved plans and for related ingress and egress. The Developer, its successors, assigns and successors-in-title thereof shall be relieved of any maintenance obligations with respect to such areas only to the extent that the Association performs the required maintenance functions to the satisfaction of the Village. The Village shall have no maintenance obligations with respect to the above-mentioned areas. The Entry Monuments structures and their related landscaping elements shall remain the property of the Association.

(c) Developer has constructed a berm of varying heights across the westerly 35 feet of Lots 1, 11, 12, 13 and 49, Outlots 5 and 6 and on those portions of Outlot 8 adjacent to 79th Street in the area designated as a Restricted Planting, Landscape Area and Vehicle Non-Access Area. An easement coextensive with these areas and contained on the above-mentioned Lots (also as shown on the final plat) has been dedicated, given, granted, and conveyed to the Association for purpose of access to and maintenance of such areas which are to be used for the planting and installing of trees, shrubs and other landscape materials and all related ingress and egress, grading, replacement, alteration and maintenance activities. These easements shall be exclusive except for the coextensive easements granted on the final plat and other future,

roadway, street, driveway or other such use as approved by the Village. These areas within the Property shall be landscaped in accordance with the Master Landscaping Plan by the Developer (the Master Landscaping Plan is on file with the Village and is made a part of this Declaration); however the failure of the Developer to do so shall not relieve any Lot Owner of the obligations imposed by this covenant set forth herein and as also contained on the final plat. Upon completion of the installation of trees, shrubs and other landscaping materials, no vehicular access through or over such area shall be permitted except as permitted by the Village for roadway, street, driveway or other such uses as agreed upon by the Village and Developer. After the trees, shrubs and other landscaping materials have been planted and installed in such areas, the Owners of each such Lot or portion thereof containing such area shall maintain the planting and landscaped areas (which maintenance shall include without limitation watering, mowing grass, weeding removing trash and debris, trimming trees and shrubs and replacing dead or dying plant materials) in accordance with the Master Landscaping Plan as an aesthetically pleasing landscaped screening area. The Association and its Members shall be bound by the above-mentioned covenants and the easements, dedications and restrictive covenants as are contained in final plat forever. Notwithstanding such easements and dedications, the Village shall have no obligations to exercise its rights with respect to the above-mentioned areas. The obligations contained within this section and as imposed by the final plat shall run with the land, shall be binding upon the Developer, its successors, assigns and successors in title, in their capacity as Owners of any of the Lots or portion thereof and shall benefit and be enforceable by the Village and the Association. The Developer, its successors, assigns and successors-in-title thereof shall be relieved of any maintenance obligations they may have as Owners of any such Lots or portion thereof only to the extent that the Association performs the required maintenance functions to the satisfaction of the Village.

Each and every Owner of Lot shall be responsible for the costs of installing the required landscaping on their Lot in accordance with a detailed landscaping plan which has been reviewed and approved, in writing, by the ACC and in accordance with the Landscape Standards attached and made a part hereto in conjunction with the construction of the dwelling on the Lot. The landscape plan shall include, but not be limited to, plant location, common and botanical names of plant material, planting size, root condition, and quantity of all plant material. The plan shall also show all ground cover, including size and caliper of plant materials, mulch areas, landscape, construction materials and construction details..

The Owners of Lots 1, 11, 12, 13 and 49 may install and maintain additional landscaping on the "East" sides of the berm created within the Restricted Planting, Landscape and Vehicle Non-Access Area on their Lot provided that the Owner shall be solely responsible for maintaining landscaping not originally placed by Developer or the Association. Prior to any additional landscaping on such berms, an Owner must have the landscape plan approved by the ACC and the Village.

The Owners of Lots 1-49 shall have the obligation of maintaining (which maintenance shall include without limitation watering, mowing grass, weeding removing trash and debris,

trimming trees and shrubs and replacing dead or dying plant materials) the landscaping elements in the cul-du-sac islands within West Ridge Drive and 83rd Place and in the entry islands in 82nd Street in accordance with the Master Landscaping Plan approved by the Village. The obligations contained within this section and as imposed by the final plat shall run with the land, shall be binding upon the Developer, its successors, assigns and successors in title, in their capacity as Owners of any of the Lots or portion thereof and shall benefit and be enforceable by the Village and the Association. The Developer, its successors, assigns and successors-in-title thereof shall be relieved of any maintenance obligations they may have as Owners of any such Lot or portion thereof only to the extent that the Association performs the required maintenance functions to the satisfaction of the Village.

The Association shall be responsible for the maintenance (which maintenance shall include without limitation watering, mowing grass, weeding removing trash and debris, trimming trees and shrubs and replacing dead or dying plant materials) of the street trees contained within the area between the roadway and the Lots. The Developer, its successors, assigns and successors-in-title and the Owners of Lots 1-49 thereof shall be relieved of any maintenance obligations with respect to such street trees to the extent that the Association performs the required maintenance functions to the satisfaction of the Village. The Village shall have no maintenance obligations with respect to the street trees.

(d) Dedications, Easements and Covenants for Stormwater Detention Areas and Adjacent Areas. The fee interest in the areas shown on the final plat as Outlots 1, 2, 3, 4 and 7 have been dedicated, given, granted and conveyed by the Developer to the Association. These Outlots are subject to the easements, dedications and to the restrictive covenants imposed by the final plat. Notwithstanding such easements and dedications, the Village shall have no obligations to exercise its rights with respect to the above mentioned Outlots. The Association shall be responsible for completing all related construction, installation, necessary repairs, alterations, landscaping and all required maintenance to these Outlots. All Restricted Stormwater Detention Areas as shown on the residential portion (as defined on the final plat) of the final plat shall be preserved, protected and maintained as a stormwater detention basins. No filling or other activity or condition detrimental to their function as a stormwater detention basins shall occur or exist within such areas or on the surrounding lands without the written approval of the Developer and Village. From time to time in the Village's discretion, the Village shall have the right to inspect such areas. The obligations contained within this section and as imposed by the final plat shall run with the land, shall be binding upon the Developer, its successors, assigns and successors-in-title, in their capacity as Owners and shall benefit and be enforceable by the Village, the Developer and the Association. The Developer, its successors, assigns and successors-in-title thereof shall be relieved of any preservation, protection or maintenance obligations they may have as Owners only to the extent that the Association performs the required preservation, protection and maintenance functions to the satisfaction of the Village. The Association and its Members shall be bound by the above-mentioned covenants and such similar covenants as are contained in final plat forever.

(e) Restricted Wetland Conservancy Areas. The areas designated as Restricted Wetland Conservancy Areas on the residential portion of the final plat shall be protected and maintained in their existing wetland state and no filling, dredging or other activity or condition shall occur within such areas or on the surrounding land adjacent to such areas which is detrimental to such Restricted Wetland Conservancy Area without the written approval of the Village and other governmental bodies having jurisdiction over such areas. Such areas are subject to an easement which has been dedicated to the Village for wetland conservancy and maintenance purposes and related ingress and egress; however, the Village shall have no obligation to exercise its rights with respect to such areas. The obligations contained within this section and as imposed by the final plat shall run with the land, shall be binding upon the Developer, its successors, assigns and successors-in-title, in their capacity as Owners of any of the Lots or portion thereof and shall benefit and be enforceable by the Village and the Association. The Developer, its successors, assigns and successors-in-title thereof shall be relieved of any protection or maintenance obligations they may have as Owners only to the extent that the Association performs the required protection and maintenance functions to the satisfaction of the Village. The Association and its Members shall be bound by the above-mentioned covenants and such similar covenants as are contained in final plat forever.

3.8. Zoning Laws, Etc. In addition to the provisions contained within this Declaration, all Lots and improvements thereon shall be subject to the Village ordinance and applicable state and federal laws, as may amended from time to time (hereinafter collectively referred to as "Laws"). No Lot shall be further divided or combined without the approval of the Village. The requirements under the Village ordinance are not stated herein and therefore, it shall be the sole responsibility of every Owner to understand and insure compliance with the Village ordinance as the same may be amended form time to time.

In the event of a conflict between the provision of this Declaration and the Village ordinance, and the Village ordinance is more strict than the provision contained herein, the Village ordinance shall control. Failure to mention a requirement, with respect to any Lot or other necessary approval in this Declaration shall not imply that no such requirement exists with the Village and shall not constitute a wavier of such Village requirement and/or approval.

3.9. Landscape. All plans for dwellings shall include a landscape plan which shall be subject to the approval of the ACC, shall be submitted for approval prior to submission of the building plans for the dwelling and shall conform with the Landscape Standards. Such landscape plan shall include driveway, deck, patio, walkways and plantings such that a pleasing park-like appearance shall ultimately be accomplished in the Property and a uniform line of planting is avoided. Landscape planting for any dwelling as approved by the ACC shall be completed within one year from the date of issuance of an occupancy permit by the Village, except as set forth herein, and shall be properly maintained thereafter. In the event the landscaping is not maintained properly, in the opinion of the ACC, upon notification, the Owner of the Lot shall take adequate measures to properly maintain the landscaping. Refusal to comply with the maintenance requirement shall be considered a violation of this Section 3.9 of this Declaration

and shall be subject to penalties as provided in Section 7.3. Any alterations to the approved landscape plan for a Lot shall be subject to the approval of the ACC. No trees, landscaping, or other plantings existing on a Lot, except those in the location of the proposed dwelling, patio, walks and driveways, shall be altered or removed without prior written approval of the ACC.

3.10. Nuisances, Etc. No noxious or offensive activity shall be carried on upon any Lot nor shall anything be done thereon which may be or may become a nuisance to the neighborhood. Trash, garbage or other wastes shall not be kept except in sanitary containers and all such materials or other equipment for disposal of same shall be properly screened from public view. Outside incinerators are not permitted.

No vehicle, truck, trailer, tent, shack, garage, barn or other outbuilding or living quarters of a temporary character shall be permitted on any Lot at any time. There shall be no outside parking of boats or recreational type vehicles; such property must be stored in garages. No trucks, buses or vehicles other than private passenger cars, station wagons or similar private vehicles shall be parked in private driveways or on any Lot for purposes other than in the normal course of construction or for services rendered to a dwelling or Lot.

No external antennas, including satellite dishes, excepting satellite dishes of not greater than 18" in diameter, television antenna or radio towers of any type or for any purpose, shall be permitted on any Lot at any time without the prior written approval of the Architectural Control Committee.

3.11. Animals. No animals, livestock or poultry of any kind shall be raised, bred or kept on any Lot, except that dogs, cats or other small household pets (such as canaries or parakeets) or as otherwise approved by the ACC may be kept in a manner which will not disturb the high type and quality of life and the environment of the Property provided that no animals shall be kept, bred or maintained for any commercial purposes. Dog runs, outside dog houses or other such outside animal shelters are prohibited.

3.12. Lamps. At such time as a dwelling is constructed on a Lot, the owner of such Lot shall purchase from the Developer and install one outdoor electric lamp post, with photo eye wired direct to the Owner's electrical panel. The lamp post shall be installed within the boundaries of the Lot near the intersection of the front Lot line and the proposed (or completed) driveway, as approved by the ACC.

3.13. Garages: Parking and Concrete Driveway Approaches.

- (a) Each Lot shall have a private enclosed garage (attached to the dwelling) for on-site storage of not less than two automobiles for each one family dwelling built upon such Lot and shall be connected to the street by a properly surfaced asphalt, concrete or brick driveway (such driveway shall

be installed and completed within one year from the date of issuance of any occupancy permit).

- (b) The location of garage door(s), whether front or side entry, and the location of any driveway and its intersection with the street shall be subject to the approval of the ACC.

3.14. Roofing Material and Construction.

(a) All dwellings proposed to be erected, altered or modified shall specify on the construction plans dwelling materials acceptable in quality to the ACC and the construction shall be carried out with such roofing material as approved by the ACC.

(b) All dwellings shall have minimum roof pitches of 6:12 or as approved by the ACC.

3.15. Exterior Building Materials and Dwelling Quality.

(a) All dwellings proposed to be erected, altered or modified shall, on the construction plans, denote material(s) proposed to be used, i.e. brick, stone, wood, vinyl or insulated aluminum siding or other similar materials acceptable to the ACC and the construction shall be carried out with the material(s) as approved by the ACC.

(b) The design, layout and exterior appearance of each dwelling proposed to be erected, altered or modified shall be such that, in the opinion of the ACC at the time of approving of the building plans, the dwelling will be of a high quality and will have no substantial adverse effect upon property values.

(c) The proposed color schemes for a dwelling to be erected, altered, modified or repainted with a new color scheme shall be submitted to the ACC for approval prior to painting or staining. It shall be the aim of the ACC to harmonize colors for not only the dwelling proposed, but to consider the effect of these colors and materials as they relate to other dwellings.

(d) All color schemes including the color of siding, roof, brick or stone samples must be submitted for approval before installation on the dwelling.

(e) Hung bays, shall not be permitted on first floor at any dwelling, except for 12" maximum projected boxed, bow or bay windows.

(f) All dwellings to have at least one fireplace.

3.16. Ownership and Maintenance of Lot 8. The Developer is the Owner of Lot 8 and shall be responsible for the maintenance of this Lots. This Lot, at the discretion of the Developer, will further be subdivided into addition Lots creating a total of 216 Lots.

ARTICLE IV MEMBERSHIP AND VOTING RIGHTS

4.1. Membership. Each Owner shall be a Member of the Association. Such Membership shall be appurtenant to and may not be separated from ownership of a Lot. Every Member of the Association shall have one vote in the Association for each Lot owned by the Member. When more than one person or entity holds an interest in a Lot, the vote shall be exercised as they themselves shall determine. So long as Developer, or its successors and assigns, shall own one or more Lots, the authority and functions of the Board of Directors and the Architectural Control Committee shall remain in and be exercised solely by Developer or its successors and assigns. When Developer, or its successors and assigns, no longer owns one or more Lots, or at the end of fifteen (15) years from the date of sale of the first Lot to be sold by Developer, whichever occurs last, Developer shall promptly select three Owners to serve on the Board of Directors of the Association until the next annual meeting of Members or until their successors have been duly elected. The Board of Directors, thereafter consisting of three members, shall be elected by the Members at each annual meeting of Members. Members of such elected Board of Directors shall serve for one year or until their successors have been duly elected. The members of the Board of Directors shall not be entitled to any compensation for their services as such members. Any Member who is delinquent in the payment of charges, assessments and special assessments charged to or levied against his Lot shall not be entitled to vote until all of such charges and assessments have been paid. Members shall vote in person or by proxy executed in writing by the Member. No proxy shall be valid after six months from the date of its execution

ARTICLE V PROPERTY RIGHTS IN THE COMMON AREAS

5.1. Owner's Easement of Enjoyment. Subject to the provisions herein, every Owner shall have a right and easement of benefit and/or enjoyment in any Common Areas acquired by the Association which shall be appurtenant to and shall pass with the title to every Lot.

5.2. Title to Outlots. Title to the Outlots as mentioned above in Section 3.7 (d), shall be conveyed to the Association by quit-claim deed, in accordance with Section 5.5 below, by the Developer. Members shall have the rights and obligations imposed by this Declaration with respect to such Common Areas. The Entry Monuments shall be located on easements for the benefit of the Association and the Entry Monuments shall be maintained, operated and administered by the Association.

5.3. Extent of Owner's Easements. The rights and easements of benefit and/or enjoyment created hereby shall be subject to the following:

(a) The right of the Association, but subject to the prior written approval of the Village, to dedicate or transfer all or any part of any Common Areas to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the Board of Directors; and

(b) The right of the Association, but subject to the prior written approval of the Village, to mortgage any or all of the Common Areas and facilities constructed on the Common Areas for the purposes of constructing or maintaining improvements or repair to Association land or facilities pursuant to approval of the Board of Directors.

5.4. Damage or Destruction of Common Areas by Owner. In the event any Common Area or any portion of the water, drainage, or sanitary sewer systems servicing the Property is damaged or destroyed by an Owner or any of his guests, tenants, licensees, agents or members of his family, such Owner does hereby authorize the Association or the Village to repair said damaged area; the Association or the Village shall repair said damaged area in a good workmanlike manner in conformance with the original plans and specifications of the area involved, or as the area may have been modified or altered subsequently by the Association in the discretion of the Association but subject to Village approval. The amount necessary for such repairs, together with 10% for overhead, shall be a special assessment upon the Lot of said Owner and shall accrue interest at the annual rate of 18% unless paid in full within 15 days after notice to pay. Any such damage not caused by an Owner shall be the responsibility of the Association.

5.5. Right to Enter and Maintain. The Developer and Association are hereby granted an easement and consequently shall have the right to enter upon any Outlot and/or Lot, at reasonable notice to the Owner, for the purpose of repairing, maintaining, renewing, or reconstructing any utilities, facilities, detentions areas, drainage systems, sewer and water systems, impoundments or other Improvements which benefit other Outlots, Lots and/or Prairie Ridge as a whole, in addition to benefiting such Lot. If such Lot contains public utilities or facilities having an area-wide benefit, which are maintained by the Village, the Village, following prior written notification to the Developer, may, if necessary to maintain such facilities in good working order and appearance, enter upon any Lot in order to repair, renew, reconstruct, or maintain such facilities or utilities and may assess the cost, if such cost is not traditionally assumed by the Village and/or prior to acceptance of such public improvements, to the Owners. No prior written notification shall be required for emergency repairs.

5.6. Disclaimer. Developer shall convey the above-mentioned Outlots to the Association "as is" and without warranty, express or implied, of condition, quality of construction, fitness for a particular use or otherwise. The Association shall be responsible for obtaining adequate liability insurance for the Common Areas. Developer shall have no liability

for damage or injury to any persons or property arising from the existence or use of the Common Areas. The Association shall indemnify and hold the Developer harmless against any and all claims relating to the Common Areas.

ARTICLE VI COVENANT FOR ASSESSMENTS

6.1. Creation of the Lien and Personal Obligation of Assessments. Developer hereby covenants, and each Owner of any Lot by acceptance of the deed thereof, whether or not it shall be so expressed in such deed, is deemed to covenant, assume and agree to pay to the Association: (1) annual general assessments or charges; (2) special assessments for capital improvements and repairs to the Common Areas; (3) special assessments for exterior maintenance to Lots and repairs to Common Areas; and (4) special assessments as provided in sections 5.4 and 7.3. All such assessments together with interest thereon and costs of collection thereof, including attorney's fees, shall be (a) a charge on the land and a continuing lien upon the Lot against which such assessment is made and (b) the personal obligation of the person who was the Owner of such property at the time of the assessment.

Notwithstanding any other provision in this Declaration to the contrary, the Developer shall be liable to the Association for the above mentioned assessments to the extent of one quarter (25%) of the total assessments due, provided for in this Article 6 of the Declaration, for every Lot owned by the Developer in the Prairie Ridge Residential Subdivision. Every subsequent Owner, who has purchased a Lot from the Developer or any other Owner, shall be subject to the entire amount of the assessment due and shall pay the same, or prorated amount, in the year of closing to the Association. . In the event the assessments collected under this Article VI are insufficient to cover the costs of performing the obligations as are contained within this Declaration and as imposed by the final plat, and the Developer continues to own Lots on which it pays only 25% of the assessments as set forth under this Article VI, the Developer shall be responsible for up to 100% of the assessments on such Lots to the extent necessary to cover the deficiency. Any further deficiency may be assessed against all of the Owners in the form a special assessment under this Article VI.

6.2. Annual General Assessment.

(a) Purpose of Assessment. The annual general assessment levied by the Association each year shall be used exclusively to promote the recreation, health, safety and welfare of the Owners and, in particular, for the improvement, construction, maintenance, policing, preservation and operation of the Common Areas, in accordance with the requirements set forth herein and those obligations and restrictive covenants set forth on the final plat, including but not limited to, the cost of labor, equipment, materials, insurance, management and supervision thereof and fees paid for auditing the books of the Association and for necessary legal services and counsel fees to the Board of Directors.

(b) **Determination of the Assessment.** The Board of Directors shall prepare and annually submit to the Members a budget of expenses for the ensuing year for payment of all costs contemplated within the purposes of the annual general assessment described in Section 6.2(a). Upon adoption and approval of the annual budget by a majority of the Members, the Board shall determine the assessment by dividing the amount of the budget among all fully improved Lots equally. The rate of assessment shall not be limited by the amounts set forth in Wisconsin Statutes, Section 779.70.

(c) **Method of Assessment.** The assessment for each Lot shall be levied at the same time once in each year. The Board shall declare the assessments so levied due and payable at any time after 30 days from the date of such levy (with an option for payment in monthly installments if approved by the Board), and the Secretary or other officer shall notify the Owner of every Lot so assessed of the action taken by the Board, the amount of the assessment of each Lot owned by such Owner and the date such assessment becomes due and payable. Such notice shall be mailed to the Owner at last known post office address by United States mail, postage prepaid.

(d) **Date of Commencement of Annual General Assessments.** Annual general assessments shall commence on the date as determined by Developer in its sole discretion.

6.3. **Special Assessment for Capital Improvement and Repairs to Drainage System.** In addition to the annual general assessments authorized above, the Association may levy in any assessment year a special assessment applicable to that year and not more than the next two succeeding years for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of capital improvements upon the Common Areas, including fixtures and personal property related thereto, and extraordinary expenses incurred in the maintenance and operation of the Common Areas and facilities. Special assessments may also be levied to defray the costs of replacing or repairing all pipes, drains, grates and other appurtenances (not otherwise owned by the Village of Pleasant Prairie) located within any water drainage easement area.

6.4. **Special Assessment for Exterior Maintenance to Lots.**

(a) **Exterior Maintenance to Lots.** In addition to the maintenance upon the Common Areas described in Section 6.2, the Association may, at the request of the Owner of any Lot or in the event the Owner of any Lot fails to maintain the exterior of any buildings or improvements on the Lot or the Lot itself in reasonable condition, provide exterior maintenance upon each Lot as follows: (i) paint, repair, replace and care for roofs, gutters, downspouts, exterior building surfaces, driveways, walks, patios and other exterior improvements; and (ii) lawn cutting, shrub and tree trimming, driveway and walk shoveling and window cleaning. The Association, its agents, contractors and subcontractors, shall have all necessary rights of ingress and egress to and from such Lot, building or improvement with full right to do whatever may be necessary to perform any such maintenance, repair or replacement.

(b) Assessment of Cost. The cost of such exterior maintenance, together with 10% for overhead, shall be assessed against the Lot upon which such maintenance is performed and if not paid within 30 days of written notice of the amount of such assessment shall accrue interest at the annual rate of 18%. Such special assessment shall constitute a lien and obligation of the Owner and shall become due and payable in all respects as herein provided.

6.5. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinated to the lien of any first mortgage on the Lot.

6.6. Exempt Property. The following property subject to this Declaration shall be exempt from the assessments, charges and liens created herein: (i) all properties not within any Lot to the extent of any easement or other interest therein dedicated and accepted by the local public authority and devoted to public use; (ii) all Common Areas; and (iii) all properties exempted from taxation by state or local governments upon the terms and to the extent of such legal exemption. Notwithstanding any provisions herein, no land or improvements devoted to dwelling use shall be exempt from the assessments, charges or liens.

6.7. Joint and Several Liability of Grantor and Grantee. Upon any sale, transfer or conveyance, the grantee of a Lot shall be jointly and severally liable with the grantor for all unpaid assessments against the grantor as provided in this Article up to the time of the conveyance, without prejudice to the grantee's right to recover from the grantor the amount paid by the grantee therefore. However, any such grantee shall be entitled to a statement from the Association setting forth the amount of such unpaid assessments and any such grantee shall not be liable for, nor shall the Lot be conveyed subject to a lien for, any unpaid assessment against the grantor pursuant to this Article in excess of the amount therein set forth. If the Association does not provide such a statement with 15 business days after the grantee's request, it is barred from claiming under any lien which was not filed prior to the request for the statement against the grantee.

6.8. Interest on Unpaid Assessment. Any assessment under this Article VI which is not paid when due shall thereafter until paid in full bear interest at the rate of Eighteen (18%) percent per annum or the highest interest rate permitted by law, whichever is lower. In addition to the interest charges, a late charge of up to \$50.00 per day may be imposed by the Board of Directors against an Owner if any balance in common expenses remains unpaid more than 30 days after payment is due.

6.9. Effect of Nonpayment of Assessments: Remedies of the Association. No Owner may waive or otherwise escape liability for assessments by nonuse of the Common Areas or abandonment of his Lot. If the Association has provided for collection of assessments in installments, upon default on the payment of any one or more installments, the Association may accelerate payment and declare the entire balance of said assessment due and payable in full. If the assessment levied against any Lot remains unpaid for a period of 60 days from the date of levy, then the Board may, in its discretion, file a claim for maintenance lien against such Lot in

the office of the Clerk of Circuit Court for Kenosha County within six months from the date of levy. Such claim for lien shall contain a reference to the resolution authorizing such levy and date thereof, the name of the claimant or assignee, the name of the person against whom the assessment is levied, a description of the Lot and a statement of the amount claimed and shall otherwise comply in form with the provisions of Wisconsin Statutes Section 779.70. Foreclosure of such lien shall be in the manner provided for foreclosure of maintenance liens in said statute or any successor statute.

6.10 Notwithstanding anything contained herein to the contrary, the Developer and/or Association shall not have the power to discontinue the collection of assessments and charges or reduce such assessments or charges to a level which, in the opinion of the Village would impair the ability of the Developer, Association or the Owner to perform the functions as set forth in the herein and in the final plat. Any proposed elimination or material reduction in the assessments or charges against Owners shall meet with the approval of the Village.

ARTICLE VII

Enforcement, Termination, Modification

7.1 Right to Enforce. This Declaration and the covenants contained herein and on the final plat are enforceable only by the Developer and/or the Association and/or the Village or such person or organization specifically designated by the Developer, in a document recorded in the office of the Kenosha County Register of Deeds, as its assignee for the purpose thereof.

7.2 Manner of Enforcement. This Declaration and the covenants contained herein and on the final plat shall be enforceable by the Developer and its assigns and/or the Village in any manner provided by law or equity, including but not limited to one or more of the following:

- (a) Injunctive relief;
- (b) Action for specific performance;
- (c) Action for money damages as set forth in this Declaration;
- (d) Performance of these covenants by the Developer and/or the Village on behalf of any party in default thereof for more than thirty (30) days, after receipt by such party of notice from the Developer or the Village describing such default. In such event the defaulting Owner shall be liable to the Developer or the Village for the actual costs (plus 15% for overhead) related to or in connection with performing these covenants; and
- (e) The manner provided for in Section 12.10 below.

7.3 Reimbursement. Any amounts expended by the Developer and/or the Village in enforcing these covenants, including reasonable attorney fees, and any amounts expended in curing a default on behalf of any Owner or other party, shall constitute a lien against the subject real property until such amounts are reimbursed to the Developer and/or the Village, with such lien to be in the nature of a mortgage and enforceable pursuant to the procedures for foreclosure of a mortgage.

7.4 Failure to Enforce Not a Waiver. Failure of the Developer or assigns and/or the Village to enforce any provision contained herein shall not be deemed a waiver of the right to enforce these covenants in the event of a subsequent default.

7.5 Right to Enter. The Developer and/or the Village shall have the right to enter upon any Building Site or other Lot within the Premises for the purpose of ascertaining whether the Owner of said Lot is complying with these covenants, and if the Developer and/or the Village so elects under Section 7.2(d) for the purpose of performing obligations hereunder on behalf of a party in default hereof.

7.7 Village Authority. In the event the obligations contained herein and as continued in the final plat are not being performed to the satisfaction of the Village, the Village shall have the right, but not the obligation to perform such function and may assess any charges incurred in the performance of such covenants against the Association and/or the Owners. Any amounts expended by the Village in enforcing these obligations, including reasonable attorney fees, and any amounts expended in curing a default on behalf of any Owner or other party, shall be paid by the Owner. In the event such amounts are not paid, the charges may be levied as a special assessment by the Village in accordance with Wisconsin Statutes.

7.8 Dedications/Restrictive Covenants/Easements. Each and every Owner of a Lot shall be subject to and bound by the easements, dedications and restrictive covenants as are set forth on the final plat.

7.9 Conflict & Failure to Mention. In the event of a conflict between the provision of this Declaration and the Village ordinance, and the Village ordinance is more strict than the provision contained herein, the Village ordinance shall control. Failure to mention a requirement, with respect to any Lot and single family home to be built thereon, or other necessary approval in this Declaration shall not imply that no such requirement exists with the Village and shall not constitute a waiver of such Village requirement and/or approval. Each and every Owner shall be solely responsible to insure that the Village ordinance is adhered to and shall be subject to the appropriate Village approval process for construction of a single family home on a lot.

ARTICLE VIII GENERAL PROVISIONS

8.1. Term and Amendment. Unless amended as herein provided, this Declaration shall run with the Property and be binding upon all persons claiming under the Developer, and shall be for the benefit of and be enforceable solely by the Association for a period of 100 years from the date this Declaration is recorded and shall automatically be extended for successive periods of fifty years unless an instrument signed by the Owners of two-thirds of the Lots has been recorded, agreeing to terminate this Declaration in whole or in part. For the first fifteen years following the date this Declaration is recorded, this Declaration may be amended, subject to the Village's written approval, at any time by written declaration, executed in such manner as to be

recordable, setting forth such annulment, waiver, change, modification or amendment executed: (a) solely by the Developer until such time as Developer conveys at least 215 Lots to other Owners, (other than by multiple sale of Lots to a successor developer), and thereafter (b) by Owners of seventy-five (75%) percent of the Lots (such Owners and percentage to be determined as provided in Article IV), provided the written consent of the Developer or its successors and assigns is first obtained, so long as the Developer, or its successors and assigns shall own any Lots. Subsequent to such fifteen year period, this declaration may be amended by written declaration executed by at least seventy-five (75%) percent of the Lots subject to this Declaration provided the prior written approval of the Village is obtained. Such written declaration shall become effective upon recording in the Office of the Register of Deeds of Kenosha County, Wisconsin. All amendments shall be consistent with the general plan of development embodied in this Declaration.

8.2. Notices. Any notice required to be sent to any Member or Owner under the provisions of this Declaration shall be deemed to have been properly sent when mailed, postpaid, to the last known address of the person who appears as Member or Owner on the records of the Association at the time of such mailings.

8.3. Enforcement. Upon the occurrence of a violation of the covenants, conditions and restrictions set forth in this Declaration, the Association shall give the Owner written notice of the violation and if such violation is not remedied within five days after notice, or if a second occurrence of such violation shall occur within six months of the original notice of such violation from the Association, the Association may levy a fine in the amount of \$500 and an additional fine of \$100 for each day thereafter the violation continues. All fines levied by the Association shall constitute a special assessment and a lien on the Lot of the Owner who caused the violation and if a fine is not paid within 15 days after written notice of such fine, the amount due shall accrue interest at the rate of 12% annually. Enforcement of these covenants and restrictions shall be by any proceeding at law or in equity against any person or persons violating or attempting to violate any covenant or restriction, either to restrain violation or recover damages, and against the land to enforce any lien created by these covenants. Failure of the Association to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

8.4. Severability. Invalidation of any of the provisions of this Declaration, whether by court order or otherwise, shall in no way affect the validity or the remaining provisions which shall remain in full force and effect. Said invalid or illegal provision will be modified to reflect, as close as possible, the original intent of the former invalid or illegal provision but in such a manner so as to make said provision valid and legal.

8.5. Notice of Other Uses.

a. Continuum of Care Senior Community The Developer, or its Affiliates, will not develop or allow others to develop any Acute Care facilities or Alzheimer care facilities that require licensure under HFS 131.14(1) or 132.14(1) of the Wisconsin Administrative Code within Prairie

Ridge. Buyer understands that Seller intends to construct and/or operate (1) Independent Living facilities and (2) Assisted Living, Adult Day Care, and Alzheimer care facilities operated under the State of Wisconsin Community Based Residential Facility license and Assisted Living registration [both (1) and (2) together referred to as "Senior Community"], which Senior Community may include rehabilitation services, and other such facilities that offer the same, similar or other types of care, and/or sell to other purchasers the property and rights to construct such Senior Community, or portion or component thereof, within Prairie Ridge, subject to the terms set forth below. Seller will not develop or allow others to develop the Licensed Facility or Component of the Licensed Facility (as defined below) until such time as Buyer's fifty-six (56) bed Assisted Living Facility is at least seventy-five percent (75%) occupied. Also, following the initial construction of the Licensed Facility or Component of the Licensed Facility (as defined below), Seller will not develop or allow others to develop additional phases of the Licensed Facility or Component of the Licensed Facility (as defined below) until there has been at least one (1) Fiscal Year of Gross Operating Profit generated by the Licensed Facility or Component of the Licensed Facility (as defined below).

At the time of Closing, Seller will grant Buyer a right of first refusal to purchase any lot or Lot within Seller's Prairie Ridge Development which Seller proposes to sell or lease to an unrelated third party to operate the Licensed Facility or Component of the Licensed Facility (as defined below).

The components of Seller's Senior Community as defined above shall hereinafter be separately referred to as "Independent Living Facility" with respect to the Independent Living facilities (which may also include/provide rehabilitation services), and "Licensed Facility" with respect to the Assisted Living, Adult Day Care and Alzheimer care facilities (separately referred to as "Component of the Licensed Facility") operated under the State of Wisconsin Community Based Residential Facility license and/or Assisted Living registration. At such time that Seller, its heirs, successors, or assigns, or any bona fide third party purchaser of any lot or Lot within Seller's Prairie Ridge development and which purchaser has also acquired from Seller the rights to construct the Senior Community, ("Constructing Party"), desires to begin construction of additional phases of the Licensed Facility or Component of the Licensed Facility, such Constructing Party shall provide Buyer with written notice of its intention to begin such construction. Buyer shall then, objectively and in good faith, determine if the Licensed Facility or Component of the Licensed Facility is necessary to meet the then current market demands. After considering Buyer's recommendation, the Constructing Party shall determine whether to commence construction of the Licensed Facility or Component of the Licensed Facility. If the Constructing Party decides to proceed with construction of the Licensed Facility or Component of the Licensed Facility, the Constructing Party shall become bound by the Management Agreement to be entered into at Closing by Seller and Buyer (and together with such other terms as are subsequently mutually agreed upon in writing by Buyer and the Constructing Party), for the purpose of engaging Buyer as the exclusive agent to manage and operate the Licensed Facility or Component of the Licensed Facility which is constructed. Seller shall, under no circumstance, have any obligation to advise Buyer of its intention to construct the Independent Living Facility.

Notwithstanding anything contained in this Section or in this Agreement to the contrary, Seller does not represent or warrant to Buyer that the Senior Community, or any portion thereof, will in fact be developed and constructed; or if developed, the time frame in which such development shall commence; nor is Seller obligated in any way to construct such Senior Community, or any portion thereof; but rather that if and only if such Licensed Facility or Component of the Licensed Facility of the Senior Community is constructed, Buyer shall have the rights as described above. Further in the event Seller, in its sole discretion, decides not to proceed with the construction of the Senior Community, or portion thereof, Buyer shall have no right of action against Seller at law or equity and this Agreement shall remain in full force and effect.

b. Catholic Church. The Milwaukee Archdiocese shall have the right to review and comment on any changes or amendments to this Declaration. Notwithstanding anything contained herein to the contrary, the Developer has complete and sole discretion regarding modifications to this Declaration.

The Developer is hereby prohibiting the development of abortion clinics and pornographic uses within the area of the Premises bounded by 94th Street, State Trunk Highway 50, 88th Avenue, 80th Street and 79th Street.

c. TGI Fridays Site Except for a TGI Fridays full service varied American cuisine restaurant, the Developer shall not permit within Prairie Ridge the operation of any other "full-service varied American cuisine restaurant." Examples of such restaurants include but are not limited to Applebee's, Chili's, Max and Erma's, Champp's, Bennigan's, Houlihan's and Ruby Tuesday's. "Full service" as relates to restaurants shall be defined as restaurants which serve liquor and offer table service. TGI Fridays shall have fifteen (15) days from the date it receives notice from Developer to object to any restaurant which TGI Fridays reasonably believes to be in violation of the above mentioned restriction. Failure to object within such time shall constitute a waiver and acceptance of such use. Notwithstanding anything contained herein to the contrary, the Developer shall not be restricted or prohibited from permitting (a) the operation of any use (other than the foregoing) which is allowed under the applicable Village zoning ordinance and (b) the operations of the following restaurants: (i) fast food restaurants (i.e. McDonald's, Burger King, Kentucky Fried Chicken, Boston Market, etc...), (ii) ethnic full service restaurants. Ethnic being those which primarily serve a menu of one particular foreign origin (i.e. Italian, Mexican, Indian, Chinese, etc...); and iii) full service restaurants that do not serve a varied American cuisine (i.e. pizza restaurants, seafood restaurants, steak restaurants, etc...).

d. Other Uses. The Developer intends to construct and/or sell to other purchasers the property and rights to construct facilities, Buildings, Improvements, and Structures within Prairie Ridge as allowed under the Business, Institutional and Residential Village zoning classifications and any other zoning as allowed by the Village.

EXHIBIT A

(Phase I - Residential)

Legal Description:

All that part of the Northeast 1/4, Northwest 1/4, Southeast 1/4 and Southwest 1/4 of the Southwest 1/4, of Section 8, Township One (1) North, Range-Twenty-Two (22) East in the Village of Pleasant Prairie, Kenosha County, Wisconsin, now being more particularly bounded and described as follows:

Commencing at the corner common to the Northwest corner of said Southwest Quarter and the Southwest corner of the Northwest Quarter (West 1/4 Corner of said Section 8); Thence South 02° 27' 49" East along and upon the West line of said Southwest Quarter, 572.19 feet to the place of beginning of lands hereinafter described:

Thence North 87° 32' 11" East, 50.00 feet to a point; Thence South 76° 42' 44" East, 141.89 feet to a point; Thence South 89° 12' 16" East, 224.98 feet to a point; Thence South 74° 56' 11" East, 239.23 feet to a point; Thence South 64° 52' 22" East, 34.37 feet to a point; Thence North 21° 30' 49" East, 139.55 feet to a point; Thence North 42° 05' 52" East, 69.26 feet to a point; Thence North 28° 31' 01" East, 170.26 feet to a point; Thence North 25° 13' 14" East, 57.96 feet to a point; Thence North 53° 09' 25" East, 189.70 feet to a point; Thence North 62° 05' 46" East, 64.61 feet to a point; Thence North 87° 20' 59" East, 52.74 feet to a point; Thence South 07° 44' 54" East, 165.93 feet to a point; Thence South 03° 05' 34" West 69.29 feet to a point; Thence South 02° 57' 15" East, 153.76 feet to a point; Thence South 45° 28' 08" West, 32.21 feet to a point; Thence South 25° 38' 50" West, 176.71 feet to a point; Thence South 71° 50' 42" East, 25.68 feet to a point; Thence South 48° 11' 52" East, 120.11 feet; Thence South 64° 09' 02" East, 52.62 feet to a point; Thence South 51° 02' 57" East, 25.05 feet to a point; Thence South 37° 00' 01" East, 39.14 feet to a point; Thence South 23° 26' 36" East, 3.56 feet to a point; Thence South 51° 54' 30" East, 66.68 feet to a point; Thence South 57° 17' 37" East, 80.11 feet to a point; Thence North 61° 38' 32" East, 8.79 feet to a point; Thence South 72° 03' 02" East, 51.86 feet to a point; Thence South 52° 05' 51" East, 35.20 feet to a point; Thence South 05° 18' 00" East, 23.85 feet to a point; Thence South 05° 57' 05" East, 51.42 feet to a point; Thence South 67° 36' 00" West, 55.79 feet to a point; Thence South 58° 56' 10" West, 38.72 feet to a point; Thence South 88° 52' 33" West, 23.38 feet to a point; Thence South 88° 08' 32" West, 28.75 feet to a point; Thence North 72° 04' 00" West, 16.72 feet to a point; Thence North 19° 42' 35" West, 32.30 feet to a point; Thence North 62° 45' 58" West, 19.92 feet to a point; Thence South 70° 05' 06" West, 15.68 feet to a point; Thence South 63° 58' 33" West, 79.04 feet to a point; Thence South 61° 45' 10" West, 16.90 feet to a point; Thence South 52° 32' 01" West, 29.82 feet to a point; Thence South 11° 27' 49" West, 47.27 feet to a point; Thence South 58° 14' 43" West, 68.65 feet to a point; Thence North 86° 53' 33" West, 5.90 feet to a point; Thence South 37° 34' 56" West, 50.63 feet to a point; Thence South 07° 03' 38" West, 182.77 feet to a point; Thence South 03° 33' 37" West, 136.64 feet to a point; Thence South 60° 37' 02" East, 156.58 feet to a point; Thence North 15° 48' 35" East, 4.84 feet; Thence North 82° 37' 33" East, 111.98 feet to

a point; Thence South 73° 52' 51" East, 63.82 feet to a point; Thence North 54° 13' 42" East, 30.22 feet to a point; Thence South 77° 48' 55" East, 133.54 feet to a point; Thence South 52° 42' 39" East, 52.39 feet to a point; Thence South 08° 30' 12" East, 41.06 feet to a point; Thence South 43° 59' 58" West, 34.29 feet to a point; Thence South 54° 57' 12" West, 68.57 feet to a point; Thence South 59° 21' 40" West, 108.34 feet to a point; Thence North 70° 16' 23" West, 35.96 feet to a point; Thence South 56° 49' 20" West, 36.76 feet to a point; Thence South 50° 36' 57" West, 51.59 feet to a point; Thence South 71° 25' 46" West, 111.88 feet to a point; Thence South 58° 24' 24" West, 51.57 feet to a point; Thence South 47° 44' 43" West, 64.46 feet to a point; Thence South 25° 59' 54" West, 79.17 feet to a point; Thence South 15° 32' 38" West, 84.58 feet to a point; Thence South 12° 59' 10" West, 25.04 feet to a point; Thence South 33° 10' 03" East, 155.45 feet to a point; Thence South 81° 13' 14" East, 207.57 feet to a point; Thence South 02° 37' 48" East, 153.37 feet to the center line of County Trunk Highway "C"; Thence South 53° 57' 43" West along and upon said center line 59.82 feet to the Northerly line of the abandoned Chicago & Northwestern Railroad Right-of-Way; Thence North 82° 01' 23" West along and upon said Railroad Right-of-Way line 47.49 feet to a point; Thence North 35° 57' 03" West, 183.28 feet to a point; Thence North 82° 01' 23" West and parallel to the Northerly line of said abandoned Railroad 548.66 feet to a point; Thence North 02° 27' 49" West and parallel to the West line of the Southwest Quarter of said Section 8, a distance of 81.68 feet to a point; Thence South 89° 47' 21" West and parallel to the South line of said Southwest Quarter Section, 165.00 feet to a point; Thence North 02° 27' 49" West and parallel to the West line of said Southwest Quarter Section, 842.31 feet to the Northeast corner of land once owned by Joseph A. Lowe (recorded in Volume 56, Page 29 of the Kenosha County Land Registry); Thence South 87° 32' 11" West and at right angles to the West line of said Southwest Quarter Section 108.84 feet to a point; Thence North 17° 49' 52" East, 10.66 feet to a point; Thence South 87° 32' 11" West, 224.85 feet to the West line thereof; Thence North 02° 27' 49" West along and upon the West line of said Southwest Quarter Section, 810.79 feet and to the place of beginning of this description.

Said parcel containing approximately 1,824,803 square feet (or 41.8917 acres) of land, exclusive of those lands dedicated in the recorded plat of "Prairie Ridge" for public roadway purposes for 104th Avenue.

Said parcel of land to become known as Lots 1 through 49 inclusive, and Outlots 1 and 2, in the recorded plat of "Prairie Ridge".

Date: 1/26/98

Prepared By: _____

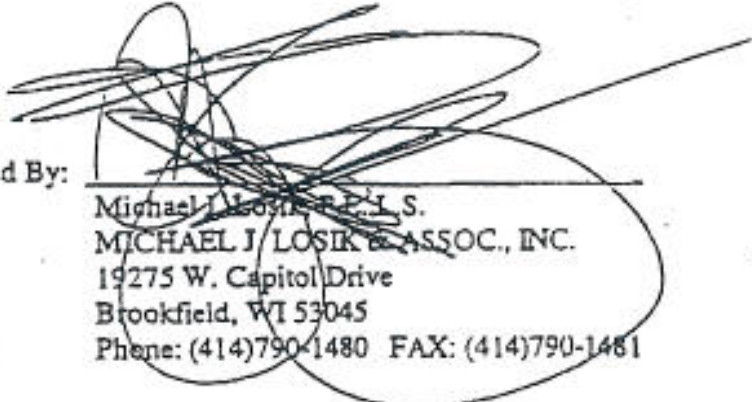

Michael J. Losik, P.E., S.
MICHAEL J. LOSIK & ASSOC., INC.
19275 W. Capitol Drive
Brookfield, WI 53045
Phone: (414)790-1480 FAX: (414)790-1481

EXHIBIT B

(Residential Future Phases II, III, IV)

Legal Description:

All that part of the Southeast 1/4, and Southwest 1/4 of the Northwest 1/4 and the Northeast 1/4, Northwest 1/4, Southeast 1/4, and Southwest 1/4 of the Southwest 1/4, of Section 8, Township One (1) North, Range Twenty-Two (22) East in the Village of Pleasant Prairie, Kenosha County, Wisconsin, now being more particularly bounded and described as follows:

Beginning at the corner common to the Northwest corner of said Southwest Quarter and the Southwest corner of said Northwest Quarter (West 1/4 Corner of said Section 8); Thence North $02^{\circ} 27' 11''$ West along and upon the West line of said Northwest Quarter Section, 496.10 feet to a point; Thence North $87^{\circ} 32' 49''$ East, 50.00 feet to a point; Thence Northeasterly 79.04 feet along the arc of a curve, whose center lies to the Southeast, whose radius is 50.00 feet, whose central angle is $90^{\circ} 34' 27''$ and whose chord bears North $42^{\circ} 50' 02.5''$ East, 71.06 feet to a point; Thence North $88^{\circ} 07' 16''$ East, 395.42 feet to a point; Thence South $02^{\circ} 27' 11''$ East, 41.81 feet to a point; Thence South $77^{\circ} 14' 42''$ East, 222.28 feet to a point; Thence South $81^{\circ} 38' 38''$ East, 172.52 feet to a point; Thence North $85^{\circ} 10' 06''$ East, 396.56 feet to a point; Thence Northwesterly 53.84 feet along the arc of a curve, whose center lies to the Southwest, whose radius is 220.00 feet, whose central angle is $14^{\circ} 01' 20''$ and whose chord bears North $09^{\circ} 35' 17''$ West, 53.71 feet to a point of reverse curvature; Thence Northwesterly 44.72 feet along the arc of a curve, whose center lies to the Northeast, whose radius is 182.71 feet, whose central angle is $14^{\circ} 01' 20''$ and whose chord bears North $09^{\circ} 35' 17''$ West, 44.60 feet to a point; Thence North $02^{\circ} 34' 37''$ West, 37.84 feet to a point; Thence North $73^{\circ} 25' 13''$ East, 92.76 feet to a point; Thence South $02^{\circ} 34' 37''$ East, 57.38 feet to a point; Thence Southwesterly 49.14 feet along the arc of a curve, whose center lies to the Northwest, whose radius is 206.72 feet, whose central angle is $13^{\circ} 37' 12''$ and whose chord bears South $04^{\circ} 13' 59''$ West, 49.02 feet to a point of reverse curvature; Thence Southwesterly 52.30 feet along the arc of a curve, whose center lies to the Southeast, whose radius is 220.00 feet, whose central angle is $13^{\circ} 37' 12''$ and whose chord bears South $04^{\circ} 13' 59''$ West, 52.17 feet to a point; Thence South $02^{\circ} 34' 37''$ East, 10.07 feet to a point; Thence North $87^{\circ} 25' 23''$ East, 196.48 feet to a point; Thence South $03^{\circ} 12' 52''$ East, 42.56 feet to a point; Thence South $29^{\circ} 22' 11''$ West, 55.91 feet to a point; Thence South $03^{\circ} 05' 44''$ East, 450.02 feet to a point; Thence South $19^{\circ} 07' 35''$ East, 69.32 feet to a point; Thence South $88^{\circ} 41' 58''$ East, 209.73 feet to a point; Thence South $76^{\circ} 04' 49''$ East, 113.09 feet to a point; Thence South $63^{\circ} 35' 04''$ East, 115.08 feet to a point; Thence South $54^{\circ} 26' 32''$ East;

119.47 feet to a point; Thence South 37° 54' 18" East, 334.52 feet to a point; Thence South 58° 24' 54" East, 76.16 feet to a point; Thence South 86° 39' 59" East, 136.46 feet to a point; Thence North 52° 04' 09" East, 34.45 feet to a point; Thence South 83° 20' 34" East, 5.37 feet to a point; Thence South 44° 19' 23" East, 185.25 feet to a point; Thence South 31° 08' 00" East, 79.55 feet to a point; Thence South 24° 28' 07" East, 129.25 feet to a point; Thence South 31° 08' 00" East, 490.06 feet to the center line of County Trunk Highway "C"; Thence South 54° 03' 24" West along and upon said center-line 308.73 feet to the West line of said Southeast Quarter Section and an angle point in said center line; Thence South 53° 57' 43" West along and upon the center line of said Highway, 971.80 feet to a point; Thence North 02° 37' 48" West, 200.00 feet to a point; Thence South 53° 57' 43" West parallel to the center line of said Highway, 460.00 feet to a point; Thence South 02° 37' 48" East, 200.00 feet to the center line of said Highway; Thence South 53° 57' 43" West along and upon said center line 160.17 feet to the West line of the East Half of the Southwest Quarter of said Section 8; Thence North 02° 43' 29" West along and upon said West line 290.25 feet to a point; Thence South 89° 47' 21" West, 102.55 feet to a point; Thence South 02° 37' 48" East, 209.09 feet to a point; Thence North 81° 13' 14" West, 207.57 feet to a point; Thence North 33° 10' 03" West, 155.45 feet to a point; Thence North 12° 59' 10" East, 25.04 feet to a point; Thence North 15° 32' 38" East, 84.58 feet to a point; Thence North 25° 59' 54" East, 79.17 feet to a point; Thence North 47° 44' 43" East, 64.46 feet to a point; Thence North 58° 24' 24" East, 51.57 feet to a point; Thence North 71° 25' 46" East, 111.88 feet to a point; Thence North 50° 36' 57" East, 51.59 feet to a point; Thence North 56° 49' 20" East, 36.76 feet to a point; Thence South 70° 16' 23" East, 35.96 feet to a point; Thence North 59° 21' 40" East, 108.34 feet to a point; Thence North 54° 57' 12" East, 68.57 feet to a point; Thence North 43° 59' 58" East, 34.29 feet to a point; Thence North 08° 30' 12" West, 41.06 feet to a point; Thence North 52° 42' 39" West, 52.39 feet to a point; Thence North 77° 48' 55" West, 133.54 feet to a point; Thence South 54° 13' 42" West, 30.22 feet to a point; Thence North 73° 52' 51" West, 63.82 feet to a point; Thence South 82° 37' 33" West, 111.98 feet to a point; Thence South 15° 48' 35" West, 4.84 feet to a point; Thence North 60° 37' 02" West, 156.58 feet to a point; Thence North 03° 33' 37" East, 136.64 feet to a point; Thence North 07° 03' 38" East, 182.77 feet to a point; Thence North 37° 34' 56" East, 50.63 feet to a point; Thence South 86° 53' 33" East, 5.90 feet to a point; Thence North 58° 14' 43" East, 68.65 feet to a point; Thence North 11° 27' 49" East, 47.27 feet to a point; Thence North 52° 32' 01" East, 29.82 feet to a point; Thence North 61° 45' 10" East, 16.90 feet to a point; Thence North 63° 58' 33" East, 79.04 feet to a point; Thence North 70° 05' 06" East, 15.68 feet to a point; Thence South 62° 45' 58" East, 19.92 feet to a point; Thence South 19° 42' 35" East, 32.30 feet to a point; Thence South 72° 04' 00" East, 16.72 feet to a point; Thence North 88° 08' 32" East, 28.75 feet to a point; Thence North 88° 52' 33" East, 23.38 feet to a point; Thence North 58° 56' 10" East, 38.72 feet to a point; Thence North 67° 36' 00" East, 55.79 feet to a point; Thence North 05° 57' 05" West, 51.42 feet to a point; Thence North 05° 18' 00" West, 23.85 feet to a point; Thence