

**DECLARATION OF RESTRICTIONS AND COVENANTS
FOR
BEAUMONT RIDGE SUBDIVISION**

(Revised: 2/04/04)

*BEING A SUBDIVISION OF PART OF THE SW 1/4 OF THE NW 1/4 OF SECTION 29; THE
NE 1/4, NW 1/4, SW 1/4 AND SE 1/4 OF THE NE 1/4 OF SECTION 30; AND THE NE 1/4 AND
SE 1/4 OF THE NW 1/4 OF SECTION 30, TOWNSHIP 8 NORTH, RANGE 19 EAST
VILLAGE OF MERTON, WAUKESHA COUNTY, WISCONSIN*

***NOTICE TO PROSPECTIVE LANDOWNERS
OF BEAUMONT RIDGE SUBDIVISION***

PLEASE TAKE NOTICE THAT BEAUMONT RIDGE SUBDIVISION IS A UNIQUE PLANNED UNIT DEVELOPMENT WITHIN THE VILLAGE OF MERTON. THIS SUBDIVISION IS SUBJECT TO MANY SPECIAL RESTRICTIONS AND COVENANTS, INTENDED TO PRESERVE THE VALUE OF ITS LAND, BOTH TO INDIVIDUAL LANDOWNERS AND THE NEIGHBORING TOWN. PLEASE READ THESE RESTRICTIONS AND COVENANTS CAREFULLY AS THEY INCLUDE UNIQUE FEATURES AND LIMITATIONS ON THE USE OF YOUR LAND.

**This Declaration is made and executed this 4th day of February, 2004 by
Step, LLC, a Wisconsin Limited Liability Company (herein "Developer").**

WHEREAS, Developer owns the land which has been platted as Beaumont Ridge, a subdivision located in the Village of Merton (hereinafter the "Village") consisting of 82 platted single family lots and an outlot to be owned in common by all subdivision lot owners; and

WHEREAS, Developer desires to subject the Beaumont Ridge Subdivision to the conditions, covenants, restrictions, reservations and easements contained here in for the benefit of the property and the benefit of each owner of any part of the property , and for the purpose of creating a desirable utilization of the land in an aesthetically pleasing residential environment;

NOW, THEREFORE, the Developer hereby declares that the real property herein described shall be held, sold, conveyed, transferred, used and improved only subject to the conditions, restrictions, covenants and reservations hereinafter set forth:

0.01 DEFINITIONS.

- (a) **"Association"** shall mean the non-profit corporation to be known as Beaumont Ridge Owners Association, Inc., which shall serve as an organization of all owners of Lots in the Subdivision, and collect assessments from Lot Owners for payment of Association obligations and maintenance of Association properties, as set forth herein.
- (b) **"Developer"** shall mean STEP, LLC.
- (c) A **"Home"** shall mean a dwelling Unit designed for one family.
- (d) **"Lot Owner(s)"** shall mean the fee simple owner(s) of record title to the Lot, regardless of the type of tenancy or estate.
- (e) **"Plat"** shall mean the Final Plat as defined in Chapter 236, Wis. Stats.
- (f) **"Subdivision"** shall mean Beaumont Ridge, a platted subdivision in the Village of Merton, Waukesha County, the legal description of which is set forth in this Declaration.
- (g) **"Village"** shall refer to the Village of Merton, Wisconsin.
- (h) **"Outlot"** shall mean an Outlot as shown on the Plat. The reference to an Outlot by a number shall mean that particular Outlot as shown on such Plat.
- (i) **"Plans and Specification"** shall mean completed written construction plans and detailed specifications as to materials and colors for construction of any building, wall, fence, sign, pool, deck, patio or other improvements in Beaumont Ridge Subdivision, including a site plan showing location of all improvements, driveways, walks, elevation and grade of the Lot and improvements as set forth in Section 4.1.
- (j) **"Review Board"** shall mean that board composed of three members initially appointed by the Developer to review and approve or disapprove of Plans and Specifications for construction of dwelling units and any other structures of improvements in the Subdivision.
- (k) An **"Article"** shall mean all those provisions included under an Article heading, including all subsections [e.g., 0.00 (a)] and paragraphs [e.g., 0.00 (a)(1)].

ARTICLE 1 - PROPERTY SUBJECT TO DECLARATION

1.01 PROPERTY SUBJECT TO DECLARATION

All platted lots (lots 1 through 82) and the outlots within Beaumont Ridge are subject to this Declaration.

ARTICLE II - USE OF LOTS

2.01 GENERAL PURPOSE

The general purpose of this Declaration is to help assure that the Subdivision will become and remain an attractive residential community; to preserve and maintain the natural beauty of areas within the Subdivision; to help guard against the erection or maintenance of poorly designed or proportioned structures; to obtain harmonious use of materials and color schemes; to encourage the erection of attractive residential structures with appropriate locations on the lots; to prevent haphazard and inharmonious improvements of building sites, structures and other improvements; to comply with the various requirements advanced by the Village as a condition of development; and to otherwise secure mutual enjoyment of benefits for owners and occupants of residential property within the Subdivision.

2.02 SINGLE FAMILY LOTS

- (a) All lots shall be used solely and exclusively for single family residential purposes:
- (b) No building shall be erected, altered, modified or permitted to remain on any lot other than one single family dwelling with garage parking for not less than three automobiles.

2.03 DESIGN CONTROL

Plans and Specifications. No building, sign, driveway, walkway, swimming pool, deck patio, play equipment or other structure or improvement shall be erected, constructed or maintained upon any Lot, nor shall any change or alteration be made thereto, unless complete plans and specifications have been submitted in duplicate to, and approved in writing by, the Review Board. The plans and specifications submitted shall include, in addition to detailed construction plans, a site plan showing the exact size and location of each building or other structure, the elevation thereof, the grade Lot, grades adjacent to the Lot, the proposed finished grade and garage floor grade for the building, sump pump discharge locations, a building elevation or rendering of the building or structure to be constructed, a detailed landscaping plan, and detailed specifications as to materials, colors (including samples) and equipment to be installed in the structure (collectively the "Plans and Specifications"). The address and telephone number of the Lot Owner and other person designated to receive the response of the Review Board shall be included with any submission of Plans and Specifications. Each Lot owner must strictly

adhere to and finish grade its lot in accordance with the master Site Grading Plan or any amendment thereto approved by the Village Engineer on file at the office of the Village Clerk. The Developer and/or the Village and/or their agents, employees or independent contractors, upon written notice to the owner of a vacant lot, at the address on the Village Assessment role, shall have the right to enter upon any Lot, at any time, for the purpose of inspection, maintenance, correction of any drainage condition, and the Lot Owner is responsible for the cost of the same.

2.04 REVIEW BOARD

The decision of a majority of the members of the Review Board shall be the decision of the Review Board and shall meet in closed sessions. Members of the Review Board shall not be entitled to any compensation from Lot Owners for services performed pursuant to these Protective Covenants. In the event of death, resignation, or refusal to act by any member of the Review Board, or vacancy on Review Board for any reason, while any Lot remains vacant without a dwelling unit in the Subdivision, the successor to such member shall be appointed to the Review Board by the Developer or by its successors or assigns. When all the Lots in the Subdivision have been sold by the Developer, or its successors or assigns, and houses have been built on all the Lots Subdivision (or at such earl

2.05 SUBMISSION OF PLANS

A Lot Owner shall submit Plans and Specifications to the Review Board at the earlier

Of (i) at least fifteen (15) days prior to the time that such Plans and Specifications are submitted to the Building Inspector of the Village of Merton for approval, or (ii) thirty (30) days prior to commencement of construction of the dwelling unit or any other improvement. Plans and Specifications must comply with the standards set forth in Section 5 herein and must be approved by the Review Board in writing prior to any application for a building permit to the Village of Merton, and before any constriction or alteration of any improvement may be commenced on any Lot. Plans and Specifications shall be submitted in duplicate to the Review Board at the following address, which may be changed by notice in writing to the purchaser of a Lot at the time of purchase:

Beaumont Ridge
P.O. Box 615
Merton, WI 53056

Upon request by a Lot Owner, the Review Board shall issue a written receipt for the Plans and Specifications submitted by or on behalf of the Lot Owner, showing the date of submission.

2.06 REVIEW

The Review Board shall review and approve such Plans or Specifications, or disapprove those which in its judgment are not in conformity with these Protective Covenants or are inconsistent with the purposes set forth in Article 2. The Review Board may require enhanced architectural treatment on all building elevations. In reviewing the Plans and Specifications, the review Board may take into consideration, among other things, the following:

The suitability of the proposed home or the other structure in the Subdivision;

The design, layout, elevation and the materials of which the home or improvement is to be constructed;

The location of the improvements upon the Lot and within the Subdivision;

The exterior appearance of the home including roofing materials and the color scheme; and the exterior appearance of the home is not similar to homes in the immediate vicinity.

The compliance of the home or other structure with the standards set forth in these Protective covenants.

2.07 APPROVAL

The Review Board shall approve Plans and Specifications in writing sent to the Lot Owner at the address included in the Plans and Specifications.

2.08 DISAPPROVAL

If the Review Board disapproves of Plans and Specifications, the Review Board shall specify the reasons for such disapproval to the Lot Owner in writing. The Lot Owner shall then be entitled to submit revised Plans and Specifications for review by the Review Board in which event another receipt shall be issued by the Review Board.

2.09 MINIMUM SINGLE FAMILY HOME LIVING AREAS

Each and every Home to be constructed in Beaumont Ridge Subdivision shall have a floor area, as defined and further restricted by the Zoning code of the Village, of not less than 2,800 square feet for a two story and not less than 2,400 square feet for a ranch.

2.10 BUILDING SET BACK LINES

Setbacks: the required minimum building setbacks are as follows:
Street 50', Rear 50' and Sides 20'

2.11 DRIVEWAY, SIDEWALKS, PATIOS AND DECKS

(a) Driveways shall be approved in advance by the Review Board and shall be located at least three (3) feet from all side and rear Lot lines. In no event shall driveway flares or parking slabs permitted. Within twelve (12) months from the issuance of an occupancy permit by the Village of Merton for any dwelling unit, all driveways on the Lot must be paved with concrete, asphalt, or other hard and imperious paving substance. All driveways shall be installed in accordance with the Village of Merton specifications.

2.12 EXTERIOR AND INTERIOR BUILDING MATERIALS AND HOME QUALITY

(a) All Homes proposed to be erected, altered or modified shall comply with the Building Restrictions of the Village and shall, on the construction plans and specifications submitted to the Committee, denote materials acceptable to the Committee. The Committee's approval and acceptance of submitted materials shall not be unreasonably withheld.

(b) The design, layout and exterior appearance of each home proposed to be erected, altered, or modified shall be such that, in the opinion of the Committee at the time of the approving of the plans, the Home will be of high quality.

(c) The exterior of all Homes shall be substantially constructed of natural materials. Acceptable building materials for exterior finish shall be as set forth in the following section.

(d) The proposed color schemes for the Home to be erected, altered or modified shall be submitted to the Committee for approval prior to painting or staining.

(e) All exposed basements or foundations shall be covered by siding, face brick, stone or stucco.

(f) Roofing shall be wood shakes, 35-year dimensional fiberglass shingles or like materials – subject to written approval.

(g) All exterior chimneys and 1st floor pop outs or extensions must rest on a footing.

(h) All exterior chimneys must be constructed with brick or stone. For interior or center roof; cultured brick or stone may be used on interiors or if a chimney goes through the center of a roof or with Architectural approval.

2.13 ACCEPTABLE EXTERIOR BUILDING MATERIALS

(a) The acceptable exterior building materials have been chosen to provide complimentary design and construction within the Subdivision. When horizontal changes in materials are desired, different materials should meet only at a change of plane, particularly at an inside corner. From time to time, artificial, engineered, or composite materials may be available that are consistent with the cosmetic and aesthetic attributes of natural materials. These materials may be used upon the discretion of the Committee provided such materials are substantially consistent with the intent of these Declarations to provide for the appearance of natural materials and to avoid the use of aluminum or vinyl siding as a primary siding material.

(b) Stone. The use of limestone is acceptable. Other types of stone may also be acceptable upon review. Precast concrete and Cast Stone is an acceptable substitute for natural stone, to be reviewed on a case-by-case basis.

(c) Brick. Common-sized brick is acceptable for the construction of all building types. No more than one course exposed. Special shape bricks may be used for accents. CMU (concrete masonry units) is to be restricted to a secondary material or used as an accent material, such as split-faced block used as a rusticated base. The use of standard (gray, plain textured) utility block is not acceptable anywhere as an exposed material.

(d) Terra Cotta. Terra cotta is an acceptable accent material on brick and stucco-clad buildings.

(e) Stucco. Stucco is an acceptable exterior building material. Used traditionally as a wall finish material on upper floors and gables, stucco may also be used as a primary wall finish material. E.I.F.S. is an acceptable substitute for stucco in appropriate conditions.

(f) Clapboard Siding. Painted wood clapboard, cedar, hardi or similar with exposed laps not greater than 7" is acceptable.

(g) Wood Shingle Siding. Wood shingle siding is acceptable as siding material on upper floors and gables.

2.14 LIGHT FIXTURES AND MAILBOXES

(a) Post Lights. Uniform post lights specified by the Developer shall be purchased by each Lot Owner from the Developer at the time of closing. Each post light shall be installed on the Lot at the time of finished grading of the yard, but in any event, each post light shall be installed within nine (9) months from date the residence is occupied. The post lights for Beaumont Ridge Subdivision should be installed 35 feet from the back of the pavement and within 10 feet to the left or right of the driveway, whichever is closer to the house. The base of the post should be level with the top soil. Each post light shall be connected to an electrical power source at the time of installation and shall be maintained in a clean and operating condition at all times thereafter. The post light specified by the Developer is equipped with a photoelectric sensor;

therefore, no Lot Owner may install a turn-off switch for the post light. Any replacement of such post lights shall be accomplished by the Lot Owner, and only with a post light of the same specifications, height, appearance and in the same location as the original post light.

(b) Mailboxes. Uniform mail/paper boxes shall be purchased by each Lot Owner from the Developer at the time of closing. All mail/paper boxes will be installed by the Lot Owner in accordance with the requirements of the U.S. Post Office in Sussex. Any replacement of such mail/paper box shall be accomplished by the Lot Owner, and only with a mail/paper box of the same specifications, height and appearance as the original mail/paper box at Lot Owner's expense. No other mailbox, paper box or other receptacle of any kind for use in the delivery of mail, newspapers or magazines or similar materials shall be erected or installed by a Lot Owner.

2.15 GROUND FILL ON BUILDING SITE

Where ground fill is necessary on any lot to obtain the proper topography or finished ground elevation, it shall be ground fill free of waste material, and shall not contain noxious materials. All fill shall be leveled immediately upon completion of the Home and shall be graded and contoured in accordance with the Master Site Grading Plan approved by and on file with Village. The Village Engineer shall have the authority to alter the final grade set forth on the Master Site Grading Plan for any lot based on field conditions at the time of construction. If there is an excess of fill on a lot, it may not be removed from the subdivision without the permission of the Developer. The Developer must be contacted for the placement of the excess fill.

2.16 SURFACE WATER DRAINAGE

(a) Surface Water Drainage. Each Lot Owner must strictly adhere to and final grade his lot in accordance with the Master House Grade Plan on file in the office of the Village's Engineer (R.A. Smith & Associates, Inc.). The Developer and Village shall have the right to enter upon any lot, at any time, for the purposes of inspection, maintenance and correction of any drainage condition. If any of the ponds are on outlots owned by the Village, the Association must also maintain those ponds.

(b) Silt Fencing. The Developer may install silt fencing in certain lots in the subdivision to control erosion. Such fencing shall be maintained by the Developer and then the subsequent Lot Owners (on whose lots the fencing has been installed) until such time as turf cover is restored to all disturbed areas.

(c) Storm Water Management The Association shall be responsible for maintenance of the storm water management measures, other than those installed upon and contained within an individual lot. The Association shall maintain the storm water management measures in accordance with the approved storm water management plan on file in the offices of the Waukesha County Department of Parks and Land Use as required by the Waukesha County Construction Site Erosion Control and Storm Water Management Ordinance. The Village is authorized to access the property to conduct inspections of storm water practices as necessary to ascertain that the practices are being maintained and operated in accordance with the approved storm water management plan. The Association, on an annual basis, shall provide maintenance of

each storm water management measure, including but not limited to, removal of debris, maintenance of vegetative areas, maintenance of structural storm water management measures and sediment removal. Upon notification of the Association by the Village of maintenance problems, which require correction, the specified corrective actions shall be taken within a reasonable time frame as set by the Village.

(d) Remedial Action. The Village is authorized to perform the corrective actions identified in the inspection report if the Association does not make the required corrections in the specified time period. All costs and administrative fees may be charged to the association or home owners in accordance with this section may be placed upon the tax roll as special charges in accordance with Wisconsin Statutes, including §66.0627, Wis.Stats.

2.17 SANITARY DISPOSAL SYSTEMS

Each Lot shall be served by a private sanitary disposal system (septic or mound system), which shall be installed and maintained by the individual Lot Owner.

2.18 SIGNAGE AND COMMON AREA LANDSCAPING

Signs, monuments and features, and common area landscaping, including wetland areas, shall be maintained by the Association.

2.19 ENVIRONMENTAL SENSITIVITY

The Outlot which comprises the Common Area of the subdivision shall be preserved by the Association for recreational and conservancy purposes consistent with the State, County and Village regulations pertaining to this land and its classification as wetland, flood land or other protected areas. Trails constructed in the Outlot shall be maintained by the Association. Any improvements upon or within the Outlot shall be in accord and consistent with applicable regulations pertaining to this land.

2.20 LOT GRADING

(a) Within each set of building construction plans submitted to Committee for Committee approval shall be a Plat of Survey prepared by a Land Surveyor licensed by the State of Wisconsin. Such Plat shall thereon indicate the size and location of the Home, including the proposed finished ground grade or garage floor grade as well as other grades adjacent to the Lot.

(b) The Plat of Survey shall have grades that conform to the Subdivision's Master Site Grading Plan, which is on file at the Village.

(c) Minor grade changes from Master Site Grading Plan, where these changes do not violate the purpose, spirit and intent of the Master Site Grading Plan, shall be reviewed and, if for

good and sufficient reasons, may be approved by Committee. The Village Engineer shall have the authority to alter the final grade set forth on the Master Site Grading Plan for any lot based on field conditions at the time of construction.

(d) Final grading of a lot shall be completed within three months following the date of occupancy of a Home.

2.21 COMMON AREA

The Common Area of the Subdivision shall include the outlot specified on the Plat and such landscape features or monument signage as shall be designated as owned in common by the Lot Owners.

2.22 NUISANCES

(a) No noxious or offensive odor, activities or conditions shall be permitted to exist in, on or about any home or Lot, which may be, or may become, an annoyance or nuisance to the neighborhood.

(b) No building or construction material or commercial or maintenance equipment shall be stored on any lot outside of a Home or garage, other than during periods of actual construction or remodeling and then only for as long as may be reasonably necessary therefore.

(c) Each Lot Owner shall perform such periodic maintenance as may be reasonably necessary to keep the lot neat and clean in appearance, including, without limitation, the proper maintenance of the house, mowing of grass and removal of weeds, leaves and unsightly debris.

(d) During construction, the owner/builder is responsible for keeping roads clear and clean of debris. A Notice for Road Cleaning by either the Village or Developer must be done within twenty-four (24) hours.

2.23 TEMPORARY STRUCTURES AND OUTBUILDINGS

No structure of a temporary nature, including without limitation, any trailer, tent or shack, shall be permitted on any Lot. No shed or outbuilding shall be permitted, except with the written approval of Committee. This prohibition shall not apply to the Developer during development of the Subdivision. Homes including a swimming pool shall be permitted to construct a pool house, but such accessory building shall be subject to approval by the Committee. All swimming pools shall be constructed at or below grade. Aboveground swimming pools are prohibited. Kennels, animal pens, or other structures or improvements intended to house pets or animals on the exterior of a building or structure shall be subject to approval by the Committee.

2.24 SIGNS

No sign of any kind shall be placed or displayed to the public view on any Lot, except one sign of not more than six square feet advertising the residence as for sale. This provision shall not apply to the initial marketing of any phase of the Subdivision by the Developer. Signs indicating the address of the Home shall be placed in accordance with Village ordinances.

2.25 ANIMALS AND PETS

No animals, livestock or poultry of any kind shall be raised or kept on any Lot, except that dogs or cats may be kept so long as the same are not kept, bred or maintained for any commercial purpose, permitted to run free or in any other unreasonable manner.

2.26 WATER SUPPLY

Each Home shall be serviced by the individual wells of the Lot Owners.

2.27 GARBAGE AND REFUSE DISPOSAL

No Lot shall be used or maintained as a dumping area for trash, garbage, refuse or debris of any kind. All trash, garbage or waste materials shall be kept in sanitary containers either inside the garage or when outside in sanitary containers adjacent to the Home, suitably screened from view from streets and adjoining lots. Outside incinerators are not permitted.

2.28 WIRES AND ANTENNAS

(a) All utility wiring (including without limitation, service lines to individual dwellings) shall be installed underground unless otherwise permitted by the Committee prior to such installation.

(b) No external television or radio antennae, satellite dish, or other similar devices shall be erected without the prior approval of Committee, which approval shall not be unreasonably withheld.

2.29 FENCES AND WALL No fence or wall of any height shall be permitted on any Lot except upon the prior approval of Committee. In no event, shall any fence or wall be permitted to extend into the minimum front setback line specified in paragraph 2.05. (Generally, fences shall only be approved as barriers around swimming pools).

2.30 MOTORIZED VEHICLES AND WATER CRAFT

All motorcycles, snowmobiles, trail bikes, dune buggies, off-street motorized vehicles, vehicles licensed as trucks, recreational vehicles including RVs, campers, camping trailers or

recreational trailers, boats, personal water craft, or water craft of any kind, trailers for boats or water craft, or commercial vehicles of any kind shall be stored only in enclosed garages; shall be operated only on a driveway, parking area, or street; shall be operated only for purposes of ingress and egress; and, (shall not be operated on any common area within the Subdivision.)

2.31 VIOLATION OF DECLARATION: NO REVERSION OF TITLE

No violation or breach of any covenant, condition, restriction or other term or provision of this Declaration shall under any circumstance cause a reversion of title.

ARTICLE III-ARCHITECTURAL CONTROL COMMITTEE

3.01 MEMBERSHIP

So long as the Developer owns any lot or lots within the Subdivision, the Developer shall designate the persons (three in number) who shall from time to time comprise the membership of the Committee. Thereafter, upon sale by Developer of all lots within the Subdivision, the Committee shall be appointed by the Association.

3.02 SUBMISSION FOR APPROVAL: PROCEDURE

(a) The decision of the Committee shall be final and binding upon all parties. The Committee may reject any improvement which, in its sole and absolute discretion, is not in conformity with these restrictions, is not desirable aesthetically or for any other reason. In passing upon such improvements, the Committee may take into consideration the suitability of the proposed improvement, its design, elevation and the materials of which it is to be constructed, its harmony with the surrounding lots and their improvements, or a view from the adjacent lots, similarity of the proposed structure to other homes in the immediate vicinity. The Committee shall have the right to waive minor deviations from these restrictions. Any waiver or deviation from these restrictions, by the committee, shall require approval of the Village Zoning Administrator.

(b) In the event the Committee or its designated representative, fails to act upon any plans, specification or other written request for approval within 30 days after submission of all plans, specifications and other documents as may be requested by said Committee, the requested approval shall thereby automatically be denied.

3.03 LIABILITY OF THE COMMITTEE

It is expressly understood and agreed that any standards established by, or any review or approval by Committee shall not be construed as a warranty or endorsement or

representation by Committee of the fitness, suitability, or adequacy of any approved plans or standards for any particular use or purpose. It is understood (and agreed by any summiteer to Committee) that Committee's members are unpaid volunteers, who shall not, in any event, be liable to any Lot Owner or other party for any act or thing or omission of or by the Committee.

ARTICLE IV - HOMEOWNERS ASSOCIATION

4.01 HOMEOWNERS ASSOCIATION - GENERAL

An incorporated owners association (herein referred to as the "Association") of the owners of land in Subdivision and all additions to and future phases of Subdivision shall be created for the purposes of maintaining any detention ponds, common areas, wetlands, and entrance monuments and for purposes of performing such other functions and duties as may be appropriate for the common benefit of the Owners. The corporate name of the Association shall be Beaumont Ridge Homeowners Association, Inc.

4.02 BOARD OF DIRECTORS

(a) The Association shall be governed by a three member Board of Directors, hereinafter referred to as the "Board" which shall be solely responsible for the activities of Association. The initial members of the Board shall be appointed by the managing members of STEP, LLC.

(b) To qualify as a member of the Board, a person must be either an owner of a lot within Subdivision or a duly designated officer or representative of an Owner.

(c) So long as three or more of the lots in the Subdivision are owned by Developer, all three members of the Board shall be appointed by Developer. So long as one or two of the lots in the Subdivision are owned by Developer, two members of the Board shall be appointed by Developer and one member shall be elected under the by-laws of the Association. If none of the lots in the Subdivision are owned by Developer, all of the members of the Board shall be elected under the by-laws of the Association.

(d) Lot Owners shall be entitled to a total of one vote per lot owned; and may vote in person or by proxy in elections for selecting members of Board.

(e) The terms of office of the initial Members of the Board shall commence upon the execution hereof and shall continue until December 31 of the year of appointment. Thereafter, the term of office of the Members of the Board shall be for one year. If any Member of the Board shall die, resign, be unable to act or removed or cease to be qualified to be a Member, the unexpired term of such Member shall be filled by a special election, (or appointment by Developer, if applicable).

4.03 MEETINGS

Two members of the Board shall constitute a quorum. Actions of the Board shall be by majority vote.

4.04 DUTIES OF BOARD

(a) The Board shall have the following duties:

(1) To provide for the maintenance of common areas, entrance areas, and monuments within Subdivision, and for purposes of performing such other functions and duties as may be appropriate for the common benefit of the Owners.

(2) To levy and enforce collection of assessments and fees for the purposes herein set forth;

(3) To conduct meetings and establish procedures for the election of members of the Board;

(4) To establish operating procedures for the conduct of the Association and Board affairs; and

(5) To do all acts and things necessary to fulfill its duties and objectives; and,

(6) To maintain the ponds, drainage and the storm water management measures as required by Sec. 2.16.

(7) To enforce the provisions hereof:

(b) The Board shall have the power to take such actions as may be necessary to cause the features and areas under Association's jurisdictions to be maintained, repaired, landscaped and kept in good, clean and attractive condition.

4.05 ASSESSMENTS

The Owner of each lot shall be subject to a general annual charge of assessment equal to his pro rata share of the costs incurred or anticipated to be incurred by the Association in

performing its duties and discharging its obligation. The pro rata share of an Owner of a lot shall be a fraction, the numerator of which shall be one and the denominator of which shall be the total number of lots subject to this Declaration at the time of the assessment. Said costs shall include, but not be limited to: taxes; insurance; repair, replacement and additions to the improvements made to the Common Area; equipment; materials; labor, management and supervision thereof, and all costs for the Association reasonably incurred in conducting its affairs and enforcing the provisions hereof.

(a) All assessments shall be approved at a duly convened meeting of the Board.

(b) Written notice of an assessment shall be personally delivered to each owner subject to the assessment or delivered by regular mail addressed to the last known address of such Owner.

(c) Assessments shall become due and payable 30 days after the mailing or personal delivery of the notice of Assessment.

(d) Assessments not paid when due shall bear interest at the rate of twelve percent (12%) per annum from the date due until paid; and such unpaid assessments and the interest thereon shall constitute a continuing lien on the real estate against which it was assessed until all such sums have been paid in full. The assessments and interest thereon shall also be the personal obligation of any current or subsequent Owner of the lot against which the assessment was made.

(e) All annual and special assessments, until paid, together with interest and actual costs of collection, constitute a lien for the benefit of the Association on the lots on which they are assessed. Such lien shall be subordinate and junior only to the first mortgage lien of any financial institution arising at the time of purchase of the respective lot. If a member of the Association is in default in payment of any charges or assessments for a period of more than thirty (30) days, the Board of Directors, in the name of the Association, may file lien(s) therefor and bring suits for and on behalf of the Association, as representation of any members, to enforce collection of such delinquencies to or foreclose the lien therefor, as provided by law, including 779.70, Stats. And the protective covenants, and there shall be added to the amount due: (1) a \$50 late fee, (2) and additional \$15 late fee per day until the outstanding charges and assessments have been paid in full, and (3) the costs of collection and interest, together with actual attorney fees. Liens shall be signed and verified on behalf of the Association by any Officer of the Association. The owners of a lot against which a lien had been filed shall not be entitled to vote at Association meetings until the lien has been paid in full.

(f) Upon application by Owner, any member of the Board, may provide to such Owner a statement in recordable form certifying that (i) the signer is a duly elected or appointed member of the Board; and (ii) as to the existence of any unpaid assessments or other amounts due to the Association. Such statement shall be binding upon the Board and shall be conclusive evidence to any party relying thereon of the payment of any and all outstanding assessments or other amounts due to the Association.

(g) Any lien for assessment may be foreclosed by a suit brought by the Board acting on behalf of the Association in a like manner as the foreclosure of a mortgage on real property and Attorney fees.

4.06 LIABILITY OF BOARD MEMBERS

(a) Members of the Board shall not be personally liable for any action taken by them in good faith in discharging their duties hereunder, even if such action involved a mistake in judgment or negligence by the member or agents or employees of the Board. Association shall indemnify and hold the members of the Board harmless from and against any and all cost or expenses, including reasonable attorney's fees, in connection with any suit or other action relating to the performance of their duties hereunder.

(b) Failure of the Association or the Board to enforce any provisions contained in this section shall not be deemed to be a waiver of the rights to do so, or an acquiescence in any subsequent violation.

ARTICLE V - MISCELLANEOUS

5.01 TERM OF DECLARATION

(a) This Declaration shall constitute a covenant running with the land and shall be binding for a period of fifty (50) years from the date the Declaration is recorded upon all Lot Owners and all other persons claiming under or through Developer. After the expiration of such initial fifty (50) year period, this Declaration shall be automatically renewed for successive periods of ten (10) years, unless there is recorded an instrument terminating this Declaration, executed by the owners of at least sixty percent (60%) of all lots subject hereto, in which event the Declaration shall terminate upon the expiration of the initial or renewal term then in effect at the time of the recording of such instrument of termination.

5.02 AMENDMENT TO DECLARATION

This Declaration may be amended at any time and in any respect by recording an instrument to that effect executed as follows:

(a) By the Developer only, so long as the Developer owns three or more of the Lots in the Subdivision;

(b) By the Developer and the Owners of at least two of the lots in the Subdivision not owned by the Developer, so long as the Owners own three or more of the Lots in the Subdivision and the Developer continues to own any lot(s) in the Subdivision; or

(c) By the Owners of at least three of the lots subject to these restrictions following the initial conveyance by Developer of all lots subject to these restrictions.

(d) No amendment may be made without approval of the Village planing that would be contrary to Village Ordinances without approval of the Village. No amendments of 2.13 or 2.16 may be made without permission of the Village's Plan Commission.

5.03 ENFORCEMENT OF DECLARATION

Developer, Village or any one or more Lot Owners, shall have the right to enforce the provisions of this Declaration by proceedings at law and/or in equity to restrain and/or recover damages for any violation or threatened violation of any provision hereof.

5.04 SEVERABILITY

The invalidity or unenforceability of any term, condition or provision of this Declaration for any reason, shall in no way affect the validity or enforceability of any other term, condition or provision hereof, all of which shall remain in full force and effect for the term of this Declaration. No amendments shall be made without approval of the Village Plan Commission.

NOTES:

1. Lots 21 through 30 are located in an isolated natural resource area and the building envelopes and pads are noted. (Reduced rear yard setbacks). To preserve as much isolated natural areas as possible, each lot owner is required to meet with the Village of Merton Building Inspector prior to any tree removal to review the proposed house, patio, well and septic location. Individual site grading plans are required for each lot to determine the extent of the tree removal. Grading and construction on each lot may only begin upon approval of the Building Inspector. The isolated natural resource area was taken from the recommended land use plan for Waukesha County (August 1998) and the tree line shown was surveyed by Jahnke and Jahnke Associates, Inc.

2. Outlots 2 and 3 will be used as pedestrian paths, built with wood chips or other natural material. Outlots 2 and 3 will owned by the Village of Merton.

3. Outlot 2, Outlot 3, and 40' wide pedestrian and landscape easement along CTH "MD" and Ainsworth Road will accommodate the Village of Merton multi-use trail. Utility easements are prohibited in these Outlots and easements. The 40' wide pedestrian and landscape easements are granted to the Village of Merton. The Village of Merton will maintain the asphalt path within the easement, any repairs or construction within the easement is at the direction of the Village of Merton. The individual Lot Owner in which the easement is located is responsible to maintain the lawn area within the easement.

4. No direct vehicular access to Ainsworth Road from Lots 1-8, 38-42 and Outlot 5.

5. No direct vehicular access to CTH "MD" from Lots 9-12, 20 and Outlot 1.

6. Each individual Lot Owner shall have an undividable fractional ownership in Outlots 1, 4, 5 and 6, and Waukesha County shall not be liable for any fees or special assessments in the event they become the Owner of any Lot or Outlot in the subdivision by reason of tax delinquency. Outlots 1, 4, 5, and 6 shall be owned and maintained by the Owners of Lots 1-82 with undivided interest. The

Owners of Lots 1-82 shall maintain said Outlots in an unobstructed condition so as to maintain their intended purpose. Construction of any building, grading or filling in said Outlots is prohibited. The Owners of Lots 1-82 grant the Village and the right (but not the responsibility) to enter upon these Outlots in order to inspect, repair or restore said Outlots to their intended purpose. Expenses incurred by the Village for inspection, repair or restoration of said Outlots may be placed against the tax roll for said Association and collected as a special charge by the Village.

7. Outlots 1, 4, 5 and 6 shall contain storm water management facilities which will be encompassed by storm water easements upon the design and approval of facilities. All drainage and utility easements will be shown on the final plat.

8. The height of plantings, berms, fences, signs or other structures within the vision corner easements is limited to 24 inches above the elevation of the center of the intersection. The Owner of the lot in which easement is located shall be responsible for the maintenance. No vehicular access is permitted over the vision corner easement.

IN WITNESS WHEREOF, I have hereto set my hand and seal this ____ day of February, 2004.

STEP, LLC

By: _____
Member

By: _____
Member

STATE OF WISCONSIN)
) ss
WAUKESHA COUNTY)

Personally came before me this ____ day of _____, 2004, the above named _____, to me known to be the persons who executed the foregoing instrument and acknowledged the same.

Notary Public, State of Wisconsin

My Commission: _____