

**DECLARATION OF  
RECIPROCAL EASEMENT AGREEMENT,  
PROTECTIVE COVENANTS AND RESTRICTIONS  
FOR  
FAIRWAY ESTATES SUBDIVISION**

This Declaration of Reciprocal Easement Agreement, Protective Covenants and Restrictions made this 13<sup>th</sup> day of July, 2007, by Fairway Corp., a Wisconsin corporation (the "Developer").

Whereas the Developer is the owner of real property located in Sheboygan County under the name and plat of: Fairway Estates and more particularly described on Exhibit A attached hereto; and

Whereas the Developer desires to preserve the property for purely residential development, to provide for the preservation and enhancement of the property values, amenities, environment and opportunities in Fairway Estates, to insure the best use of the land and most appropriate ecological development, to grant and reserve the appropriate easements for the residential development, and to prevent the erection of poorly designed and/or constructed improvements;

Now, therefore, to accomplish its above described desires and intentions, the Developer places the following covenants and restrictions and grants and reserves the following easements upon the property.

**ARTICLE I**

**Architectural and Aesthetic Control**

1.1 Architectural and Aesthetic Control Committee. The administration of these Covenants and Restrictions, the authority to grant approvals and to levy stormwater fee assessments hereunder and the discretionary powers granted in this Declaration shall be vested in the Fairway Corp. Board members, until such time as the Fairway Corp. Board members have divested themselves of all 21 lots, then it shall be vested in a 3 person Committee of lot owners. The three person Committee of lot owners shall be elected by vote of the owners of all 21 lots, with one vote cast for each lot. At the initial election, the Committee members shall be elected to designated initial terms of one, two, or three years. Commencing at the annual meeting of lot owners held on or about the first Saturday of May in the year following the initial election, one Committee member shall be elected each year to a three-year term. In the event the lot owners fail to elect a new Committee member, the previous Committee member shall continue in the position. If a vacancy occurs, the two remaining Committee members may either schedule a special election or select a third lot owner to serve on the Committee

1.2 Committee Purpose. The Committee shall have the authority to enforce the

terms and provisions of this Declaration and to regulate the exterior design, appearance, quality of materials used in construction, use, location and maintenance of the Property and of improvements thereon in accordance with the terms and provisions of this Declaration, and in such a manner as to preserve and enhance values and to maintain harmonious relationship among structures and the natural vegetation and topography.

1.3 Committee Approval. No building shall be erected placed or altered (pertaining to external alterations or additions) until the complete plans, including elevations, specifications, and a site plan therefore have been approved by the Committee. In seeking Committee approval, no less than two sets of any complete plans, specifications or site plan shall be submitted. The Committee's approval or disapproval shall be based upon consideration of the quality of materials and harmony of external design with the site and existing structures, and compliance with the provisions of this Declaration. Exterior shall be natural materials, specifically excluding vinyl and aluminum on any elevation. The Committee's approval or disapproval of plans submitted to it shall be in writing. If the Committee fails to approve or disapprove within 40 days any plans submitted to it, they shall be deemed to have been approved, if in compliance with all requirements of this Declaration, including without limitation minimum size, setbacks, and exterior materials.

Except where otherwise provided in this Declaration, majority vote shall be sufficient at any meeting to approve or disapprove of any matter before the Committee.

## ARTICLE II

### Use of Property

2.1 Lot Use. All lots shall be used for residential purposes only, and no lot shall be occupied by more than one single family dwelling unit of not more than 2-1/2 stories and a private garage for residential purpose use, together with all buildings and structures compatible with residential use, e.g. a gazebo. The Committee shall have final authority to determine that any structure is not compatible with single family residential use.

No commercial, retail, wholesale, professional or business activity shall be conducted or carried on from any lot or in any structure in Property as a regular activity.

No trailer, camper, basement, tent, shack, garage or any other type of temporary out-building shall at any time be used as a residence whether temporary or permanent.

Notwithstanding anything to the contrary above, two or more lots may be combined into a single building site and lots may be used for recreational purposes appurtenant to neighboring residences. In the event that two or more lots are combined into a single building site by written notice submitted to the Committee, then the lots shall not subsequently be split. The owner of such combined lots shall have one vote for the combined lots, but shall only pay assessments as if the owner of a single lot.

2.2 Building Location. No dwelling, garage, recreational construction (e.g. pool or tennis court) or other structure shall be built on any lot within 60 feet from any lot line fronting on a public roadway, within 60 feet from any rear lot line, or within 20 feet from any other lot line (except this restriction shall not apply to the common lot lines where two or more adjoining lots are consolidated). The area upon which no dwelling, garage, recreational construction, or structure shall be built shall be known as the setback area. Garage doors may not face the street (except only for corner lots) or may not be placed on the front elevation.

The Committee by unanimous decision may alter the defined setback area if consistent with the basic principles of good site inter-relationship, subject to the requirements of municipal code.

2.3 Restrictions on Further Subdivision. Because the Developer believes the platted size of the lots is essential to maintaining the rural and aesthetic qualities of the property, no lot shall be further subdivided so as to form additional building lots within the platted area of Property. Two or more adjoining lots or a whole lot and portion of an adjoining lot may be consolidated as one lot; provided, however, that the remnant of the adjoining lot shall either also be consolidated with another whole lot or the Developer or Committee, as applicable, must first give unanimous written approval to the change in boundaries confirming the adequacy of the size of the remnant parcel as an entire lot.

2.4 Dwelling Size. No dwelling shall be built or moved onto any lot that does not have a ground floor living area of at least 2,100 square feet in a one story, split level or bi-level structures; or 1,400 square feet or more on the ground floor of a two story structure, with the second story having no less than 1,000 square feet. The square footage referred to herein is exclusive of garages, breezeways, unfinished lower level space, open porches or covered patios. The Committee shall have sole discretion to determine which dwelling size requirement applies to a proposed dwelling and whether those requirements have been met.

2.5 Exterior Materials. Exterior materials allowed are cedar, stone, brick, cement board or other natural materials. Vinyl and aluminum siding of any kind is not allowed on any exterior elevation.

2.6 Accessory Buildings. No more than two accessory buildings may be placed or located on a lot. One storage shed maximum 144 square feet and one garden structure will be allowed per lot. Design, construction and placement of such accessory buildings must be approved by the Committee. No accessory buildings may be constructed until the residential dwelling is constructed on the lot. Accessory buildings must be constructed with the same exterior material as used on the residence.

2.7 Storage. No bus, trailer, boat, fish shanty, snowmobile, unlicensed or

Inoperable vehicle, or untidy material (except during construction of a residence) shall be stored, kept or maintained on any lot other than in the residential dwelling, garage or accessory building; provided, however, that temporary overnight parking upon private driveways only shall be allowed for a licensed operable bus, trailer or boat of a guest or lot owner as long as the total number of days parked does not exceed ten (10) days a year.

2.8 Fences or Windbreaks. No fence, wall, windbreak, hedge or other barrier shall be built or maintained in the subdivision. Chain link fences of any kind are specifically forbidden in any area of the subdivision. Quality landscape design is encouraged while straight tree lines are not.

2.9 Signs. No sign of any kind shall be erected or maintained upon the roadway fronting on any lot or upon any lot within Property other than a sign no larger than 800 square inches, identifying the residential inhabitants of the dwelling on each lot or an advertising sign advertising the property for sale during such time as the lot and dwelling are actually for sale. This restriction shall not apply to Developer until such time as it has divested itself of ownership of the lots of Property.

2.10 Tree Removal. No tree in excess of six (6) inches in diameter of three (3) feet above the ground, that lies within the setback area, shall be removed by any lot owner without prior approval of the Committee.

2.11 Mobile Homes. Mobile homes, whether temporary or permanent and regardless of appurtenances constructed or attached thereto, shall not be permitted on any lot. The Committee shall make the final determination whether a structure is a mobile home and such decision shall be based upon an understanding that a structure that any time was a mobile home shall at all subsequent times be considered a mobile home.

2.12 Noxious Activities and Firearms. No noxious or offensive activity which is or may become a nuisance or which creates unusually loud sounds or noises shall be suffered or permitted on any lot. Use of firearms of any kind is prohibited on any lot or in any structure within the Property. No one may hunt, trap or use firearms of any kind, on the Property. All garbage cans shall be maintained inside a garage or otherwise screened from public view. Each lot Owner shall use his best efforts to enforce this prohibition.

2.13 Animals. No livestock, poultry or animals other than household pets (not to exceed four in number and in any event not kept, bred or maintained for commercial purposes or allowed to annoy or injure neighbors) shall be maintained on any lot. No outside animal kennels or enclosures shall be constructed without the approval of the Committee.

2.14 Exterior Attachments. No solar panels, windmills, or basketball hoops may be attached to any residence.

2.15 Signal Transmission Equipment. No roof mounted TV Antenna, no ham

radio or other tall antennas are allowed and no satellite dish larger than 30" shall be allowed.

2.16 Lights. Each Lot Owner may place a coachlight between their dwelling and the roadway. All exterior lights, including the coachlight, shall be soft and diffused lighting with no clear glass. No security lights or street-type lights shall be permitted on the Property lots.

2.17 Grass. Grass and ground cover shall be planted at the first opportunity. Grass on the Property lot shall be maintained so that it appears neat and well kept in accordance with neighboring properties, except in the rear setback area where controlled natural vegetation and landscaping is encouraged.

2.18 Swimming Pools. Only in-ground swimming pools are permitted on the Property and only with the approval of the Committee.

### ARTICLE III

3.1 Stormwater Management and Maintenance. Certain stormwater management structures, facilities, improvements, and vegetation (together the "stormwater facilities") have been constructed and installed at Fairway Estates as a part of the initial development of the subdivision. Although some of the stormwater facilities have been located upon certain lots as depicted upon the subdivision plat, the stormwater facilities benefit all of the lots. Pursuant to that certain Stormwater Management and Maintenance Agreement by and between the Developer and the Town of Sheboygan relating to Fairway Estates Subdivision (the "Stormwater Agreement"), the stormwater facilities are required to be maintained to control the quality and quantity of the stormwater and to assure that the stormwater facilities operate as designed. The easement granted to the Town of Sheboygan by the Stormwater Agreement for permission to inspect, maintain, and repair the stormwater facilities at the Property is hereby confirmed and is also hereby granted to the Committee and reserved by the Developer. The requirements and obligations of the lot owners under the Stormwater Agreement shall be administered by the Developer until all lots have been sold, and then by the Committee, consistent with the provisions of Section 1.1, including without limitation any requirements for inspection, reporting, maintenance, and repairs, subject to the obligation of the lot owners for the reimbursement of the expenses incurred by the Developer or the Committee, as applicable, relating to the inspection, reporting, maintenance, and repairs of the stormwater facilities or fees properly charged by the Town of Sheboygan under the Stormwater Agreement.

3.2 Stormwater Fees. Any required reimbursement of the stormwater management expenses of the Developer or the Committee and payment of Town fees under the Stormwater Agreement (together the "stormwater fees") shall be allocated to all lot owners on an equal pro-rata per lot basis. The Developer or the Committee, as applicable, shall make assessments against the lots for such stormwater fees. No lot

owner may exempt himself or his lot from liability for his contribution toward the stormwater fees by waiver of the use or enjoyment of the stormwater facilities or by abandonment of his lot; and no conveyance shall relieve a lot owner-grantor or his lot of such liability, and all lot owners shall be jointly, severally, and personally liable along with his grantee in any such conveyance for the stormwater fees incurred up to the date of sale, until all expenses charged to his lot have been paid. Assessments may be made and estimated at the beginning of each calendar year to meet estimated stormwater fees for the ensuing year and shall be due within thirty (30) days. The Developer or the Committee, as applicable, shall have the right to provide additional interim invoices if the annual assessments are insufficient to pay the stormwater fees. All assessments, when due, shall immediately become a personal debt of the lot owner and also a lien, until paid, against the lot to which charged, consistent with the lien right protection provided for home owners association assessments or condominium assessments under the Wisconsin Statutes. If not paid by the date due, the assessment shall include such interest as the Committee may impose, the costs of collection, and actual attorney fees, and shall constitute a lien on the lot. Attachment, filing, effectiveness, priority, and enforcement of the lien shall be as provided in the Wisconsin Statutes. Each Owner, by acceptance of a deed or other conveyance, whether or not it shall be so expressed in any such deed or conveyance, shall be deemed to have covenanted and agreed to pay the stormwater fees as required by this section.

#### ARTICLE IV

##### General Provisions

- 4.1 Incinerator. Outside incinerators are not permitted on any lot.
- 4.2 Underground Utilities Service. All utility service, including but not limited to electric, gas, telephone and propane tanks, shall be underground.
- 4.3 Off-Street Parking. No dwelling shall be built on any lot without provision for off-street parking for a minimum of two cars, exclusive of garage parking.
- 4.4 Construction Timing. Residential dwelling construction must be completed within eighteen (18) months of the issuance of a building permit.
- 4.5 Duration. The covenants and restrictions of this Declaration shall run with and bind the land and shall be binding on all parties and owners of such lands and any parties holding under them for a period of forty (40) years from the date this Declaration is recorded. This Declaration shall automatically renew for an additional 40 year period unless seventy-five (75%) percent of the lot owners sign and record a statement of termination.
- 4.6 Severability. Invalidation of any one of these covenants or restrictions by judgment, court order or change of law shall in no way affect any other provisions which shall remain in full force and effect.

4.7 Amendment. This Declaration may be amended at any time by a written instrument, executed so as to be recordable by Owners of not less than 75% of the lots subject to this Declaration.

4.8 Acceptance and Cost of Enforcement. Each Owner, by accepting an interest in any Property lot, hereby and thereby agrees to be bound by all the conditions, limitations, reservations and restrictions contained herein, and in the event of a breach agrees to pay all costs, including reasonable attorney fees, for the enforcement of these covenants and restrictions.

4.9 Notice. Wherever under this Declaration one party is required or permitted to give notice to another, such notice shall be deemed given when delivered in hand or when mailed by first class United States mail, postage prepaid, and addressed to the addressee at his notice address. The notice address for lot Owners shall be the one given to the Committee and, if no address has been given to the Committee, the notice address will be at the street address of the lot after construction of the residence and the address on file with the assessor's office prior to construction.

4.10 Release of Developer. All lot Owners hereby release the Developer and the Committee members from any liability for any loss or damage of any kind or for any injury to or death of persons or damage to property of lot Owner or any other person from any cause whatsoever by reason of the construction, use, occupancy or enjoyment of the Property lot or any buildings, structures, or improvements on the Property lot by lot Owner, his family, guests, invitees, servants, tenants, or agents. Lot Owner agrees to, and hereby does, defend, indemnify and save harmless the Developer and the Committee members from all claims, actions, demands, damages, costs and expenses and liability whatsoever, including reasonable attorneys' fees, on account of any such real or claimed loss or damage or liability, and from all claims and demands occurring in, or at the Property lot, or any buildings, structures or improvements on the Property lot or the use or enjoyment of the Commons.

## ARTICLE V EASEMENTS

5.1 Right of Way and Access Easement. The lot owners and Developer, grant to each other, and to their respective representatives, heirs, successors, assigns, tenants, occupants, and invitees or permittees of the buildings or land located within the Property, and with respect to Developer reserve, a nonexclusive easement over and upon those portions of the Property which from time to time are developed, constructed or maintained as roadways, walkways, and paths (together the "Access Areas"), for the purposes of pedestrian and vehicular ingress, egress, passage and traffic in, upon, over, across and through the Property, and providing access to, from and between a lot and the public roads, streets, and highways located adjacent to the Property (together the "Access

Easement"). The rights under the Access Easement and this paragraph shall at all times be fully in compliance with this Declaration.

**5.2 Utility Easements.** The lot owners and Developer grant to each other, and to their respective representatives, heirs, successors, assigns, tenants, occupants, and invitees or permittees of the buildings or land located within the Property, and with respect to Developer reserve, a nonexclusive easement over, across, and upon (1) the Access Areas, (2) any easement areas designated upon the Subdivision Plat, and (3) such other required portions of the Property reasonably approved by the Developer or the Committee, as applicable, if reasonable, necessary, and if no reasonable alternative is available (together the "Utility Easement"), all for the purposes of the installation, repair, maintenance, alteration, operation, removal, and replacement of utilities and other proper services necessary for the orderly development and operation of the Property, including without limitation any of the following which are in the future located at the Property: (a) stormwater management ditches, drains, pools, inlets, culverts, sewers, and other stormwater retention, management, or control devices, (b) sanitary sewers, mains, and laterals, (c) wells, common wells, pumps, water mains, pipes, laterals and hydrants, (d) fire loops and hydrants, (e) electrical and gas lines, wires and appurtenances, (f) telephone, cable, internet, master antenna, and other forms of signal transmission lines and appurtenances, (g) utility controls, switches and meters, and (h) any equipment, machinery, fixtures, and improvements which are used or to be used to deliver utility services, including without limitation any connections to common utility services (together the "Utilities").

Developer and the Committee are also granted, and with respect to Developer reserve, and hereby grant to their respective representatives, successors, and assigns, a nonexclusive easement over, across, and upon the Utility Easement for the purposes of the installation, repair, maintenance, alteration, operation, removal, and replacement of any Utilities, any utility services provided to or available for more than one lot owner.

To the extent reasonably possible, all Utilities shall be installed and located so that they do not unduly infringe on any buildable area on any Lot. Each lot owner hereby grants, bargains, sells, conveys and confirms to the other lot owners and to Developer, and to each of their successors, assigns, licensees, and to the applicable public utility companies, for the use and benefit of the Property, nonexclusive easements for the installation, repair, maintenance, alteration, operation, removal, and replacement of Utilities across, under, upon and over the lots within Property at such place or places as may be mutually agreed by the owners of the affected lots. All costs incurred in connection with such extension of the Utilities or the cost of connection charged by the applicable public utility company shall be borne exclusively by the party seeking such extension or connection, including, without limitation, all costs of restoring the surface of the lot of any other party.

**5.3 Developer's Easement.** Developer reserves a perpetual and non-exclusive easement for itself and its duly authorized agents, representatives, contractors, and employees, on, over, and upon the Access Easement and the Utility Easement for



construction, development, renovation and expansion on the Property, for related purposes including, but not limited to: storing, installing, utilizing or operating tools, machinery, equipment, building materials, supplies, and fixtures; maintaining and correcting drainage of surface or storm water; cutting any trees, bushes, or shrubbery; grading the soil; constructing roads, paths, drives; constructing and installing Utilities; or taking any other action reasonably necessary. In the event Developer exercises its rights under this Section after completion of the installation of all initial improvements, final grading, and landscaping, Developer shall upon completion of the construction, promptly restore the affected property. Each lot owner hereby acknowledges and accepts that the activities of Developer may temporarily impair the view and cause inconveniences to the lot owners, including, but not limited to noise, dust, debris, temporary access, storage of construction equipment and materials, and impair the use of Property. Developer reserves the right to: use any lots owned by Developer as a model or temporary management office or sales office, and relocate the same from time to time within the Property; maintain on the Property such advertising and sales-related signs as may comply with applicable governmental regulations, which may be placed in any location on the Property and may be relocated or removed, all at the sole discretion of Developer; provided, however that this right and easement shall only continue until Developer has sold all of the lots.

## ARTICLE VI ENFORCEMENT

6.1 Default. A lot owner will not be in default under this Declaration unless such Lot Owner shall have been sent a written notice specifying the default, and shall fail to cure such default within twenty (20) days after the date of such notice; provided, however, that with respect to regularly occurring obligations, notice shall only be required to be given one (1) time in a calendar year. In the event the default is such that it can not be cured within twenty (20) days, then the lot owner shall not be in default unless the lot owner fails to commence to cure the default within twenty (20) days or thereafter fails to proceed diligently to complete the cure of such default.

6.2 Damages. The Developer or Committee, as applicable, or any lot owner shall have the right to enforce, by any proceeding at law or in equity, all covenants and restrictions now or hereafter imposed by this Declaration. Such action may be either to restrain violation or to recover damages. As to many of the restrictions, it would be impossible to measure the monetary loss suffered by violation so that equitable or injunctive relief may be the only remedy. In the event that the monetary loss suffered by violation can not be measured, instead of or in addition to the pursuit of injunctive relief, the Developer or the Committee, as applicable, shall have the right to indicate within the default notice that it will collect damages equal to up to \$100.00/day for each day the violation continues until the injunctive relief is granted. Any damages recovered shall be equitably distributed to the non-violating lot owners, based upon the harm caused to or loss suffered by each such lot owner. Each lot owner, by accepting an interest in any lot, agrees to be bound by all the conditions, limitations, reservations, and restrictions contained in this Declaration.

6.3 Self Help. In the event a defaulting lot owner shall fail or refuse, for any reason, to cure or to begin to cure the default, as required in Section 6.1, the Developer or Committee, as applicable, shall have the right, at its option, to correct the default at the cost and expense of the

defaulting lot owner. The defaulting lot owner shall immediately reimburse all costs incurred in the correction of the default upon receipt of an itemized invoice, together with interest at the rate of twelve (12%) percent per annum from the date of demand for payment and ten (10%) percent for administrative expenses, together with damages described in Section 6.2 and all costs and attorneys fees incurred in enforcing the Declaration and collecting the amounts owed pursuant to this paragraph.

6.4 Attorney Fees. In the event of a breach of the Declaration, each lot owner, by accepting an interest in any lot, agrees to pay all costs, losses and damages, including actual attorneys fees, for the enforcement of these covenants and restrictions.

IN WITNESS WHEREOF, Developer, by its duly authorized officers, has executed this Declaration.

FAIRWAY CORP.

Date July 13, 2007


By

  
Richard J. Brantmeier, President

Drafted by:  
Peter R. Mayer  
Rohde Dales LLP

STATE OF WISCONSIN     )  
                                      )     ss.  
COUNTY OF SHEBOYGAN    )

Subscribed and sworn to before me  
this 13th day of July, 2007, the above  
named Richard J. Brantmeier, to me known  
to be the person who executed said  
document and acknowledge the same.

  
John P. Rohde, Notary Public  
Commission expires 10/7/2007