

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR QUAIL RUN FARM - PHASE I
OSHKOSH, WISCONSIN

Quail Run Farm - Pheasant Creek Farm Limited Partnership, a Wisconsin Limited Partnership, hereinafter called "Developer" is the owner in fee simple of certain real property located in Winnebago County, Wisconsin, known by official plat designation of Quail Run Farm - Phase I, pursuant to a Plat recorded in Plat Book File Number 2, Page 103 as Document Number 775402 of the Public Records of Winnebago County, Wisconsin.

For the purpose of enhancing and protecting the value, attractiveness and desirability of the lots or tracts constituting such subdivision, Developer hereby declares that all of the real property described above and each part thereof, shall be held, sold and conveyed subject to the following easements, covenants, conditions and restrictions, which shall constitute covenants running with the land and shall be binding on all parties having any right, title or interest in the above described property or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I

DEFINITIONS

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

Section 1. "Association" shall mean and refer to QUAIL RUN FARM HOMEOWNERS ASSOCIATION, INC., a Wisconsin corporation not for profit.

Section 2. "Common Area" shall mean all real and/or personal property which the Association and/or the Developer owns for the non-exclusive common use and enjoyment of the owners of lots shown on the recorded subdivision plat of Quail Run Farm - Phase I. The common areas to be conveyed by Developer to and to be owned and maintained by the Association for the common use and enjoyment of the owners of lots in Quail Run Farm - Phase I.

Section 3. "Developer" shall mean Quail Run Farm - Pheasant Creek Farm Limited Partnership, a Wisconsin limited partnership, its successors and assigns, if any such successor or assignee acquires the undeveloped portion of Quail Run Farm - Phase I from the Developer for the purpose of development.

Section 4. "Lot" shall mean and refer to any lot or other tract in Quail Run - Phase I, together with any and all improvements thereon shown on the recorded Plat of Quail Run Farm - Phase I, referred to above, on which a residential structure could be constructed, whether or not one has been constructed.

Section 5. "Maintenance" shall mean the exercise of reasonable care to keep the common area, including but not limited to signs, fences, roads, easements of ingress and egress, drainage easements, water retention easements, utility easements, parks, landscaping, lighting and other related improvements and fixtures in a condition comparable to their original condition.

Section 6. "Owner" shall mean the record owner, whether one or more persons or entities, of the fee simple title to any lot which is a part of the subdivision, including the Developer, and including contract sellers, but not including contract purchaser.

Section 7. "Member" shall mean every person or entity holding membership in the Association.

Section 8. "Quail Run Farm - Phase I" shall mean and refer to all such existing properties, and additional thereto, as are subject to this Declaration and any supplemental Declaration, or Declarations, under the provisions of Article II hereof, and shall include the real property described in said ARTICLE II, Section 1.

ARTICLE II

PROPERTY SUBJECT TO THIS DECLARATION; ADDITIONS THERE TO, DELETIONS THEREFROM

Section 1. Legal Description. The real property which is and shall be held, transferred, sold, conveyed and occupied, subject to this Declaration, is located in Winnebago County, Wisconsin and comprises all of the lots, tracts and easements shown and/or platted within or upon the property legally described as follows:

Quail Run Farm - Phase I, according to the Plat thereof, as recorded in Plat Book File Number 2, page 103 as Document Number 774502, of the Public Records of Winnebago County, Wisconsin.

Section 2. Platting and Subdivision Restrictions. The Developer shall be entitled at any time and from time to time, to plat and/or replat all or any part of the property, and to file subdivision restrictions and/or amendments thereto with respect to any undeveloped portion or portions of, or additions to, Quail Run Farm - Phase I.

Section 3. Additional Land. Developer may, but shall have no obligation to, add at any time or from time to time to the scheme of this Declaration Additional Lands, provided only that (a) any portion(s) of the Additional Land from time to time added to the scheme of this Declaration, (b) any portion(s) of such Additional Land shall, at the time of addition to the scheme of this Declaration, be platted as single family residential lots, (c) said plat of the Additional Land shall dedicate, or commit to dedicate, to the Association the Common Areas of said plat of the Additional Land, and (d) upon addition of the Additional Land to the scheme of this Declaration, the owners of the property therein shall be and become subject to this Declaration, and shall have all privileges and obligations set forth in this Declaration, including assessment by the Association for their prorata share of Association expenses. The addition at any time or from time to time of all or any portion(s) of the Additional Land to the scheme of this Declaration shall be made and evidenced by filing in the Public Records of Winnebago County, Wisconsin, a supplementary Declaration with respect to that portion of the additional Land to be added. Developer reserves the right to so amend and supplement this Declaration without the consent or joinder of the Association or of any owner and/or mortgagee of land in Quail Run Farm - Phase I.

ARTICLE III

PROPERTY RIGHTS

Section 1. Title to Common Areas. Developer may retain the legal title to the Common Area so long as it owns at least one lot in Quail Run Farm - Phase I. On or before conveyance by Developer of the last lot which Developer owns in Quail Run Farm - Phase I, Developer shall convey the Common Areas to the Association subject to taxes for the year of conveyance and to restrictions, conditions, limitations, reservations and easements of record.

Section 2. Owners' Easements of Enjoyment. Every owner of a lot shall have a non-exclusive common right and easement of enjoyment and ingress and egress in and to the Common Areas which shall be appurtenant to and shall pass with the title to such lot, subject to the following:

A. The right of the Association to take such steps as reasonably necessary to protect the above-described properties against foreclosures;

B. All provisions of this Declaration, any Plat of all or any part or parts of the property, and the Articles and By-Laws of the Association;

C. Rules and Regulations governing the use and enjoyment of the Common Areas adopted by the Association;

D. Restrictions contained on any and all Plats of all or any part of the Common Area or filed separately with respect to all or any part of parts of the property; and

F. Easements for installation and maintenance of utilities and drainage facilities as shown on the recorded Plat of Quail Run Farm - Phase I, Plat Book File Number 2, at Page 103, as Document Number 774500, of the Public Records of Winnebago County, Wisconsin. Within these easements, no structure, planting or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities, or which may damage, interfere with, or change the direction of flow of drainage facilities in the easements. The easement areas shown on each lot and all improvements thereon shall be continuously maintained by the owner of such lot, except for improvements for maintenance of which a public authority or utility company is responsible. No dwelling unit or other structure of any kind shall be built or erected or maintained on any such easement, reservation or right of way, and such easements, reservations and rights of way shall at all times be open and accessible to public and quasi-public utility corporations, their employees and contractors, and shall also be open and accessible to Developer, its successors and assigns, all of whom shall have the right and privilege of doing whatever may be necessary in, on, under, and above such locations to carry out any of the purposes for which such easements, reservations and rights of way are reserved.

Section 3. Right of Entry. The Developer and the Association, through their duly authorized employees and contractors, shall have the right after reasonable notice to the owner thereof, to enter any lot or Tract at any reasonable hour on any day to perform such maintenance as may be authorized herein.

Section 4. No Partition. There shall be no judicial partition of the Common Areas, nor shall Developer, or any Owner or any other person acquiring

any interest in the subdivision, or any part thereof, seek judicial partition thereof. However, nothing contained herein shall be construed to prevent judicial partition of any lot owned in co-tenancy.

ARTICLE IV

MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

Section 1. Membership. Every person or entity who is a record fee simple owner of a lot, including the Developer, at all times so long as it owns all or any part of the property subject to this Declaration, shall be a member of the Association provided that any such person or entity who holds such interest only as security for the performance of an obligation shall not be a member. Membership shall be appurtenant to, and may not be separated from ownership of any lot which is subject to assessment.

Section 2. Classes and Voting. The Association shall have such classes of membership, which classes shall have such voting rights, as are set forth in the Articles of Association.

ARTICLE V

COVENANTS AND MAINTENANCE ASSESSMENTS

Section 1. Creation of Lien and Personal Obligation of Assessment. The Developer, for each lot owned by it within, Quail Run Farm - Phase I, hereby covenants and each Owner of any lot (by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other conveyance) including any purchaser at a judicial sale, shall hereafter be deemed to covenant and agree to pay to the Association any annual assessments or charges, and any special assessments for capital improvements or major repair, such assessments to be fixed, established and collected from time to time as hereinafter provided. All such assessments, together with interest thereon from the due date at the rate of twelve (12%) percent per annum, and costs of collection thereof (including reasonable attorneys' fees), shall be a charge on the land and shall be a continuing lien upon the lot(s) against which each such assessment is made, and shall also be the personal obligation of the Owner. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Areas or by abandonment, or otherwise.

Section 2. Purpose of Assessment. The annual and special assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety and welfare of the residents in the subdivision, including but not limited to the following:

- A. Improvement, maintenance and repair of the Common Areas;
- B. Water, sewer, garbage, electrical lighting, telephone, gas and other necessary utility services for the Common Areas;
- C. Maintenance and repair of all storm drains, sanitary sewers, parks, private roads, and easements shown on the Quail Run Farm - Phase I, Plat Book File Number 2, at Page 103 as Document Number 774500, of the Public Records of Winnebago County, Wisconsin.

D. Maintenance and repair of drainage easements and water retention easements.

E. Fire insurance covering the full insurable replacement value of the Common Areas with extended coverage;

F. Liability insurance insuring the Association against any and all liability to the public, to any Owner, or to the invitees, or tenants of any Owner arising out of their occupation and/or use of the Common Area. The policy limits shall be set by the Association, and shall be reviewed at least annually and increased or decreased in the discretion of the Association;

G. Workmen's compensation insurance to the extent necessary to comply with the Wisconsin Statutes, and any other insurance deemed necessary by the Board of Directors of the Association;

H. Acquisition and furnishings and equipment for the Common Area as may be determined by the Association, including without limitation, all equipment, furnishings, and personnel necessary or proper for use of the Common Areas.

I. Any other materials, supplies, equipment, labor, management, supervision, services, personnel, repairs, structural alterations, insurance, taxes, or assessments which the Association is required to secure or pay pursuant to the terms of this Declaration, or by law, or which shall be necessary or proper in the opinion of the Board of Directors of the Association for the operation of the Common Areas, for the benefit of the lot owners, or for the enforcement of these restrictions.

Section 3. Maximum Annual Assessments. Except as hereinafter provided, the annual assessment, excluding any special assessment for capital improvements or major repairs, shall in no event exceed \$200 per lot, per annum. The maximum annual assessments may increase at a rate equal to 4% per annum. The Board of Directors of the Association (the Board) shall fix the assessments, which shall be in amounts determined in accordance with the projected financial needs of the Association as to which the decision of the Board of the Association shall be dispositive. By the vote of two-thirds (2/3) of the members of the Board, the maximum amounts of the assessments may be increased or decreased from the amount hereinabove set forth.

Section 4. Uniform Rate of Assessment. All regular and special assessments shall be at a uniform rate for each lot in Quail Run Farm - Phase I.

Section 5. Special Assessments for Capital Improvements and Major Repairs. In addition to the annual assessment, the Association may levy in any assessment year a special assessment applicable to that year only, for the purpose of defraying in whole or in part the cost of any construction, re-construction, unexpected repair or replacement of a capital improvement as approved by the Board of Directors of the Association, including the necessary fixtures and personal property related thereto, provided that any such assessment shall have the approval of two-thirds (2/3) of the members who are voting in person or by proxy at a meeting duly called for this purpose, written notice of which shall be sent to all members at least thirty (30) days in advance, and shall set forth the purpose of the meeting.

Section 6. Date of Commencement of Annual Assessments: Due Date. The assessments for which provision is herein made shall commence on the first day of the month, or as fixed by the Board of Directors of the Association to be the date of commencement. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The due date of any assessment shall be fixed in the resolution authorizing such assessment and any such assessment shall be payable in advance in monthly, quarterly, semi-annual, or annual installments, as determined by the Board.

Section 7. Duties of the Board of Directors. The Board of Directors of the Association shall fix the date of commencement and the amount of the assessment against each lot for each assessment, at least thirty (30) days in advance of such date or period and shall, at that time, prepare a roster of the lots and assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by the Owner. Written notice of the assessment shall be sent to every Owner subject thereto not later than fourteen (14) days after fixing the date of commencement thereof. The Association shall, on demand, and for a reasonable charge, furnish to any Owner liable for said assessment a certificate in writing signed by an officer of the Association, setting forth whether said assessment has been paid. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid.

Section 8. Effect of Non-Payment of Assessment: The Lien, Personal, Obligation, Remedies of Association. If any assessment is not paid on the date when due, such assessment shall then become delinquent and shall, together with interest thereon, and the cost of collection thereof, become a continuing lien on the lot(s) against which such assessment is made that shall bind such lot(s) in the hands of the Owner(s), his heirs, devisees, personal representatives and assigns, and shall also be a continuing personal obligation of the Owner(s) against whom the assessment is levied.

If the assessment is not paid within thirty (30) days after the delinquency date, which shall be set by the Board, the assessment shall bear interest from the date of delinquency at the rate of twelve (12%) percent per annum, and the Association may, at any time thereafter, bring an action to foreclose the lien against the lot(s) in like manner as a foreclosure of a mortgage on real property and/or a suit on the personal obligation against the Owner(s) and there shall be added to amount of such assessment the cost of any such action (including a reasonable attorney's fee), and in the event a judgment is obtained, such judgment shall include interest on the assessment as above provided and a reasonable attorney's fee to be fixed by the Court, together with the costs of the action.

Section 9. Subordination to Lien of Mortgages. The lien of the assessment for which provision is herein made as well as in any other Article of this Declaration shall be subordinate to the lien of any first or second mortgage to a bank, life insurance company, Federal or State savings and loan association, real estate investment trust or individual. Such subordination shall apply only to the assessments which have become due and payable prior to a sale or transfer of such lot pursuant to a decree of foreclosure, and in any other proceeding in lieu of foreclosure of such mortgage. No such sale or transfer or proceeding in lieu of foreclosure shall relieve any lot(s) from liability for any assessments thereafter becoming due, nor from the lien of any subsequent assessment. The

written opinion of either the Developer or the Association that the lien is subordinate to a mortgage shall be dispositive of any question of subordination.

ARTICLE VI

EXTERIOR MAINTENANCE ASSESSMENT

Section 1. In addition to the maintenance upon the Common Areas, the Association may provide upon any lot requiring same, when necessary in the opinion of the Board to preserve the beauty, quality and value of the neighborhood, maintenance, including paint, repair, or repair and replacement, gutters, downspouts, exterior building surfaces and yard clean-up and/or maintenance; provided, however, that ten (10) days written notice must first be given to the Owner of any such lot(s) of the need of such clean-up and/or maintenance.

Section 2. Assessment of Cost. The cost of such maintenance shall be assessed against the lot(s) upon which such maintenance is performed, or, in the opinion of the Board of Directors of the Association, benefiting from sale. The assessment shall be apportioned among the lots involved in the manner determined to be appropriate by the Board. If no allocation is made, the assessment shall be uniformly assessed against all of the lots in the affected area. The exterior maintenance assessments shall not be considered a part of the annual or special assessments. Any exterior maintenance assessment shall be a lien on the lot(s) and the personal obligation of the Owner and shall become due and payable in all respects, together with interest, reasonable attorney's fees, and cost of collection, as provided for the other assessments of the Association and shall be subordinate to mortgage liens as provided by Section 9, of ARTICLE V, above.

Section 3. Access at Reasonable Hours. For the purpose of performing the maintenance authorized by this Article, the Association, through its duly authorized agents or employees, shall have the right, after reasonable notice to the Owner, to enter upon any lot(s) or the exterior of any improvements thereon at reasonable hours any day except Sunday.

ARTICLE VII

ARCHITECTURAL CONTROL--TO PRESERVE THE BEAUTY, QUALITY AND VALUE OF THE NEIGHBORHOOD

Section 1. Necessity of Architectural Review and Approval. No improvement or structure of any kind, including, without limitation, any building, fence, wall, swimming pool, tennis court, screen enclosure, sewer, drain, disposal system, decorative building, landscape device or object, or other improvement shall be commenced, erected, placed or maintained upon any lot, nor shall any addition, change or alteration therein or thereof be made, unless and until the plans, specifications and location of the same shall have been submitted to, and approved in writing by the Association. All plans and specifications shall be evaluated as to harmony of external design and location in relation to surrounding structures and topography and as to conformance with the Architectural Planning Criteria of the Association, a copy of which is attached hereto as Exhibit C, as the same may from time to time be amended by the Association.

Section 2. Architectural Review Board. The architectural review and control functions of the Association shall be administered and performed by the

Architectural Review Board (the ARB), which shall consist of three (3) members, who need not be members of the Association. The Developer shall have the right to appoint all of the members of the ARB, or such lesser number as it may choose, as long as it owns at least one lot in Quail Run Farm - Phase I. Members of the ARB as to whom the Developer may relinquish the right to appoint, and all members of the ARB after Developer no longer owns at least one lot in Quail Run Farm - Phase I, shall be appointed by, and shall serve at the pleasure of, the Board of Directors of the Association. At any time that the Board of Directors has the right to appoint one or more members of the ARB, the Board shall appoint at least (1) architect or building contractor thereto. A majority of the ARB shall constitute a quorum to transact business at any meeting of the ARB, and the action of a majority present at a meeting at which a quorum is present shall constitute the action of the ARB. Any vacancy occurring on the ARB because of death, resignation, or other termination of service of any member thereof, shall be filled by the Board of Directors; except that Developer, to the exclusion of the Board, shall fill any vacancy created by death, resignation, removal or other termination of services of any member of the ARB appointed by Developer.

Section 3. Powers and Duties of the ARB. The ARB shall have the following powers and duties:

A. To recommend, from time to time, to the Board of Directors of the Association modifications and/or amendments to the Architectural Planning Criteria. Any modification or amendment to the Architectural Planning Criteria shall be consistent with the provisions of this Declaration, and shall not be effective until adopted by a majority of the members of the Board of Directors of the Association at a meeting duly called and noticed and at which a quorum is present and voting. Notice of any modification or amendment to the Architectural Planning Criteria, including a verbatim copy of such change or modification, shall be delivered to each member of the Association; provided that, the delivery to each member of the Association of notice and a copy of any modification or amendment to the Architectural Planning Criteria shall not constitute a condition precedent to the effectiveness or validity of such change or modification.

B. To require submission to the ARB of two (2) complete sets of all plans and specifications for any improvement or structure of any kind, including, without limitation, any building, fence, swimming pool, tennis court, enclosure, sewer, drain, disposal system, decorative building, landscape device or object, or other improvement, the construction or placement of which is proposed upon any lot in Quail Run Farm - Phase I. The ARB may also require submission of samples of building materials proposed for use on any lot, and may require such additional information as may necessary for the Board to completely evaluate the proposed structure or improvements in accordance with this Declaration and the Architectural Planning Criteria.

C. To approve or disapprove any improvement or structure of any kind, including without limitation, any building, fence, wall, swimming pool, tennis court, screen enclosure, sewer, drain, disposal system, decorative building, landscape device or object, or other improvement or change or modification thereto, the construction, erection, performance or placement of which is proposed upon any lot in Quail Run Farm - Phase I, and to approve or disapprove any exterior additions, changes, modification or alterations therein or thereon.

All decisions of the ARB shall be submitted in writing to the Board of Directors of the Association, and evidence thereof may be made by a certificate, in recordable form, executed under seal by the President or any Vice-President of the Association. Any party aggrieved by a decision of the ARB shall have the right to make a written request to the Board of Directors of the Association, within thirty (30) days of such decision, for a review thereof. The determination of the Board upon reviewing any such decision shall in all events be dispositive.

D. To adopt a schedule of reasonable fees for processing requests for ARB approval of proposed improvements. Such fees, if any, shall be payable to the Association, in cash, at the time that plans and specification are submitted to the ARB.

ARTICLE VIII

USE RESTRICTIONS

Section 1. Residential use. The property subject to these covenants and restrictions may be used for single family residential living units and for no other purpose. No business may be conducted on any part thereof. No building or other improvement shall be erected upon any lot without prior ARB approval thereof as elsewhere herein provided. No lot shall be divided, subdivided or reduced in size unless each divided or subdivided portion thereof is consolidated with one or more contiguous lots under one ownership. In the event of the division or subdivision of any lot(s) as aforesaid, the obligation for Association expenses attributable to the divided or subdivided lot(s) shall be and become proportionately attributable and chargeable to the contiguous lot(s), and the Owner(s) thereof, to and with which all or portions of the divided or subdivided lot(s) become consolidated. In the event that one or more lots are developed as a unit, the provisions of these covenants and restrictions with the exception of assessments shall apply thereto as a single lot. No dwelling or other structure or improvement shall be erected, altered, placed or permitted to remain on any site not including at least one (1) full platted lot according to the recorded Plat of Quail Run Farm - Phase I.

Section 2. No Temporary Building. No tents, trailers, vans, shacks, tanks or temporary or accessory buildings or structures shall be erected or permitted to remain on any lot or Common Area without the written consent of the Developer, or of the Association after Developer has conveyed, the last lot which Developer owns in Quail Run Farm - Phase I.

Section 3. Antennae. No aerial or antenna shall be placed or erected upon any lot, or affixed in any manner to the exterior of any building in Quail Run, Phase I.

Section 4. Boats and Motor Vehicles. No boats, recreational vehicles or other motor vehicles, except four-wheel passenger automobiles, shall be placed, parked or stored upon any lot or Common Area, nor shall any maintenance or repair be performed upon any boat or motor vehicle upon any lot, except within a building where totally isolated from public view.

Section 5. Trees. No tree or shrub, the trunk of which exceeds two (2) inches in diameter, shall be cut down or otherwise destroyed without the prior express written consent of the ARB.

Section 6. Artificial Vegetation. No artificial grass, plants or other artificial vegetation shall be placed or maintained upon the exterior portion of any lot, unless approved by the ARB.

Section 7. Automobile Storage Areas. No automobile garage shall be permanently enclosed or converted to other use without the substitution of another enclosed automobile storage area upon the lot. No carports shall be permitted unless approved by the ARB and all garages shall be at least adequate to house two (2) standard size American automobiles. All garages must have doors that are to be maintained in useable condition. All garage entrances shall face an angle greater than 70° from the principle entrance to the dwelling.

Section 8. Clothes Drying Area. No portion of any lot or Common Area shall be used as a drying or hanging area for laundry of any kind, it being the intention hereof that all such facilities shall be provided within the building to be constructed on a lot.

Section 9. Landscaping. A landscaping plan for each home must be submitted to and approved by the ARB. Sodding will be required on all front and side yards. Seeding and/or sprigging shall be permitted in the rear yards. On corner lots, sodding will be required on the front and sides.

Section 10. Animals. No animals, livestock, or poultry of any kind shall be raised bred, or kept on any lot or on the Common Areas. However, dogs, cats and other common household pets may be kept on lots subject to such rules and regulations as may be adopted by the Association, so long as they are not kept, bred, or maintained for commercial purposes. No animals shall be allowed to run loose at any time.

Section 11. Rubbish, Trash and Garbage. No rubbish, trash, garbage or other waste materials shall be kept or permitted on any lot or on any Common Area, except in sanitary containers located in appropriate areas concealed from public view.

Section 12. Fences, Hedges and Walls. No fence, hedge, wall or other dividing instrumentality over two (2) feet high in height, measured from the ground on which it stands, shall be constructed or maintained on any lot unless approved by the ARB.

Section 13. Nuisances. Nothing shall be done or maintained on any lot or on the Common Areas which may be or become a nuisance to the neighborhood. In the event of a dispute or question as to what may be or become a nuisance, such dispute or question shall be submitted to the Board of Directors, which shall render a decision in writing, which decision shall be dispositive of such dispute or question.

Section 14. Signs. No sign of any kind shall be displayed to public view on any lot or any Common Area, except for the following:

A. The Developer, or the sales agent for the Developer, may place one professional sign on any lot or lots advertising the lot or lots for sale.

B. Homeowners may place one professional sign, not to exceed six square feet in size on their homesite advertising the homesite for sale or rent.

The design of all signs shall be subject to approval by the ARB.

Section 15. Common Areas. Nothing shall be altered, constructed on or removed from, any of the Common Areas except upon the written consent of the Association.

Section 16. Miscellaneous. No weeds, underbrush or other unsightly growths shall be permitted to grow or remain upon any lot or any Common Area, and no refuse pile or unsightly objects shall be allowed to be placed or suffered to remain anywhere thereon; and in the event that any Owner shall fail or refuse to keep his lot free of weeds, underbrush or refuse piles, or other unsightly growths or objects, then the Association may enter upon said lot and remove the same at the expense of the Owner, and such entry shall not be deemed a trespass.

Section 17. Necessary Exceptions for Development. Developer, or the transferees of Developer, shall undertake the work of developing all lots included within the subdivision. The completion of that work and the sale, rent or other disposition of residential units is essential to the establishment and welfare of the subdivision as an on-going residential community. In order that such work may be completed and the subdivision established as a fully-occupied residential community as soon as possible, nothing in this Declaration shall be understood or construed to prevent the Developer, Developer's transferees, or the employees, contractors or sub-contractors of Developer, or of Developer's transferees, from doing whatever they may determine to be reasonably necessary or advisable for the completion of the work and the establishment of the subdivision as a residential community, and the disposition of lots by sale, lease or otherwise. Owner, upon commencement of construction of any residence, dwelling unit or other structure, which is not prohibited by the restrictions of record, shall pursue the performance of any construction diligently and continuously until completion of the structure involved. As used in this Section, the words, "its transferees" specifically exclude purchasers of lots improved with completed residences.

ARTICLE IX

TRANSFER OF UNIMPROVED LOTS

Section 1. Developer's Right of First Refusal. So long as Developer owns at least one lot in Quail Run Farm - Phase I, no lot and no interest therein, upon which a single family residence has not been constructed shall be sold or transferred unless and until the Owner of such lot shall have first offered to sell such lot(s) to Developer and Developer has waived, in writing, its right to purchase said lot.

Section 2. Notice to Developer. Any Owner(s) intending to make a bonafide sale of his lot or any interest therein shall give to Developer notice of such intention, together with a fully executed copy of the proposed contract of sale (the "Proposed Contract"). Within thirty (30) days of receipt of such notice and information, Developer shall either exercise, or waive exercise of, its right of first refusal. If Developer elects to exercise its right of first refusal, it shall, within thirty (30) days after receipt of such notice and information, deliver to the Owner an agreement to purchase the lot upon the following terms:

A. The price to be paid, and the terms of payment shall be that as stated in the Proposed Contract;

B. The sale shall be closed within thirty (30) days after the delivery or making of the Developer's agreement to purchase.

Section 3. Certificate of Waiver. If Developer shall elect to waive its right of first refusal, or shall fail to exercise said right within thirty (30) days of receipt of the Proposed Contract, Developer's waiver shall be evidenced by a certificate executed by Developer in recordable form which shall be delivered to the Proposed Contract purchaser and shall be recorded in the Public Records of Winnebago County, Wisconsin.

Section 4. Unauthorized Transactions. Any sale of a lot, or any interest therein, upon which a single-family residence has not been constructed, without notice to Developer and waiver of Developer's right of first refusal as aforesaid, shall be void.

Section 5. This article shall not apply to a transfer to or sale by any bank, life insurance company, Federal or State savings and loan association, or real estate investment trust which acquires its title as a result of owning a mortgage upon the lot concerned, and this shall be so whether the title is acquired by deed from the mortgagor or its successors in title or through foreclosure proceedings; nor shall this Article apply to a sale by any such institution which so acquires title. Neither shall this Article require the waiver by Developer as to any transfer of title to a lot at a duly advertised public sale with open bidding which is provided by law, such as but not limited to execution sale, foreclosure sale, judicial sale or tax sale.

ARTICLE X

GENERAL PROVISIONS

Section 1. Duration and Remedies for Violation. The covenants and restrictions of this Declaration shall run with and bind the Property, and shall inure to the benefit of and be enforceable by the Developer, the Association or the Owner of any property subject to this Declaration, their respective legal representatives, heirs, successors and assigns, for a term of fifty (50) years from the date this Declaration is recorded, after which time said covenants and restrictions shall automatically be extended for successive periods of ten (10) years unless an instrument signed by the then Owners of two thirds (2/3) of the lots has been recorded, agreeing to change or terminate said covenants and restrictions in whole or in part. Violation or breach of any condition, covenant or restriction herein contained shall give the Developer and/or Association and/or Owner(s) in addition to all other remedies, the right to proceed at law or in equity to compel a compliance with the terms of said conditions, covenants or restrictions, and to prevent the violation or breach of any of them, and the expense of such litigation shall be borne by the then Owner or Owners of the subject property, provided such proceeding results in a finding that such Owner was in violation of said covenants or restrictions. Expenses of litigation shall include reasonable attorneys' fees incurred by Developer and/or the Association in seeking such enforcement.

Section 2. Owner's Obligation to Maintain and Repair. Each Owner shall, at his sole cost and expense, maintain and repair his residence, keeping the same in

a condition comparable to the condition of such residence at the time of its initial construction.

Section 3. Notices. Any notices required to be sent to any member or Owner under this provision of this Declaration shall be deemed to have been properly sent when mailed, post paid, 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 mailing.

Section 4. Severability. Invalidation of any one or more of these covenants and restrictions by judgment or Court Order shall in no way affect any other provisions which shall remain in full force and effect.

Section 5. Amendment. This declaration may be amended at any time and from time to time upon the execution and recordation of an instrument executed by Owners holding not less than two-thirds (2/3) of the voting interests of the membership, provided that so long as Developer is the Owner of any lot or any property affected by this Declaration, or amendment thereto, or appoints a Director of the Association, no amendment will be effective without Developer's express written joinder and consent. Provided, any amendment which would affect the surface water management system, including the water management portions of the common areas, must have the prior approval of the Wisconsin Department of Natural Resources.

Section 6. Usage. Whenever used the singular shall include the plural and singular, and the use of any gender shall include all genders.

Section 7. Effective Date. This Declaration shall become effective upon its recordation in the Public Records of Winnebago County, Wisconsin.

IN WITNESS WHEREOF, the Developer has caused these presents to be executed this 10th day of December, 1991.

QUAIL RUN FARM - PHEASANT CREEK FARM
LIMITED PARTNERSHIP, A Wisconsin Limited
Partnership

By: Richard R. Malmgren
Richard R. Malmgren, its General Partner

STATE OF WISCONSIN)
) ss
WINNEBAGO COUNTY)

The foregoing Declaration of Covenants and Restrictions for Quail Run Farm - Phase I was acknowledged before me this 10th day of December, 1991, by Richard R. Malmgren of QUAIL RUN FARM - PHEASANT CREEK FARM LIMITED PARTNERSHIP, a Wisconsin limited partnership on behalf of the limited partnership.



Linda L. Grant
Linda L. Grant, Notary Public
Winnebago County, Wisconsin
My commission expires 8/1/93