

**ISLAND POINTE BEACH  
CLUB**

**CONDOMINIUM  
DOCUMENTS**

ISLAND POINTE BEACH CLUB CONDOMINIUM

LAKE DELTON, WISCONSIN

Declarant: HALE KAI, INC.  
Canyon Road  
Post Office Box 539  
Lake Delton, WI 53940

Agent: IN REALTY  
Canyon Road  
Post Office Box 539  
Lake Delton, WI 53940

DISCLOSURE MATERIALS

1. THESE ARE THE LEGAL DOCUMENTS COVERING YOUR RIGHTS AND RESPONSIBILITIES AS A CONDOMINIUM OWNER. IF YOU DO NOT UNDERSTAND ANY PROVISIONS CONTAINED IN THEM, YOU SHOULD OBTAIN PROFESSIONAL ADVICE.

2. THESE DISCLOSURE MATERIALS GIVEN TO YOU AS REQUIRED BY LAW MAY BE RELIED UPON AS CORRECT AND BINDING. ORAL STATEMENTS MAY NOT BE LEGALLY BINDING.

3. YOU MAY AT ANY TIME WITHIN 5 BUSINESS DAYS FOLLOWING RECEIPT OF THESE DOCUMENTS, OR FOLLOWING NOTICE OF ANY MATERIAL CHANGES IN THESE DOCUMENTS, CANCEL IN WRITING THE CONTRACT OF SALE AND RECEIVE A FULL REFUND OF ANY DEPOSITS MADE.

## INDEX TO DISCLOSURE MATERIALS

In compliance with disclosure requirements of the Wisconsin Condominium Ownership Act, this book is provided to each prospective purchaser of a Unit in Island Pointe Beach Club Condominium, and contains the following documents and exhibits:

1. DECLARATION. The Declaration establishes and describes the condominium, the units and the common elements. The Declaration begins on page 2.

2. ARTICLES OF INCORPORATION. The operation of a condominium is governed by the Association, of which each unit owner is a member. Powers, duties and operation of an Association are specified in its Articles of Incorporation. The Articles of Incorporation begin on page 70.

3. BY-LAWS. The By-Laws contain rules which govern the condominium and affect the rights and responsibilities of unit owners. The By-Laws begin on page 76.

4. MANAGEMENT OR EMPLOYMENT CONTRACTS. Certain services may be provided to a condominium through contracts with individuals or private firms. There are no such contracts to date involving Island Pointe Beach Club Condominium.

5. ANNUAL OPERATING BUDGET. The Association incurs expenses for the operation of the condominium which are assessed to the unit owners. The operating budget is an estimate of those charges which are in addition to mortgage and utility payments. The budget begins on page 96.

6. LEASES. Units in the condominiums may be sold subject to one or more leases of property or facilities which are not a part of the condominium. There are no such leases or agreements to date involving Island Pointe Beach Club Condominium.

7. EASEMENT. The owners of adjacent land have reserved a roadway easement over a portion of the condominium property. See page 62 for the map which depicts this easement.

8. EXPANSION PLANS. The Declarant has reserved the right to expand the condominium in the future. A description of the plans for expansion and its effect on unit owners begins on page 21. The condominium has been expanded to include Phase II by recording of the Fourth Amendment and First Supplement to the Declaration which begins on page 58 and to include Phase III by recording the Sixth Amendment and Second Supplement to the Declaration which begins on page 69(b).

9. FLOOR PLAN AND MAP. The Declarant has provided floor plans of the units being offered for sale and a map of the condominium which shows the location of the units and all facilities and common elements which are part of the condominium. The latest amended floor plans and maps begin on page 62.

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CONDOMINIUM DECLARATION OF  
EASEMENTS, RESTRICTIONS, COVENANTS AND CONDITIONS  
FOR  
ISLAND POINTE BEACH CLUB CONDOMINIUM

THIS DECLARATION, made and entered into this  
14th day of October, 1980, by HALE KAI, INC., a Wisconsin  
corporation, (hereinafter referred to as the "Declarant").

WITNESSETH:

WHEREAS, the Declarant is the owner in fee simple  
of certain real estate hereinafter described, in the Village  
of Lake Delton, Sauk County, Wisconsin; and

WHEREAS, the Declarant intends to, and does hereby  
submit and subject such real estate together with all buildings,  
structures, improvements, and other permanent fixtures of  
whatsoever kind thereon, and all rights and privileges  
belonging or in any wise pertaining thereto, to the provisions  
of the Wisconsin Condominium Ownership Act, Section 703.01  
to 703.38, Wisconsin Statutes ("the Act"); and

WHEREAS, the Declarant desires to establish certain  
rights, conditions, restrictions, covenants and easements  
in, over and upon said real estate for the benefit of itself  
and all future owners of any part of said real estate, in  
any unit or units thereof or therein contained, and to  
provide for the harmonious, beneficial and proper use and  
conduct of the property and all units; and

WHEREAS, the Declarant desires and intends that  
the several unit owners, mortgagees, occupants and other  
persons hereafter acquiring any interest in the property  
shall at all times enjoy the benefits of, and shall hold  
their interest subject to the rights, conditions, restrictions,  
covenants and easements, hereinafter set forth, all of which  
are declared to be in furtherance of a plan to promote and  
protect the cooperative aspect of the property and are  
established for the purpose of enhancing and perfecting the  
value, desirability and attractiveness of the property.

NOW, THEREFORE, the Declarant, as the title holder  
of the real estate hereinabove referred to and described at  
greater length hereinafter, and for the purposes set forth,  
DECLARES AS FOLLOWS:

443385

REGISTER'S OFFICE  
SAUK COUNTY, WIS.  
RECEIVED FOR RECORD

JAN 27 1981

AT 2:30 O'CLOCK P.M., RECORDED IN  
VOL. 1 OF C.R. 800 ON PAGE 110...  
Robert S. Schenk REGISTER 2900

ARTICLE I

## DEFINITIONS AND LEGAL DESCRIPTION OF LAND

Section 1. Legal Description of Land: The real estate which is hereby submitted and subjected to the provisions of the Condominium Ownership Act, Sections 703.01 to 703.28, Wisconsin Statutes, is hereby legally described as follows:

Lot One (1) of Sauk County Certified Survey No. 1096 as recorded in the Office of the Register of Deeds for Sauk County, Wisconsin, in Volume 5 of Certified Surveys, on Page 1096, as Document No. 441309, EXCEPT a parcel of land located in said Lot 1, bounded by the following described line: Commencing at the southeasterly corner of said Lot 1 where it abuts Canyon Road; thence N 26°40' W along the easterly line of said Lot 1, 400.00 feet to the point of beginning; thence N 56°58' E, 65.03 feet; thence N 28°42' W, 150.88 feet; thence S 80°14' W, 61.97 feet; thence southeasterly to the point of beginning. Intending to describe the "parking lot". Said exception contains 0.23 acres.

A parcel of land located in Lot 2, CSM No. 1096, Village of Lake Delton, Sauk County, Wisconsin bounded by the following described line: Commencing at the most northerly corner of said Lot 2; thence S 26°40' E along the lot line, 105.00 feet to the point of beginning; thence continuing S 26°40' E, 227.00 feet; thence S 63°20' W, 20.00 feet; thence N 26°40' W, 227.00 feet; thence N 63°20' E, 20.00 feet to the point of beginning. Said parcel contains 0.10 acres.

Said real estate is also described and delineated as Phase I on the Plat of Survey attached hereto as Exhibit "A" which, by this reference thereto, is made a part hereof.

Should the Declarant annex the adjoining land depicted in Exhibit "A" as "Possible Future Phases" and described as Lots Two (2) and Three (3) of Sauk County Certified Survey No. 1096, as recorded in the Office of the Register of Deeds for Sauk County, Wisconsin, in Volume 5 of Certified Surveys on Page 1096, as Document No. 441309, the Unit Owners will be granted nonexclusive access to the common elements of such property to be shared in common by the Declarant, its successors and assigns, all future Unit Owners, their personal representatives, successors and assigns and all future owners, lessees and occupants.

Said real estate and all improvements thereon and appurtenances thereto shall be known as ISLAND POINTE BEACH CLUB CONDOMINIUM.

Section 2. Definitions.

For the purpose of brevity and clarity, certain

words and terms used in this Declaration are defined as follows:

"Association" shall mean and refer to the ISLAND POINTE OWNERS ASSOCIATION, INC., a corporation organized pursuant to Chapter 181 of the Wisconsin Statutes, its successors and assigns.

"Common Elements" mean all of the condominium except its units.

"Common Expenses and Common Surpluses" mean the expenses and surpluses of the Association.

"Condominium" means the property subject to the condominium Declaration.

"Condominium Instruments" mean the Declaration, plats and plans of the condominium together with the attached exhibits or schedules.

"Declarant" shall mean the covenants, conditions and restrictions and all other provisions herein set forth in this entire document, as same may from time to time be amended.

"Limited Common Elements" mean those common elements identified in the Declaration or on the condominium plat as reserved for the exclusive use of one or more but less than all of the Unit Owners.

"Mortgagee" means the holder of any recorded mortgage encumbering one or more units or a Land Contract vendor.

"Person" means an individual, corporation, partnership, association, trustee or other legal entity.

"Property" means unimproved land, land together with improvements on it or improvements without the underlying land.

"Unit" means a part of condominium intended for any type of independent use, including one or more cubicles of air at one or more levels of space or one or more rooms or enclosed spaces located on one or more floors (or parts thereof) in a building.

"Unit Number" means the number, letter or a combination thereof, identifying a unit in this Declaration.

"Unit Owner" means a person, combination of persons, partnership or corporation who holds legal title to a condominium unit or has equitable ownership as a Land Contract vendee.

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ARTICLE II

## PROPERTY AND UNITS:

## SUBMISSION TO ACT

Section 1. Submission of Property to the Act: The Declarant hereby submits the property described in Article I, Section 1 and depicted as Phase I in Exhibit "A" and all buildings and improvements constructed or to be constructed thereon to the provisions of said Condominium Ownership Act (the "Act").

Section 2. Description of the Units: The Units of this Condominium and the Limited Common Element reserved to each are set forth on Exhibit "A" attached to this Declaration and incorporated herein by reference.

Every deed, lease, mortgage or other instrument may legally describe a Unit by identifying number and every such description shall be good and sufficient for all purposes as provided in the Act. Each residential building currently on the real estate described in this Declaration contains one (1) unit. The twelve (12) buildings aggregating twelve (12) units, comprising Phase I, are located as indicated in the survey, Exhibit "A" attached hereto and made a part of this Declaration.

The buildings are constructed principally of wood.

The approximate location and designation of each Unit is set forth in Exhibit "A".

With respect to possible future phases, the Declarant reserves the right to change the layout, location, dimensions, design and type of construction of any buildings and units and shall have the right to amend this Declaration at its sole discretion for the purpose of recording a plat of survey or plans depicting the layout, design, location, unit numbers and dimensions of buildings and units as finally located and erected.

Section 3. Enclosure of Unit. In respect to Units 8, 9, 10 and 12, the Declarant or Unit Owner may, at its or his own option and expense expand the constructed portion of the Unit by enclosing that portion of the Unit consisting of unimproved land and labeled "Possible Future Enclosure" in Exhibit "A". The construction, design, color and materials of such enclosure shall be compatible with the previously constructed portion of the Unit. No construction of the



said enclosure shall be commenced without necessary building permits and approval of the Architectural Control Committee in accord with the procedures established in Article VIII below. However, the Declarant shall not be required to obtain the approval of the Architectural Control Committee prior to the construction of any such enclosure or enclosures. In the event any such enclosure or enclosures shall take place, it shall not be necessary to amend Exhibit "A" to reflect the change in status of that portion of the area depicted as for "Possible Future Enclosure" to being part of the total enclosed units. In the event of any construction pursuant to this Section, it shall be the responsibility of the Association to notify the insurer of such construction in accord with its obligation as set forth in Article X, Section 1.

ARTICLE III

COMMON ELEMENTS AND LIMITED COMMON ELEMENTS

Section 1. Ownership of Common Elements: Each Unit Owner shall be entitled to and own an undivided interest in the Common Elements as a tenant-in-common with all other Unit Owners of the property, and, except as otherwise limited in this Declaration, shall have the right to use the Common Elements for all purposes incident to the use and occupancy of such owner's Unit as a place of residence, and such other incidental uses permitted by this Declaration, which right shall be appurtenant to and run with his Unit. Each Unit's percentage of ownership in the Common Elements shall be the Number One (1) divided by the total number of Units subject to this Declaration in Phase I and any subsequent phase or phases; provided, however, that said percentage of ownership for each Unit shall be determined by dividing the Number One (1) by the Number Twelve (12) until Units in subsequent phases are annexed to this Declaration, as provided in Article XII.

Each Unit's percentage of ownership in the Common Elements shall be subject to such easements as Declarant has granted including the access easement described in Article XI, Section 1, or may hereinafter grant to the Village of Lake Delton, public utilities or for water service, all of which may be granted by the Declarant without the consent of the Unit Owners.

Section 2. Limited Common Elements:

A. Use and Maintenance: All Limited Common Elements appurtenant to a particular Unit shall be for the exclusive use of the owner or owners of such Unit. Each Unit Owner shall be responsible for repair, maintenance, and ap-

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pearance of such Limited Common Element, at his own expense, including (without limitation) responsibility for breakage, damage, malfunction, and ordinary wear and tear. A Unit Owner shall not change the color, or otherwise decorate, restructure or adorn or change the appearance of any such Limited Common Element without the approval of the Architectural and Environmental Control Committee.

B. Parking Areas: Any parking area or other portion of the property allocated to parking purposes unless otherwise designated in the condominium plat, shall be part of the Common Elements and not a Limited Common Element or a part of any individual Unit.

Section 3. No Partition of Common Elements: There shall be no partition of the Common Elements through judicial proceedings or otherwise until this Declaration is terminated and the property is withdrawn from its terms or from the terms of any structure applicable to condominium ownership; provided, however, that if any Unit shall be owned by two or more co-owners as tenants-in-common or as joint tenants, nothing herein contained shall be deemed to prohibit a voluntary or judicial partition of said Unit ownership as between such co-owners.

#### ARTICLE IV

##### OTHER PROPERTY RIGHTS AND OBLIGATIONS OF OWNERS

Section 1. Owner's Right to Ingress and Egress and Support: Each Owner shall have the right to ingress and egress over, upon and across the Common Elements necessary for access to his Unit, and such rights shall be appurtenant to and pass with the title to each Unit. However, this right shall not include ingress and egress by any type of vehicle. No vehicles shall be allowed upon the Common Elements except that portion of the Common Elements which have been committed to roadways, driveways and parking areas as depicted on Exhibit "A".

Section 2. Use of Units: Each Unit shall be used for residential purposes only, and no trade or business of any kind may be carried on therein. Lease or rental of a Unit for residential purposes shall not be considered to be a violation of this covenant. Notwithstanding the foregoing, nothing in this Declaration shall prohibit the Declarant

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from displaying an unsold unit as a "model" and sales office for marketing purposes.

With respect to those areas of Units 8, 9, 10 and 12 which are labeled as "Possible Future Enclosure" in Exhibit "A", until such areas are enclosed, nothing shall be kept or stored on any part of such areas without the prior written consent of the Association nor shall such unimproved areas be altered, improved or the subject of any construction except for the enclosure of such area in accord with the provisions of Article II, Section 3.

Section 3. Use of Common Elements: There shall be no obstruction of the Common Elements, nor shall anything be kept or stored on any part of the Common Elements without the prior written consent of the Association except as specifically provided herein. Nothing shall be altered on, constructed or removed from the Common Elements except upon the prior written consent of the Association. No pier, boat docks, boat hoist, boat house, garbage or rubbish containers shall be placed or kept in any Common Element or Limited Common Element by any Unit Owner. The Association may, at its own expense, provide for docks, piers and garbage containers on the Common Elements.

Section 4. Prohibition of Damage and Certain Activities: Nothing shall be done or kept in any Unit or in the Common Elements or any part thereof to increase the rate of insurance on the premises or any part thereof over what the Association, but for such activity, would pay, without the prior written consent of the Association. Nothing shall be done or kept in any Unit or in the Common Elements or any part thereof, which would be in violation of any statute, rule, ordinance, regulation, permit or other validly imposed requirement of any governmental body. No damage to, or waste of, the Common Elements or any part thereof shall be committed by any Owner or any invitee of any Owner and each Owner shall indemnify and hold the Association and the other Owners harmless against all loss resulting from any such damage or waste caused by him or his invitees, to the Association or other Owners. No noxious, destructive or offensive activity shall be carried on in any Unit or in the Common Elements or any part thereof. Nor shall anything be done therein which may be or may become an annoyance or nuisance to any other Owner or to any other person at anytime lawfully residing in the Unit.

Section 5. Animals: No animals of any kind shall be permitted in any Unit, Common Element or Limited Common Element.

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Section 6. Rules and Regulations: No Owners shall violate the rules and regulations for the use of the Units and of the Common Elements as adopted from time to time by the Association.

Section 7. Delegation of Use: Any Owner may delegate, in accordance with the By-Laws or this Declaration, his right of enjoyment to the Common Elements and facilities to the members of his family, to the tenants of his Unit or contract purchasers of his Unit who reside on the property and only to said individuals.

Section 8. Separate Mortgages of Units: Each Unit Owner shall have the right to mortgage or encumber his own respective Unit, together with his respective ownership interest in the Common Elements. No Unit Owner shall have the right or authority to mortgage or otherwise encumber in any manner whatsoever the property of any part thereof, except his own Unit and his own respective ownership interest in the Common Elements.

Section 9. Separate Real Estate Taxes: It is intended and understood that real estate taxes are to be separately taxed to each Unit Owner for his Unit and his corresponding percentage of ownership in the Common Elements, as provided in the said Condominium Ownership Act. In the event that, for any year, such taxes are not separately taxed to each Unit Owner, but are taxed on the property as a whole, then each Unit Owner shall pay his proportionate share thereof, the allocation in respect to Common Elements to be in accordance with his respective percentage of ownership interest in the Common Elements.

Section 10. Maintenance, Repairs, and Replacements of Units: Each Unit Owner shall furnish, at his own expense, and be responsible for, the following:

A. The maintenance, repairs and replacements of the exterior of each Unit and of those facilities which serve said Unit. There shall be no change in materials, design and color to the exterior without the prior written approval of the Architectural and Environmental Control Committee.

B. The maintenance, repairs and replacements of all conduits, ducts, sewers, plumbing, wiring and other facilities for the furnishing of utility services which may be located within the Unit boundaries or are

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within the Limited Common Element appurtenant to such Unit.

C. All of the maintenance, repairs and replacements within his own Unit, all of the doors and windows appurtenant thereto, and any portion of utility service facilities located within the Unit boundaries; provided, however, such maintenance, repairs and replacements as may be required for the bringing of water, sewer or septic service and utilities to the Unit, shall be furnished by the Association as part of the Common Expenses.

Section 11. Water Service: A water supply and distribution system and service for each Unit has or will be provided by the Declarant. With respect to the water supply and distribution system serving the Units in Phase I, the Declarant reserves the right to connect a maximum of two (2) additional units which may be constructed in a subsequent phase or phases as set forth in Article XII below. It shall be the responsibility of the Association to maintain the water supply and distribution system or systems except that portion of the system or systems located within the Unit boundaries or within the Limited Common Element appurtenant to each Unit, the responsibility for which will be that of the Unit Owner. However, with respect to that portion of the water supply and distribution system serving those units in Stage I and a maximum of two (2) additional units which may be constructed in a subsequent phase or phases as set forth in Article XII below, the Association shall be obligated to furnish water only for a period commencing on the third Friday in April of each year and terminating on the third Monday in October of each year.

#### ARTICLE V

##### ASSOCIATION MEMBERSHIP AND VOTING RIGHTS

Section 1. Membership: Every Unit Owner shall be entitled and required to be a member of the Association. If title to a Unit is held by more than one person, each of such persons shall be members. A Unit Owner of more than one Unit shall be entitled to one membership for each Unit owned by him. Each such membership shall be appurtenant to the Unit upon which it is based, and shall be transferred automatically by conveyance of that Unit. No person or entity other than a Unit Owner or Declarant may be a member of the Association, and a membership in the Association may

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not be transferred except in connection with the transfer of title to a Unit; provided, however, that the rights of voting may be assigned to a Mortgagee as further security for a loan secured by a lien on a Unit.

Section 2. Voting Rights: The Association shall have two classes of voting membership as follows:

A. Class A - Class A members shall be all Unit Owners, with the exception of the Declarant, and shall have one (1) vote for each Unit owned. When more than one person holds an interest in any Unit, all such persons shall be members. The vote for such Unit shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any Unit. There can be no split vote. Prior to the time of any meeting at which a vote is to be taken, each co-owner shall file the name of the voting co-owner with the Secretary of the Association in order to be entitled to a vote at such meeting, unless such co-owners have filed a general voting authority with the Secretary applicable to all votes until rescinded.

B. Class B - Class B member(s) shall be the Declarant and shall be entitled to three (3) votes for each Unit owned. The Class B membership shall cease and be converted to Class A membership on the occurrence of either of the following events:

(1) When the total votes outstanding in Class A membership equals or exceed the total outstanding votes in Class B membership.

(2) Ten (10) years from the date of recording this Declaration.

The Declarant shall be entitled to reinstatement as a Class B member of the Association at the time of each expansion of the Condominium as provided in Article XII herein. In such event, Declarant shall be entitled to all of the rights and privileges of Class B membership, including three (3) votes for each Unit owned by it. Each such reinstatement of Class B membership shall terminate when the total votes outstanding in Class A membership again equal or exceed the total votes outstanding in Class B

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membership.

A Unit Owner against whom the Association has recorded a statement of condominium lien on the person's Unit who has not paid the amount necessary to release the lien at the time of a meeting shall not be permitted to vote at any meeting of the Association during the period of such time such amount remains unpaid.

Section 3. Supplement: The provisions of this Article are to be supplemented by the Articles of Incorporation and the By-Laws of the Association, provided, however, that no such supplement shall substantially alter or amend any of the rights or obligations of the Owners set forth herein.

#### ARTICLE VI

##### RIGHTS AND OBLIGATIONS OF THE ASSOCIATION

Section 1. The Common Elements: The Association, subject to the rights of the Unit Owners set forth in this Declaration, shall be responsible for the exclusive management and control of the Common Elements and all improvements thereon (including furnishings and equipment related thereto), and shall keep the same in good, clean, attractive and sanitary condition, order and repair.

Section 2. Services: The Association may obtain and pay for the services of any person or entity to manage its affairs, or any part thereof, to the extent it deems advisable, as well as such other personnel as the Association shall determine to be necessary or desirable for the proper operation of the Common Elements, whether such personnel are furnished or employed directly by the Association, or by any person or entity with whom or which it contracts. The Association may obtain and pay for legal and accounting services necessary or desirable in connection with the operation of the Common Elements or the enforcement of this Declaration. The Association may arrange with others to furnish water, trash collection and other common services to each Unit.

Section 3. Personal Property For Common Use: The Association may acquire and hold for the use and benefit of all of the Unit Owners, tangible and intangible personal property and may dispose of the same by sale or otherwise, and the beneficial interest in any such property shall be deemed to be owned by the Unit Owners in the same proportion

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as their respective interests in the Common Elements. Such interest shall not be transferable except with the transfer of a Unit. A transfer of a Unit shall transfer to the transferee ownership in the transferor's beneficial interest in such property without any reference thereto. The transfer of title to a Unit under foreclosure shall entitle the purchaser to the interest in such personal property associated with the foreclosed Unit.

Section 4. Rules and Regulations: The Association may make reasonable rules and regulations governing the use of the Units and of the Common Elements, which rules and regulations shall be consistent with the rights and duties established in this Declaration.

Section 5. Implied Rights: The Association may exercise any other right or privilege given to it expressly by this Declaration or by law, and every other right or privilege reasonably to be implied from the existence of any right or privilege given to it herein or reasonably necessary to effectuate any such right or privilege.

## ARTICLE VII

### COVENANT FOR ASSESSMENTS

Section 1. Agreement to Pay Assessment: Declarant for each Unit owned by it hereby covenants, and each Owner of any Unit by the acceptance of a deed therefor, whether or not it be so expressed in the deed, shall be deemed to covenant and agree with each other and with the Association to pay to the Association for the purposes provided in this Declaration, for the annual assessments, for special assessments, for capital improvements, and for any other matters as provided in this Declaration. Such Assessments shall be fixed, established and collected from time to time in the manner provided in this Article.

Section 2. Purpose of Assessments: The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety and welfare of the residents, to pay for the improvement and maintenance of the Common Elements and such emergency repairs as the Association may deem necessary, and to pay for the obligations of the Association under this Declaration.

Section 3. Annual Assessment: The Board of Directors of the Association shall fix the annual assessment upon the basis provided above, provided however, that the



annual assessment shall be sufficient to meet the obligations imposed by the Declaration.

Section 4. Special Assessments: In addition to the annual assessments authorized above, 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, any deficit and the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Elements including fixtures and personal property related thereto, provided that any such assessment shall have the consent of two-thirds (2/3) of the votes of each Class of voting members who are voting in person or by proxy at a meeting duly called for this purpose.

Section 5. Notice of Meetings: Written notice of any meeting called for the purpose of taking any action authorized under Section 4 shall be sent to all members and any mortgagee who shall request such notice in writing not less than ten (10) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of members or proxies entitled to cast twenty-five (25%) percent of all of the votes shall constitute a quorum.

Section 6. Uniform Rate Of Assessment: Both annual and special assessments must be fixed at a uniform rate for all Units and may be collected on a monthly basis.

Section 7. Date of Commencement of Annual Assessments: The annual assessments provided for herein shall commence as follows:

A. As to each Unit for which the Declarant's obligation to construct has been completed as of the date of recording of this Declaration, on the first day of the month following conveyance of the first Unit in the Condominium to an Owner who is not the Declarant.

B. As to each Unit to be constructed and owned by the Declarant, on the first day of the month following the completion of construction; and

C. As to a Unit conveyed to an Owner prior to the completion of construction, on the first day of the month following the completion of the construction.

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The first annual assessment for a Unit shall be adjusted according to the number of months then remaining in that calendar year. The Board of Directors shall fix the amount of the annual assessment against each Unit at least thirty (30) days in advance of each annual assessment. Written notice of the annual assessment shall be sent to every Unit Owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Unit have been paid.

Section 8. Effect of Nonpayment of Assessments: Remedies of the Association: Any assessment not paid when due, shall immediately become a personal debt of the Unit Owner and also a lien, as provided in the Act until paid and may upon resolution of the Association bear interest from the due date at a percentage rate no greater than the current statutory maximum annual interest rate, to be set by the Association for each assessment period. The Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the said lien against the property in like manner as a mortgage of real estate. In any such foreclosure, the Owner shall be required to pay a reasonable rental for the permitted use of the Common Element, and the Association shall be entitled to the appointment of a receiver to collect the same. The Declarant and the Association may bid in the Property at foreclosure sale, and acquire and hold, lease, mortgage and convey the same. If the Association has provided for collection of annual or special assessments in installments, upon default in the payment of any one or more installments, the Association may accelerate payment and declare the entire balance of said assessment due and payable in full. No Unit Owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the Common Elements or abandonment of his Unit. A suit to recover a money judgment for unpaid expenses thereunder shall be maintainable without foreclosing or waiving the lien securing the same.

#### ARTICLE VIII

##### ARCHITECTURAL CONTROL

Section 1. Architectural Control Committee Authority: No exterior additions, enclosures, color changes or other alterations to any building, additional fences, or changes in existing fences, hedges, walls, walkways and

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other structures shall be commenced, erected or maintained except such as are installed or approved by the Declarant in connection with the initial construction of the buildings, until the plans and specifications showing the nature, kind, shape, height, color, materials, location and approximate cost of same shall have been submitted to and approved in writing as in harmony with the external design and location in relation to surrounding buildings in the development by an Architectural Committee composed of the Board of Directors of the Association or by its representative or representatives designated by the Board of Directors. In the event said Committee, or its designated representatives, fails to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted to it, such approval will be deemed to have been given. If no application has been made to the Architectural Committee or their representatives, suit to enjoin or remove such additions, enclosures, color changes or other alterations may be instituted at any time. Neither the members of the Architectural Committee nor its designated representatives shall be entitled to compensation to themselves for services performed pursuant to this paragraph, but compensation may be allowed to independent professional advisors retained by the Architectural Committee. Exterior antenna shall not be placed on any building without the approval of the Architectural Committee or its designated representatives. During the time which the Association has Class B member(s), the actions and decisions of the Architectural Committee must have the written approval of the Declarant.

#### ARTICLE IX

##### PARTY WALLS

Section 1. General Rules of Law to Apply: Each wall which is built as part of the original construction of the buildings and placed on the dividing line between the Units shall constitute a party wall, and, to the extent not inconsistent with the provisions of this Article, the general rule of law regarding party walls and liability for property damage due to negligence or willful acts or omission will apply thereto.

Section 2. Sharing of Repair and Maintenance: The cost of reasonable repair and maintenance of a party wall shall be shared by the Unit who makes use of the wall in proportion to such use.

Section 3. Right to Contribution Runs With Land:

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The right of any Unit Owner to contribution from any other Unit Owner under this Article shall be appurtenant to the land and shall pass to such Unit Owner's successors in title.

# ARTICLE X

## CASUALTY INSURANCE FOR UNITS AND LIABILITY INSURANCE

Section 1. Obligation of Association: The Association for the benefit of all Unit Owners, shall carry public liability insurance in respect to the Common Elements and shall insure the Units against loss or damage by fire and such other hazards as the Association may deem desirable, for the full insurable replacement cost of the Units, without prejudice to the right of each Unit Owner to also insure his own Unit for his own benefit. The premiums for such insurance on the Units shall be deemed Common Expenses; provided, however, that in charging the same to the Unit Owners, consideration may be given to the higher premium rates on some Units then on others. Such insurance coverage shall be written in the name of, losses under shall be adjusted by, and the proceeds of such insurance shall be payable to, the Association as trustee for the Unit Owner or Unit Owners. The Association may engage the service of any bank or trust company authorized to do trust business in Wisconsin to act as trustee, agent or depository on behalf of the Association for the purpose of receiving and disbursing the insurance proceeds resulting from any loss, upon such terms as the Association shall determine consistent with the provisions of this Declaration. The fees of such corporate trustees shall be Common Expenses. In the event of any loss in excess of \$100,000.00 in the aggregate, the Association shall engage a corporate trustee as aforesaid, or in the event of any loss resulting in the destruction of the major portion of one or more Units, the Association shall engage a corporate trustee as aforesaid upon written demand of the mortgagee or owner of any Unit so destroyed.

Section 2. Insurance Proceeds: The proceeds of such insurance shall be applied by the Association or by the corporate trustee on behalf of the Association for the repair or reconstruction of the Unit or Units; and the rights of the mortgagee of any Unit under any standard mortgage clause endorsement to such policy shall, notwithstanding anything to the contrary therein contained, at all times be subject to the provisions herein with respect to the application of insurance proceeds to reconstruction of the Unit or Units. Payment by any insurance company to the

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Association or to such corporate trustee of the proceeds of any policy and the receipt of release from the Association of the company's liability under such policy shall constitute a full discharge of such insurance company, and such company shall be under no obligation to inquire into the terms of any trust under which such proceeds may be made pursuant hereto, or to take notice of any standard mortgage clause endorsement inconsistent with the provision hereof, or to see to the application of any payments of the proceeds of any policy by the Association or the corporate trustee.

Section 3. Destruction or Reconstruction: In the event of partial or total destruction of one or more Units, they shall be rebuilt and repaired as soon as practicable and substantially to the same design, plan and specifications as originally built, unless within thirty (30) days after such partial or total destruction, all of the owners of Units subject to this Declaration agree not to repair or rebuild. On reconstruction, the design, plan and specification of any building or Unit may vary from the original upon approval of the Association, provided, however, that the number of square feet of any Unit may not vary by more than five (5%) percent from the number of square feet for such Unit as depicted in Exhibit "A", and the location of the buildings shall be substantially the same as prior to the damage or destruction.

The Association shall have the right to levy assessments against the Units involved in the event that the proceeds of any insurance collected are insufficient to pay the estimated or actual costs of repair or reconstruction.

In the event all of the owners of Units subject to this Declaration agree not to repair a Unit which is partially or totally destroyed, the proceeds of the insurance on the Unit shall be paid by the Association to the Unit Owner and mortgagee, if any, of said Unit as their interests may appear.

## ARTICLE XI

### EASEMENTS, RESERVATIONS AND ENCROACHMENTS

Section 1. General Easements: Easements are hereby declared and granted for the benefit of the Unit Owners, the Association and reserved for the benefit of the Declarant for utility purposes, including the right to install, lay, maintain, repair and replace water mains and pipes, sewer lines, gas mains, telephone wires and equipment,

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master television antenna system wires and equipment, and electrical conduits and wires and equipment, including power transformers, over, under, along and on any part of the Common Elements. However, all of the aforesaid installations with the exception of the power transformers and all existing overhead utility services, shall be buried under the surface of the common area with the cost of such underground installation to be borne by the installing party. By virtue of this easement it shall be expressly permissible for the Declarant or the providing utility or service company to install and maintain facilities and equipment on said property and to excavate for such purposes. This easement shall in no way affect any other recorded easements on said premises.

The owners of Lot 3 of Sauk County Certified Survey No. 1096 and the Island lying to the Northwest of the Condominium have an access easement over that portion of the Common Elements which constitutes a roadway. This easement is depicted in Exhibit "A".

Section 2. Reservation: Declarant expressly declares, reserves and excepts access and development easements from the lands subject to this Declaration for the benefit of, and as necessary in connection with, the development and use of Lots Two (2) and Three (3) of Sauk County Certified Survey No. 1096. Included in this reservation of easements are easements for purposes of access and rights-of-way across the lands subject to this Declaration for the benefit of the aforesaid lots also described in Article XII of this Declaration which may be annexed to the Condominium; such easements shall be effective whether or not said Article XII land is ultimately developed as part of the Condominium. Each Unit Owner, by acceptance of any deed to any Unit hereunder, shall be deemed to grant to the Declarant, its successors and assigns, an irrevocable power of attorney, coupled with an interest, to execute and record all documents and legal instruments necessary to carry out the provisions and intent of this paragraph. The easements here reserved shall be continuing covenants running with the land subject hereto.

Section 3. Encroachments: In the event that by reason of the construction, reconstruction, settlement, or shifting of any building, or the design or construction of any Unit, any part of the Common Elements encroaches or shall hereafter encroach upon any part of the Unit, or any part of any Unit encroaches or shall hereafter encroach upon any part of the Common Elements, or any portion of any Unit encroaches upon any part of any other Unit, valid easements for the maintenance of such encroachment are hereby established

and shall exist for the benefit of such Units so long as all or any part of the building containing such Unit shall remain standing; provided, however, that in no event shall a valid easement for any encroachment be created in favor of the Owner of any Unit or in favor of the Owner or Owners of the Common Elements if such encroachment occurred due to the willful conduct of said Owner or Owners. All easements and rights described herein are easements appurtenant, running with the land, and are subject to the reasonable control of the Association. All easements and rights described herein are granted and reserved to, and shall inure to the benefit of and be binding on, the undersigned, its successors and assigns, and on all Unit Owners, purchasers and mortgagees and their heirs, personal representatives, administrators, successors and assigns. The Association shall have the authority to execute all documents necessary to carry out the intent of this paragraph.

Section 4. Declarant's Easement to Correct and Provide for Drainage. For a period of ten (10) years from the date of conveyance of the first Unit in the Condominium, the Declarant reserves a blanket easement and right on, over and under the ground within the Condominium to maintain reasonable standards of health, safety and appearance. Such right expressly includes the right to cut any trees, bushes or shrubbery, make any gradings of the soil, install culverts, or to take any other similar action reasonably necessary, following which the Declarant shall restore the affected property to its original condition as near as practicable. The Declarant shall give reasonable notice of intent to take such action to all affected owners, unless in the opinion of the Declarant an emergency exists which precludes such notice.

## ARTICLE XII

### EXPANSION OF CONDOMINIUM

Section 1. Phase One: Phase One consists of the property described in Article I, Section 1 of this Declaration, upon which are located twelve (12) residential buildings as designated on Exhibit "A", aggregating twelve (12) Units.

Section 2. Subsequent Stages: Pursuant to the provisions of Section 703.26, Stats., Declarant hereby reserves the right to expand the subject condominium at any time within ten (10) years from the date of recording of this Declaration, by adding up to a total of forty-five (45) Units to be constructed on one or more of each of the fol-

lowing described lots to be annexed and to be included as property subject hereto and submitted to the condominium form of ownership hereunder:

Lot Two (2) of Sauk County Certified Survey No. 1096.

Lot Three (3) of Sauk County Certified Survey No. 1096.

In the event such expansion is carried through, the percentage of undivided interests in the Common Elements of each Unit Owner shall be reallocated so that all Unit Owners have equal undivided interests. The maximum number of Units which may be added is forty-five (45), and each such Unit added shall have one (1) vote appurtenant to it. The percentage interests in the Common Elements, the liabilities for Common Expenses, and the right to Common Surplus shall be the number one (1) divided by the total number of Units then subject to this Declaration.

The rights of expansion shall be exercised by the recording of a Supplement or Supplements to this Declaration in the Office of the Register of Deeds for Sauk County, Wisconsin. Such a Supplement or Supplements to this Declaration shall not be deemed an amendment of this Declaration within the meaning of Article XIV, Section 3, hereof following. Nothing contained in this Declaration shall be construed so as to create any obligation on behalf of the Declarant, its successors and assigns, to in fact effectuate any expansion. By acceptance of a Deed conveyance from Declarant of a Unit, the grantee of such Unit and each successor in title to such Unit shall, in the event of an annexation or series of annexations as aforesaid, be deemed to consent and agree to the adjustment in the percentage of undivided interest in the Common Elements and facilities appertaining to such Unit as aforesaid; and shall be deemed to grant to Declarant, its successors and assigns, an irrevocable power of attorney, coupled with an interest, to act for and in the stead of such Unit Owner with respect to the aforesaid annexation(s) and the filing and recording of a Supplement or Supplements to this Declaration with respect thereto in conformance with this Article XII along with authority to execute and deliver on behalf of the Grantee and each successor in title to such Unit, such instrument, if any, as may be required to effectuate such expansion and adjustment in the percentage of undivided interest in the Common Elements and facilities.



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ARTICLE XIII

## RIGHT OF FIRST REFUSAL

Section 1. Association's Right of First Refusal.  
No Unit Owner shall at any time sell, convey, contract to sell, lease or devise, whether by operation of law or otherwise, without first complying with the provisions hereunder contained in this paragraph. No such sale, conveyance, contract of sale, devise, lease, gift or alienation of any other kind shall be made unless the Association is given no less than fifteen (15) days' prior written notice of the terms thereof, together with the name and address of the proposed purchaser, vendee, donee, devisee or alienee. This paragraph shall not apply to sales by the Sauk County Sheriff pursuant to judgments of foreclosure.

The Association shall at all times have the first right and option to purchase or lease such Unit upon the same terms as those upon which it is offered, which option shall be exercisable for a period of fifteen (15) days following the date of receipt of notice. If the option is not exercised by the Association within fifteen (15) days, the Unit Owner may, at the expiration of said fifteen (15) day period and at any time within ninety (90) days after the expiration of said period, sell, contract to sell or lease such Unit to the proposed purchaser or lessee named in such notice upon the terms specified therein. If the owner or lessee does not so sell or lease within such time, or if a sale or lease is proposed on terms and conditions different from those refused by the Association, the Association shall again be entitled to its right of first refusal hereunder.

In the event that the Unit Owner shall desire to dispose of his Unit by gift or devise to other than his lawful spouse or his heirs at law under the laws of the State of Wisconsin, said Unit Owner, or his personal representative, shall give the Association no less than thirty (30) days' prior written notice of the name and address of the proposed donee or devisee. The Association shall have the right and option to purchase said Unit at the fair market value to be determined by a panel of three (3) qualified appraisers, one (1) of which shall be selected by the Unit Owner or his legal representative, one (1) by the Association, and the third by the two (2) so selected, provided that the Association shall notify the Unit Owner or his personal representative of its intent to exercise such right and option within thirty (30) days after the receipt of notice from the Unit Owner or his personal representative as provided herein.

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The Association may bid upon and purchase any Unit which becomes the subject of a foreclosure action or tax sale, or is involved in an action in bankruptcy, or which becomes available for purchase for any reason whatsoever, whether by operation of law or otherwise.

The Association shall not exercise any of the Options herein set forth to purchase any Unit without the prior consent of Unit Owners holding at least seventy-five (75%) percent of the votes entitled to be cast at any meeting duly called to consider such action. The Association, by its Board of Directors, may waive its first refusal rights hereunder with respect to any sale, lease or conveyance upon written request to the Association.

Unit ownership or interest therein acquired pursuant to the terms of this paragraph shall be held of record in the name of the Association, or such nominee as it shall designate, for the benefit of all of the Owners. Said Unit ownership or interest therein shall be sold by the Association for the benefit of the Unit Owners. All proceeds of such sale or leasing after repayment of borrowed funds and special assessments levied for such purposes shall be deposited in such funds as the Association may establish may thereafter be disbursed at such time and in such manner as the Association shall determine.

Section 2. Right of Declarant to Dispose of Units: The provisions of Section 1 of this Article shall not be applicable to or binding upon the Declarant. Declarant shall have the right to dispose of Units by Land Contract or by such other form of installment sale as it may choose, and in the event that Declarant shall be forced to foreclose or otherwise recover possession of any Unit as the result of the default of a purchaser under such an installment sale, Declarant shall be free to dispose of any such Unit by any means whatsoever, free of any restrictions set forth in Section 1 of this Article. Nothing herein contained shall in anyway restrict Declarant's right to lease Units not otherwise disposed of.

#### ARTICLE XIV

##### GENERAL PROVISIONS

Section 1. Enforcement: The Association, any Unit Owner or the Declarant shall have the right to enforce, by any proceeding at law or in equity, all restrictions,

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conditions, covenants, restrictions, liens and charges now or thereafter imposed by the provisions of this Declaration and of any Supplementary Declarations. Failure to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 2. Severability: Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

Section 3. Amendments: Except as otherwise provided by the Act with respect to termination of the condominium form of ownership, and except as provided in Article XII herein, this Declaration may be amended by an affirmative vote of seventy-five (75%) of all votes entitled to be cast by members of the Association following the initial sale of all Units declared or annexed by Declarant or ten (10) years from the date that the first condominium Unit is conveyed by the Declarant, whichever shall first occur. Prior to such time the consent in writing of the Declarant, its successors and assigns, shall also be required. No amendment shall alter or abrogate the rights of Declarant as contained in the Declaration. Copies of amendments shall be certified by the President and Secretary of the Association in a form suitable for recording. A copy of the amendment shall be recorded with the Register of Deeds for Sauk County, and a copy of the amendment shall also be mailed or personally delivered to each Unit Owner at his address on file with the Association.

Section 4. Registered Agent for Service of Process: The initial registered agent for service of process shall be Warren R. Schultz, Sr., Route 1, Wisconsin Dells, Wisconsin 53965. Change of agent for service of process may be accomplished by resolution of the Board of Directors of the Association and upon proper filing of said name with the Register of Deeds of Sauk County, Wisconsin.

IN WITNESS WHEREOF, HALE KAI, INC., a Wisconsin corporation, has caused this instrument to be signed by its President and Secretary as of the date first set forth above.

HALE KAI, INC.

By: Warren R. Schultz, Sr. (SEAL)  
Warren R. Schultz, Sr., President

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CORPORATE SEAL

Attest: Warren R. Schultz, Jr. (SEAL)  
Warren R. Schultz, Jr., Secretary

AUTHENTICATION

Signatures authenticated this 14th day of  
October, 1980.

Thomas C. Groeneweg  
Thomas C. Groeneweg  
Title: Member State Bar of Wisconsin

This instrument was drafted by:  
Thomas C. Groeneweg  
Quale, Hartmann, Bohl & Evenson  
619 Oak Street  
Baraboo, Wisconsin 53913

NO. 1

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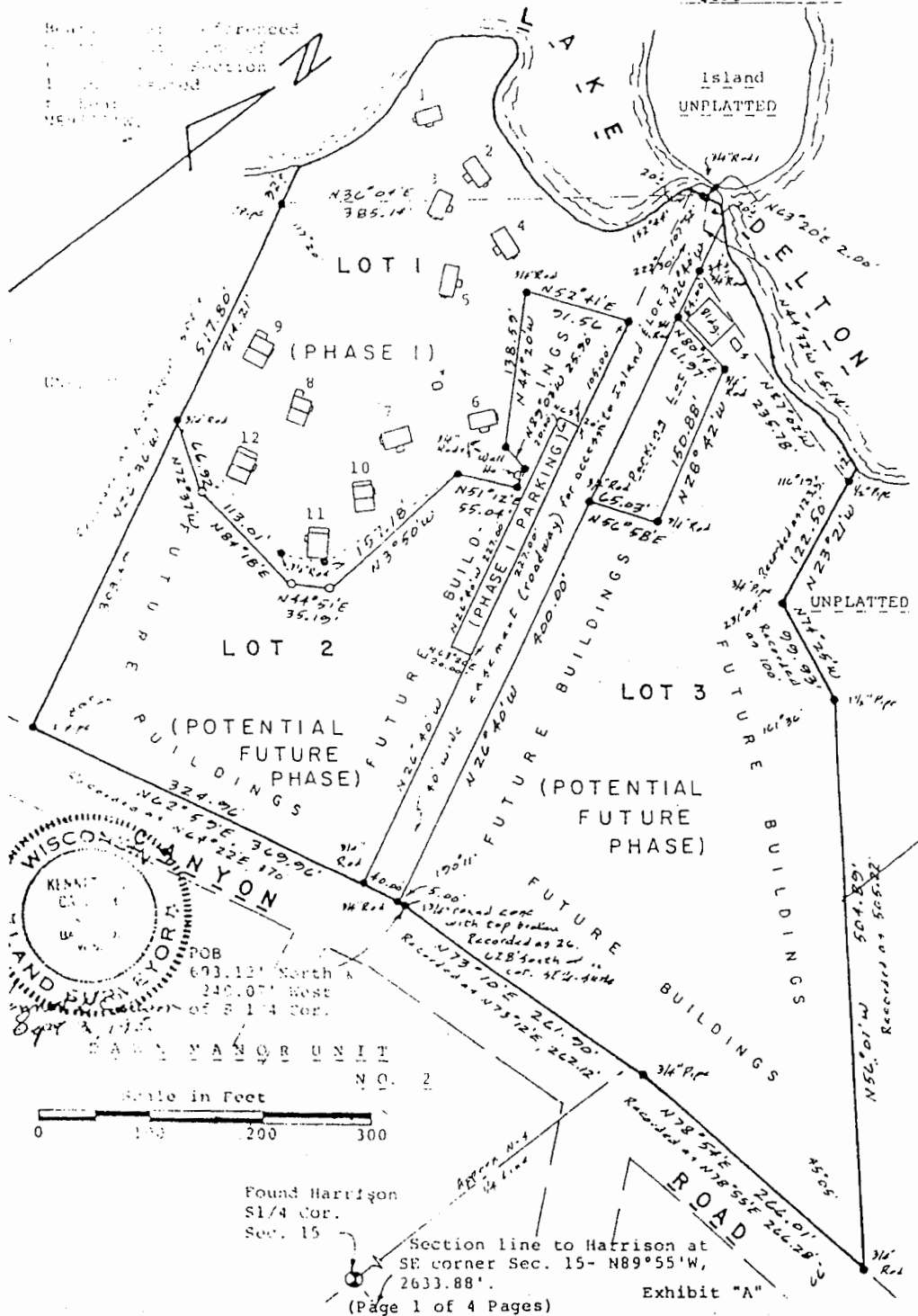
ISLAND POINTE BEACH CLUB CONDOMINIUM

I, Kenneth G. Carlson, registered land surveyor, hereby certify that this plat is a correct representation of the condominium described and the identification and location of each unit and the common elements can be determined from the plat including the 3 Floor Plan sheets.

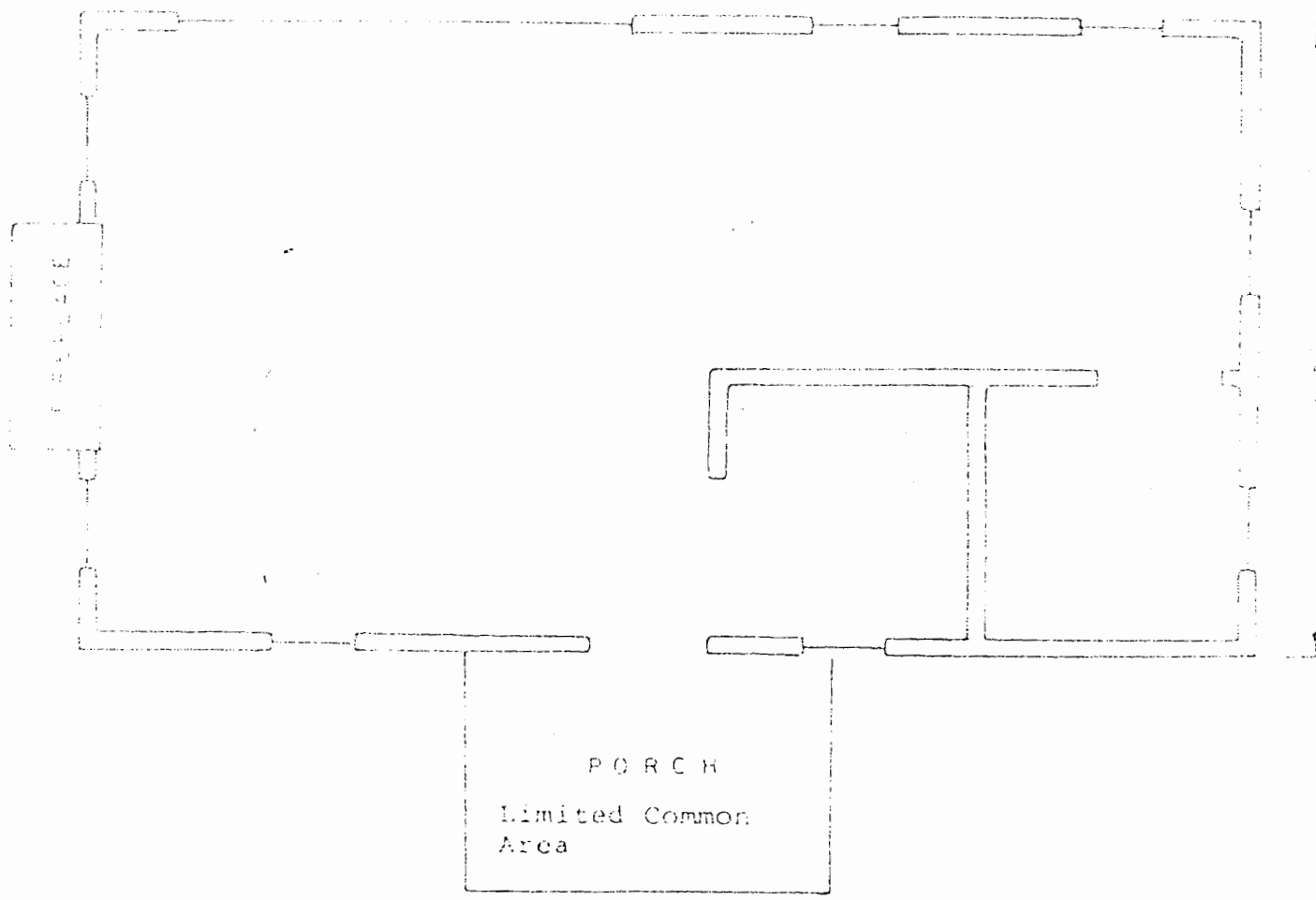
Oct 14, 1980

Kenneth G. Carlson

SALY COUNTY CERTIFIED SURVEY MAP NO. 1096



26'0"

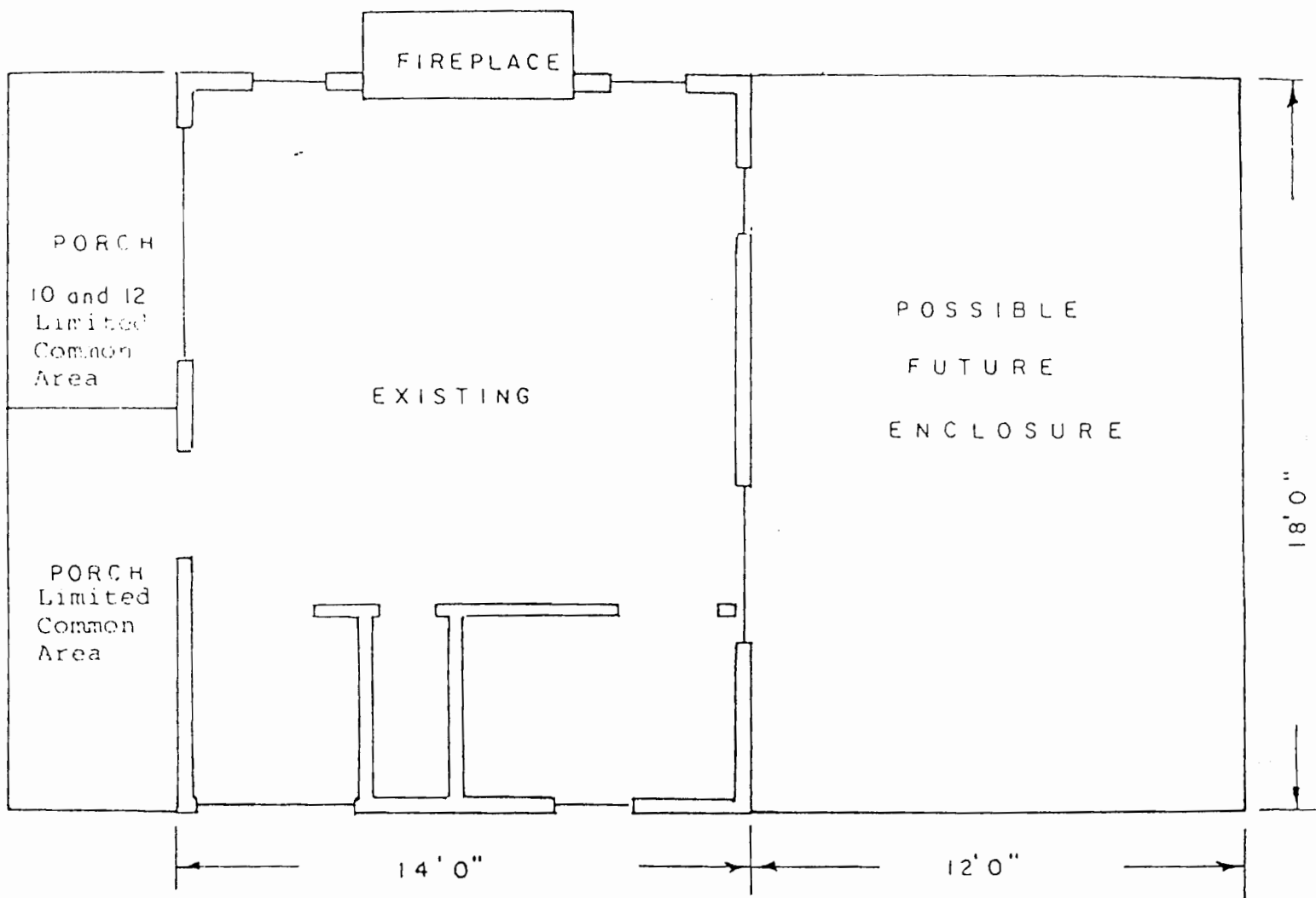


FLOOR PLAN

Units 1 thru 7 , 364 Square Feet

Floor plan may be reversed.

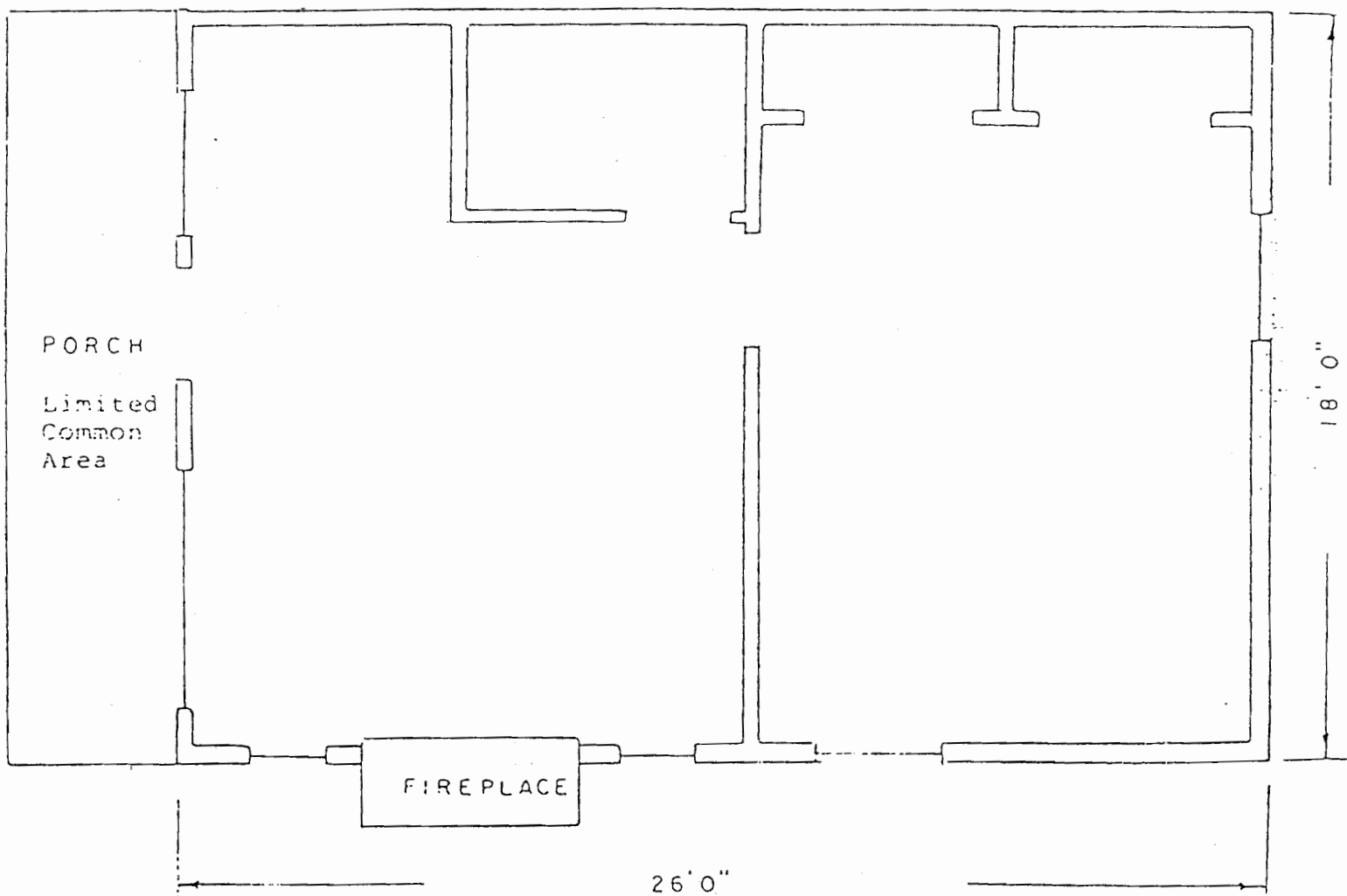
ISLAND POINTE BEACH CLUB CONDOMINIUM



FLOOR PLAN  
Units 8,9,10,12 , Existing 252 Square Feet  
Future 216 Square Feet

Existing floor plan may be reversed.

ISLAND POINTE BEACH CLUB CONDOMINIUM



FLOOR PLAN  
Unit 11 , 468 Square Feet