

**RAINBOW LAKE  
PROTECTIVE COVENANTS  
MAINTENANCE ASSOCIATION**

This Declaration, made this 16<sup>th</sup> day of May, 1994, by American Investment Company, a Wisconsin Partnership and First National Bank of Bangor (hereinafter referred to as "Declarants"),

WITNESSETH:

WHEREAS: American Investment Company is the owner and First National Bank of Bangor is the mortgagee of real property (hereinafter referred to as "Subject Property") legally described as:

Parcel #1) All of Rainbow Lake, a plat recorded in Volume 5 of Plats, page 211, Doc. No. 285019 at the Register of Deeds Office for Burnett County, Wisconsin. Said plat being located in Government Lots 1 and 2 and the NE 1/4 SE 1/4, Section 16, Township 40 North, of Range 16 West.

Parcel #2) A non-exclusive easement for ingress and egress for the benefit of Parcel #1, over and across the 66 foot wide easement which crosses Lots 20, 21, 22 and 23 of the Plat of Oakland Shores and is described on said Plat.

All said land being situate in Burnett County, Wisconsin.

WHEREAS: Declarants desire to provide for the preservation of the values and amenities of Subject Property, and to this end desire to subject aforesaid Subject Property to the covenants, conditions, restrictions and charges hereinafter set forth, each and all of which is and are for the benefit of Subject Property as a whole and all owners of any part thereof:

NOW THEREFORE, Declarants do hereby give notice to all purchasers and their successors of any portion of the Subject Property hereinbefore described and whosoever it may concern that Subject Property will be subject to the following covenants, conditions, restrictions and charges which will inure to the benefit of and pass with Subject Property, and each and every parcel thereof, and shall apply to and bind each successor in interest and any owner thereof.

## ARTICLE I GENERAL PURPOSE

The purpose of this Declaration is to insure the best use and the most appropriate development and improvement of the Subject Property; to protect owners of Subject Property against such use of surrounding property as will detract from the value of their property; to preserve, so far as practicable, the natural beauty of Subject Property; to ensure the highest and best development of Subject Property; to encourage and secure the erection of attractive structures thereon with appropriate locations thereof on each parcel; to prevent unharmonious improvement of Subject Property; to secure and maintain property setbacks from the roads, and adequate free spaces between structures; and in general to preserve and enhance the value of investments made by purchasers of Subject Property therein.

## ARTICLE II USE OF LAND

All terms, regulations and conditions of any applicable township, county or state zoning or subdivision ordinances, statutes or regulations shall be and remain in full force and effect.

The Grantees, for themselves, their heirs and assigns shall not permit unregistered or abandoned vehicles, trash or junk to remain on said premises.

All structures shall have exterior finish, clapboard siding, shingles, masonry, or equal quality finish. There is to be no tar paper, tar shingles or tar paper siding allowed.

Any primary residential structure must have a minimum of 500 square feet of living space.

Should any improvements on the premises be damaged by casualty, or become unsightly through wear and tear, the same will be promptly razed or restored to a neat exterior appearance in line with the building requirements above set forth.

The land is restricted against commercial timbering and commercialization.

No advertising signs, including "For Sale" signs, shall be placed upon the premises.

All structures erected shall be promptly and expeditiously completed on their exterior, including paint or stain on any exterior surface above the foundation within 6 months after construction is commenced.

The lots within the Subject Property are for the private recreational and/or residential use of the Grantees thereof. No lot shall be subdivided to create one or more additional parcels. Except for the Lake Access Easement over Lots 15 and 16 as described on the Plat of RAINBOW LAKE, no portion of any of the lots within the Plat of RAINBOW LAKE shall be used for multi-party or non-exclusive right-of-way access to Rainbow Lake or Fremsted Lake.

### **ARTICLE III SPECIAL PROVISIONS**

The Grantees, for themselves, their heirs and assigns, agree that no mobile homes or campers or buses shall be placed upon the premises herein conveyed. "Mobile homes" includes any and all trailers or structures previously licensed or titled for road use; and trailers or structures with wheels and/or axles attached at any time, including all trailers and structures commonly known as "mobile homes", whether placed on a foundation or not.

The Grantees, for themselves, their heirs, and assigns, agree that:

The use and/or storage of campers and other recreational vehicles shall be permitted to the extent allowed under the County Zoning Regulations, but is further subject to the following provisions: Unhoused storage of campers and other recreational vehicles is prohibited between December 01 and April 30.

### **ARTICLE IV COMMON AREAS LAKE ACCESS EASEMENT**

The Lake Access Easement is intended to be used for a picnic area, swimming beach, and launching of small watercraft. Camping and overnight use is prohibited. Boats and other watercraft shall not be left unattended on the Lake Access Easement for more

than 24 consecutive hours. One dock is permitted on the Rainbow Lake frontage, and one dock is permitted on the Fremsted Lake frontage.

All private ingress-egress, and utility easements as depicted on the plat of Rainbow Lake are for the use in common by all owners within the Subject Property and any additions thereto.

The care and maintenance of the Private ingress-egress/utility easements and the Lake Access Easement is the responsibility of the lot owners in accordance with the provisions of Article VII.

#### **ARTICLE V STRUCTURES**

All buildings shall be located on their respective lots in accordance with the applicable state, county or township regulations, ordinances or laws which shall supercede any provisions contained herein. No building or other structures permitted under the terms of this Agreement shall be located closer than 40 (forty) feet from the center-line of any private road right-of-way.

#### **ARTICLE VI ADDITIONAL PROPERTY**

Additional Property may become subject to the covenants, restrictions, easements, charges and liens set forth in this declaration.

Declarants, their heirs, successors, and assigns shall have the right to bring within the general plan or scheme of this declaration Additional Property in future stages. Additions, if any, shall comply with the standard set forth in this document. The Declarants, their successors and assigns, are not obligated to bring any Additional Property within the general plan or scheme. Any addition authorized under this Article shall be made by recording a "Supplementary Declaration of Covenants and Restrictions" with respect to such addition, which shall extend the general plan or scheme of the covenants and restrictions of this Declaration to the lands added.

**ARTICLE VII  
RAINBOW LAKE MAINTENANCE ASSOCIATION;  
DECLARATION, PROVISIONS AND RULES**

**1. PURPOSE AND MEMBERSHIP**

The Rainbow Lake Maintenance Association is organized for the purpose of maintaining, preserving, supervising, and regulating the use of the private roads, and Lake Access Easement as depicted on the plat of Rainbow Lake for the use and enjoyment of the common landowners. Any party or group of parties with an ownership interest in a particular parcel of land located within the Subject Property is automatically a member but each separate parcel of land shall be entitled to one, and only one, vote in the Association. The Association is prohibited and restricted from severing commonly owned interests through partitions or otherwise.

**2(a) MAINTENANCE OVERSIGHT**

The Declarant shall act as chairperson and oversee maintenance operations for the subject roadway(s) and Lake Access Easement until eighty (80%) percent of the parcels fronting on the subject roadways have been sold.

After the required number of sales have occurred, the maintenance association shall elect its chairperson and begin active control of maintenance operations for the subject roadways and Lake Access Easement.

**2(b) ANNUAL MEETING**

Each calendar year during the month of September after the Association becomes active, the Association shall hold an annual meeting, at a location within the Subject Property or as close thereto as practicable, announced by the chairperson, at a date and time announced in writing at least 15 (fifteen) days in advance, by written notice to all members. Parties sharing an ownership interest in one parcel of land shall only be entitled to one written notice, addressed to their designated spokesperson. The quorum required for members meetings shall be 25% of the total membership. Members may vote by proxy

ballots provided along with timely written notice of meetings. At the annual meeting, the following shall be discussed:

- a) Immediate maintenance needs.
- b) Problems with use, access, conditions, etc. presently existing.
- c) Maintenance and plowing arrangements for the winter and spring season.
- d) Appropriate fees to be levied and collected.
- e) Election of a chairperson and secretary, and treasurer for the period ending with the next annual meeting, by a majority vote of members attending.
- f) Such other relevant business as may be discussed or proposed including any necessary rules or regulations.

#### 2(c) SPECIAL MEETINGS

At any time during each calendar year upon petition by 25% of the members of the Association, said members may call for a Special Meeting by written notice to all members at least fifteen (15) days in advance, at a location within the Subject Property or as close thereto as practicable, for the purpose of removing officers and electing new officers. New officers may be elected by a plurality of the voting members.

#### 3. BUDGET AND FEES

Pursuant to the foregoing paragraph (2), the Association shall have the power to determine by majority vote of members attending, a budget and how much money to levy and collect as and for anticipated maintenance and care expenses of the subject roadway(s) and Lake Access Easement. Each and every budget shall require the approval of a majority of the members attending the annual meeting. If a majority are unable to agree on a budget, then the previous years budget established by annual meeting or developer shall remain in effect.

#### 4. DUTIES OF CHAIRPERSON

The chairperson must be a member, and preside over the annual meeting. The chairperson shall be responsible for evaluating and implementing all plowing, care and maintenance,

and shall be responsible for the day to day care and maintenance of the roadway(s) and Lake Access Easement. Decisions and expenditures consistent with the budget and directives agreed upon at the annual meeting shall be made by the Chairperson with or without notice. The chairperson may, on behalf of the Association, contract for materials and/or services for the common area or the Association, with the term of any service contract limited to a duration of one (1) year, except with the approval of a majority of the members of the Association; contract for fire, casualty, liability, and other insurance on behalf of the Association; and enter upon any privately owned lot or unit where necessary in conjunction with construction, maintenance, or repair for the benefit of the common area or the owners in common. Extraordinary, and non-budgeted expenditures, may be made only with the approval of the majority of the members. Emergency needs shall be dealt with reasonably, in the Chairperson's discretion. The Association shall take reasonable action and follow prudent procedures in the event of destruction or extensive damage to common areas or facilities. The use and disposition of insurance proceeds payable to the Association on account of such destruction or damage shall be dealt with reasonably, in the chairperson's discretion.

#### 5. DUTIES OF SECRETARY/TREASURER

The Secretary/Treasurer must be a member, and shall serve from election until the next annual meeting. The Secretary/Treasurer shall keep and maintain notes, minutes of meetings, and all Association records. The Secretary/Treasurer shall prepare an annual operating statement reflecting income and expenditures of the Association for its fiscal year, and distribute a copy of said report to each member within 90 days after the end of the fiscal year. The Secretary/Treasurer shall levy and collect all fees, maintain an Association account, and prepare and send notices as directed by the Chairperson. Actual expenditures shall be made only by the Chairperson.

## 6. LEVY AND COLLECTION OF FEES

The total annual budget amount shall be collected by a levy upon all members. For each separate parcel of land, in this case, twenty five (25) parcels, included in the Association, a pro-rata fraction of the amount of the total budget shall be levied. All approved fees levied shall be paid in full to the Secretary/Treasurer on or before November 15 (fifteen) of each calendar year. Any fees not paid may be collected by legal action, in the name of the Association, upon approval of a majority of members, and unpaid fees shall constitute a lien upon the property for which fees are delinquent.

### 6(a) OPERATING AND MAINTENANCE FUNDS DURING START-UP

In order to provide for operating and maintenance expenses associated with the private roads and Lake Access Easement during the start-up period, the Developer has funded the RAINBOW LAKE MAINTENANCE ASSOCIATION in the amount of One Thousand Seven Hundred Fifty Dollars (\$1,750.00). These start-up funds are based on an annual assessment of \$70.00 per lot, and have been deposited in a checking account with the River Bank, located in DeSoto, Wisconsin.

## 7. RESTRICTIVE COVENANTS, ASSIGNMENT AND SUCCESSION

The terms and conditions of this Declaration, constitute a restrictive covenant running with the land, along with any rules and regulations approved by the Association. Upon conveyance or transfer of the ownership interest on a particular parcel of land, the membership, duties and obligations arising hereunder shall automatically be conveyed, transferred and assigned to the new owner(s), who shall automatically succeed to the duties arising hereunder.

## 8. AUTOMATIC RENEWAL

If for any reason an Annual Meeting is not held in a given year, then the previous year's budget and terms of officers shall automatically be renewed and continued for another year.



#### 9. REASONABLE CONSTRUCTION

All provisions of this Declaration shall be reasonably construed so as to effectuate the intent and purposes of the Association; and this Declaration shall be binding upon the heirs and assigns of all members.

### ARTICLE VIII TERM AND RIGHT TO ABATE VIOLATIONS

The provisions contained herein shall run with and bind Subject Property and shall inure to the benefit of and be enforceable by or against any owner of land included in Subject Property, their respective legal representatives, heirs, successors and assigns from the date of the recording of the Declaration of Protective Covenants. Said provisions shall remain in full force and effect until and unless an amendment to this instrument is signed by 2/3 (two-thirds) of the then owners of Subject Property has been recorded, agreeing to change said covenants in whole or in part.

If any lot owners or persons in possession of any of said lots shall violate or attempt to violate any of the covenants, conditions, and restrictions herein contained, it shall be lawful for any other person or persons owning any real estate situated in the Subject Property to prosecute any proceedings at law or in equity against the person or persons violating or attempting to violate any such covenants, either to prevent him or them from so doing or to recover damages for such violation. Failure by any land owner to enforce any restrictions, conditions, covenants or agreements herein contained shall in no event be deemed a waiver or the right to do so thereafter as to the same breach or as to one occurring prior or subsequent thereto.

The invalidation of any one of these covenants by judgment or court order shall in no way affect any of the other provisions which shall remain in full force and effect.

AMERICAN INVESTMENT COMPANY,  
a Wisconsin Partnership

By [Signature]  
James W. Smith, Partner

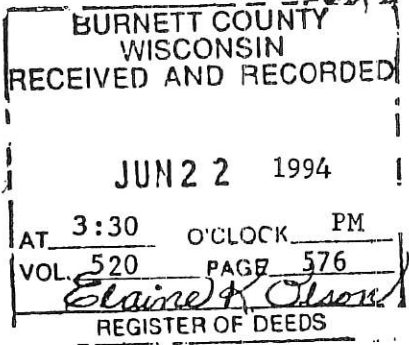
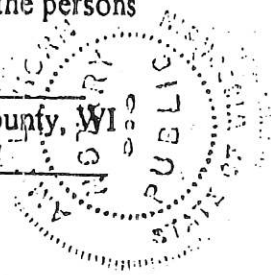
By [Signature]  
Thomas D. White, Partner

ACKNOWLEDGMENT

STATE OF WISCONSIN  
SS  
COUNTY OF Vernon

Personally came before me this 16th day of May, 1994, the above named JAMES W. SMITH and THOMAS D. WHITE to me known to be the persons who executed the foregoing instrument and acknowledge the same.

\* [Signature] Amy L. Horn  
Notary Public, La Crosse County, WI  
My commission expires: 11/23/97



FIRST NATIONAL BANK OF BANGOR  
by its authorized officers:

[Signature]  
William H. Bosshard

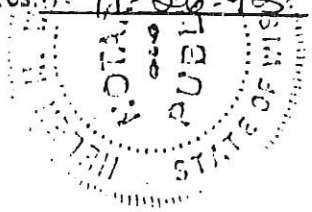
[Signature]  
Robin R. Gjertsen

ACKNOWLEDGMENT

STATE OF WISCONSIN  
SS  
COUNTY OF La Crosse

Personally came before me this 16<sup>th</sup> day of May, 1994, the above named WILLIAM H. BOSSHARD and ROBIN R. GJERTSEN to me known to be the persons who executed the foregoing instrument and acknowledge the same.

\* [Signature]  
Notary Public, La Crosse County, WI  
My commission expires: 11-26-95



This instrument was drafted by:  
John P. Ebben, Attorney