

RESTRICTIVE COVENANTS

In re title to: Legend Lake Lots and Outlots, Menominee County, Wisconsin
See Exhibit A for legal descriptions.

RECITALS

The Legend Lake Plat and development was originally created to, among other things, increase the tax base of Menominee County, Wisconsin. These Restrictive Covenants are intended to preserve the tax base of Menominee County, Wisconsin. These Restrictive Covenants are further intended to, among other things, increase property values of Legend Lake properties by insuring compliance with state and local municipal control and governance, and to assure compliance with membership responsibilities of the Legend Lake Property Owners Association, Inc. (hereinafter, the "Association").

These Restrictive Covenants, adopted on June 13, 2009, by way of an Amendment to the Bylaws of the Association, upon due notice and requisite affirmative vote of the membership at the Annual Meeting, shall and hereby constitutes covenants, conditions and restrictions running with the land as to any plot of land designated as a "lot" or "out lot" as set forth on the plat of Legend Lake, and any additions or amendments thereto, filed with the Register of Deeds for Menominee County (hereinafter, the "Subject Real Estate").

Each part of the Subject Real Estate shall be held, sold or conveyed only in accordance with these Restrictive Covenants, which shall be binding upon all parties acquiring or holding any right, title or interest in the Subject Real Estate (or any part thereof), their heirs, personal representatives, successors or assigns, and the Restrictive Covenants contained herein shall inure to the benefit of each owner thereof.

These Restrictive Covenants shall not apply to, or be binding upon, any "lot" or "out lot," as set forth on the plat of Legend Lake, and any additions or amendments thereto, filed with the Register of Deeds for Menominee County, which, on the date of adoption of the above referenced Amendment, were owned by any sovereign or dependent sovereign nation, and/or which were placed in federal trust pursuant to the Indian Reorganization Act, provided, however, that upon sale, transfer or conveyance of such Subject Real Estate (or any part thereof) to a third party that is not a sovereign or dependent sovereign nation, or upon such Subject Real Estate's transfer out of federal trust, these Restrictive Covenants shall then apply to and be binding upon such Subject Real Estate (or any part thereof).

1. Restriction on Transfer.

A. The foregoing Recitals are incorporated by reference herein.

B. Without the express written consent of the Association, which to be effective must be duly voted upon and approved by the Association's membership by amendment to the bylaws, no owner of any interest in the Subject Real Estate (or any part thereof) shall transfer any interest in the Subject Real Estate to any individual, entity (whether corporation, limited liability

company, limited partnership, limited liability partnership, general partnership or otherwise), organization, or sovereign or dependent sovereign nation, or during the period of ownership take any action, the result of which could or would:

- (1) remove or eliminate the Subject Real Estate (or any part thereof) from the tax rolls of Menominee County, Wisconsin;
- (2) diminish or eliminate the payment of real estate taxes duly levied or assessed against the Subject Real Estate (or any part thereof);
- (3) remove the Subject Real Estate (or any part thereof) from the zoning authority and general municipal jurisdiction of Menominee County, Wisconsin;
- (4) remove the Subject Real Estate (or any part thereof) from the general municipal jurisdiction of the State of Wisconsin, to include administrative regulations duly adopted; and/or
- (5) remove the Subject Real Estate (or any part thereof) from the obligations and/or restrictions imposed on the Subject Real Estate (or any part thereof) by the duly adopted bylaws and resolutions of the Association, to include, without limitation, the obligation to pay all dues and assessments properly levied by the Association.

C. This Restriction on Transfer of Paragraph 1 shall apply to the transfer of an interest in an entity that is an owner of the Subject Real Estate if, as a result of the transfer, any of items (1) – (5) above could or would occur. This restriction shall, among other things, expressly apply to any application to have the Subject Real Estate (or any part thereof) placed into federal trust pursuant to the Indian Reorganization Act.

D. Any owner of an interest in the Subject Real Estate (or any part thereof) shall at all times comply with any and all municipal and Association laws, rules, regulations and obligations as set forth in the foregoing restrictions, to include, without limitation, the property tax collection laws set forth in Chapters 74 and 75 of the Wisconsin Statutes. **The Subject Real Estate remains subject to said municipal and Association laws, rules, regulations and obligations, in rem, notwithstanding a transfer to an owner not otherwise subject to them.**

E. Any purported transfer of any interest in the Subject Real Estate (or any part thereof) in violation of these restrictions shall be null and void.

F. Notwithstanding the foregoing, nothing contained in these Restrictive Covenants, including without limitation this paragraph, shall be deemed or construed to:

- (1) prevent, limit or restrict any owner or holder of any interest in the Subject Real Estate (or any part thereof) from contesting, protesting, appealing or otherwise challenging (through whatever lawful means are necessary or advisable) the amount of any real property tax levied or assessed by any “taxation district” or “taxing jurisdiction” (as the foregoing terms are defined in and by Wis. Stats. Section 74.01(6) – (7) and/or successor

statutes thereto and/or regulations promulgated thereunder) including without limitation the State of Wisconsin, Menominee County, municipal or school district, township or other jurisdiction assessing "general property taxes" (as defined by Wis. Stats. Section 74.01(1) or successor statutes and/or regulations promulgated thereunder) levied or assessed against the Subject Real Estate (or any part thereof) and/or "special assessments," "special charges," "special tax" (as the foregoing terms are defined in and by Wis. Stats. Section 74.01(1) – (5) and/or successor statutes thereto and/or regulations promulgated thereunder) and/or other municipal or governmental charges levied or assessed against the Subject Real Estate;

(2) effect a waiver, abrogation, release or relinquishment of any constitutional rights granted to or held by real property owners under the constitution or laws of the United States and/or the State of Wisconsin, including without limitation pursuant to Chapters 74 and 75, Wis. Stats.;

(3) to cause, except as expressly covenanted and agreed herein, the Subject Real Estate to be taxed or otherwise treated by Menominee County in any manner differently from any other parcel of real estate located within Menominee County's lawful taxing jurisdiction, zoning authority and/or general municipal jurisdiction; and/or

(4) prevent, limit or restrict any owner or holder of any interest in the Subject Real Estate (or any part thereof) from contesting, protesting, appealing or otherwise challenging (through whatever lawful means are necessary or advisable) the obligations and/or restrictions imposed on the Subject Real Estate (or any part thereof) by the duly adopted bylaws and resolutions of the Association.

G. Further, notwithstanding anything in these Restrictive Covenants to the contrary, the foregoing provisions are not intended to affect, and shall not apply to:

(1) any transferor's grant of utility, ingress/egress, access, maintenance, signage, drainage, conservation or other easements or similar interests of any type or nature in the Subject Real Estate (or parts thereof) for the benefit of third parties which are immaterial to the fee ownership of the Subject Real Estate;

(2) any transferor's grant to a third party or parties of any real estate security agreement, mortgage(s), deed in trust, Uniform Commercial Code (UCC) fixture or other filing or other similar security devices or instrument evidencing a collateral interest in the Subject Real Estate (or any part thereof) to be held by any bank, credit union, savings and loan or saving bank, and/or other lenders in consideration of past, present and/or future indebtedness by any transferor, unless, and not until, there is a foreclosure or execution on such real estate security instrument which results in the transfer of title to the Subject Real Estate (or any part thereof); or

(3) any other grant of a material interest in the Subject Real Estate (or part thereof) which does not substantially alter the fee simple or other equitable ownership in the Subject

Real Estate and does not result in the violation of the restrictions contained in Paragraph 1 above.

2. **Duration of Restrictions.** The covenants, conditions, and restrictions contained in this instrument are to run with the land, and shall be binding on all parties and all persons claiming under them for a period of one hundred (100) years from the date this instrument is recorded, after which time such covenants, conditions, and restrictions shall be automatically extended for successive periods of fifty (50) years, unless and until an instrument terminating the covenants set forth herein, or any portion thereof, is executed by the Association, after a due and proper vote of the membership, and filed with the Register of Deeds for Menominee County, Wisconsin.

3. **Reformation of Covenants.** If any provision or clause of these Restrictive Covenants is held to be invalid or inoperative by a court of competent jurisdiction, then such clause or provision shall be severed herefrom without affecting any other provision or clause of these Restrictive Covenants, the balance of which shall remain in full force and effect; provided, however, that if such provision or clause may be modified for it to be valid as a matter of law, then the provision or clause shall be deemed to be modified so as to be enforceable to the maximum extent permitted by law.

4. **Miscellaneous.**

- A. **Expenses.** In the event that any legal action is filed arising out of, or relating to, these Restrictive Covenants, and the Association is a party to said action, in the event that the Association is a prevailing party, all non-prevailing parties, jointly and severally, shall be liable to the Association for all costs and expenses incurred by the Association in defending or prosecuting such action, including reasonable attorney fees **and said costs and expenses shall be an Association lien on the disputed lot or out lot.**
- B. **Notices.** All notices or other communications required or permitted to be given hereunder shall be in writing and shall be considered to be given and received in all respects when personally delivered or sent by prepaid telex, cable or telecopy, or sent by reputable overnight courier service, or three (3) days after deposit in the United States Mail, certified mail, postage prepaid, return receipt requested.
- C. **Binding Effect.** These Restrictive Covenants shall be binding upon the Subject Real Estate as a covenant running with land and shall bind all present and future owners of any interest in the Subject Real Estate or any portion thereof.
- D. **Paragraph Headings.** The headings in this document are for purposes of convenience and ease of reference only and shall not be construed to limit or otherwise affect the meaning of any part of this document.
- E. **Irreparable Injury.** It is acknowledged by any owner of any interest in the Subject Real Estate (or any part thereof) that the duties, obligations and restrictions

imposed by these Restrictive Covenants are reasonable and necessary for the protection of the legitimate interests of the Association. It is further acknowledged that the Association will suffer irreparable harm in the event of a violation of these Restrictive Covenants, and that the Association shall have the right to specifically enforce these Restrictive Covenants by way of a temporary restraining order or injunction in a court of competent jurisdiction.

- F. Applicable Law, Jurisdiction and Venue. Any and all actions or proceedings seeking to enforce any provision of, or based upon any right arising out of, these Restrictive Covenants running with the land shall be brought against a party in the Circuit Court of Menominee County, State of Wisconsin (sitting in Shawano, Wisconsin) where the land is situated, and any purchaser and/or transferee of the land that is a party to any such action, by accepting the deed thereto, consents to the exclusive jurisdiction and venue of such court (and the appropriate appellate courts therefrom) in any such action or proceeding and waives any objection to jurisdiction and venue laid therein.
- G. Waiver of Defense. **By acceptance of a deed transferring title ownership of any portion of the Subject Real Estate, the title owner hereby waives any defense to an action filed with respect to these Restrictive Covenants by the Association based on sovereign immunity, and expressly consents to suit as provided for in Paragraph 4F above, and enforcement of any judgment rendered therein.**

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