

DECLARATION OF CONDOMINIUM

THIS DECLARATION OF CONDOMINIUM (this “Declaration”), is made this _____ day of July, 2018, by **MILL ROAD LIBRARY REDEVELOPMENT, LLC**, a Wisconsin limited liability company (the “Declarant”).

ARTICLE I

DECLARATION

Declarant hereby declares that it is the sole owner of the Land (as Land is defined in Section 2.02), together with all improvements located thereon and easements, rights and appurtenances pertaining thereto, and further declares that the Land, improvements, appurtenant rights and improvements to be constructed on the Land in the future (collectively, “Property”) is hereby submitted to the condominium form of ownership as provided in Chapter 703, Wisconsin Statutes, as amended from time-to-time (the “Condominium Ownership Act”). The Declarant hereby elects to operate the Condominium (defined below) as a Small Condominium pursuant to Section 703.365 of the Condominium Ownership Act and hereby elects to apply Sections 703.365(3), (3m), (5), (6), (7), and (8).

ARTICLE II

NAME; DESCRIPTION OF PROPERTY

2.01 Name of Condominium. The name of the condominium created by this Declaration (the “Condominium”) is “The Fortitude Condominium.” The Condominium shall consist of two (2) units (individually a “Unit” and collectively the “Units”) located in the building (the “Building”) identified on the condominium plat (“Plat”) a reduced copy of which Plat is attached hereto as Exhibit A and made a part hereof, as well as the Common Elements as defined in Article IV.

2.02 Legal Description. The land comprising the Property (the “Land”) is located in the City of Milwaukee, County of Milwaukee, State of Wisconsin, and is legally described on the first page of Exhibit A.

2.03 Address. The address of the Condominium is 7717 West Good Hope Road, Milwaukee, Wisconsin.

ARTICLE III

DESCRIPTION OF UNITS

3.01 Identification of Units. The Plat shows floor plans for each Unit showing the layout, boundaries and dimensions of each Unit. The Units shall be identified as “Unit 100” and “Unit 200” as numbered on the Plat. Each owner of a Unit is referred to as a “Unit Owner.” Where a Unit has been sold under a land contract, the purchaser (and not the vendor) shall be the Unit Owner.

3.02 Boundaries of Units. The boundaries of each Unit shall be as follows:

(a) The upper boundary of that portion of Unit 200, which is located on the fifth floor of the Building shall be the horizontal plane extended 100 feet above the upper exterior surface of the roof of the Building extended to the point of intersection with the vertical boundaries of Unit 200 as extended.

(b) The upper boundary of that portion of Unit 100, which is located beneath Unit 200, shall be the horizontal plane of the lower interior surface of the concrete slab supporting the ceiling above Unit 100 extended to the point of intersection with the vertical boundaries of the Unit.

(c) The upper boundary of that portion of Unit 100 that is not located beneath Unit 200 shall be the horizontal plane of the upper exterior surface of the roof of the Building extended to the point of intersection with the vertical boundaries of the Building or Unit 100, as the case may be.

(d) The lower boundary of Unit 200 shall be the horizontal plane of the lower surface of the concrete slab supporting the floor for Unit 200, extended to the point of intersection with the vertical boundaries.

(e) The lower boundary of Unit 100 shall be the horizontal plane of the lower surface of the concrete slab supporting the floor for Unit 100, extended to the point of intersection with the vertical boundaries of Unit 100.

(f) Except for the vertical walls depicted on the Plat (each, a "Division Wall") separating Unit 100 and Unit 200, the vertical boundaries of Unit 100 and Unit 200 shall be the vertical planes which correspond with the exterior surfaces of perimeter walls of the Building to the points of intersection with their respective lower and upper horizontal boundaries.

(g) Notwithstanding anything to the contrary set forth in this Section 3.02, the entire Division Wall shall be deemed part of Unit 200, with the sheetrock and drywall on the Unit 100 side of the Division Wall being the vertical boundary, and such sheetrock/drywall shall be part of Unit 100.

3.03 Description of Units. It is intended that the surface of each plane described above (be it concrete, glass, metal, rubber, drywall, tiles, wallpaper, paneling, carpeting or otherwise covered) is included as part of each defined Unit. The Unit shall include, without limitation, all improvements now or hereafter located within such boundaries, including:

(a) Windows, doors and garage doors (with all opening, closing and locking mechanisms and all hardware), elevators and stairwells that provide direct access to or within the Unit.

(b) Floor, wall, baseboard, or ceiling, electrical outlets and switches and the junction boxes serving the Unit.

(c) Utility Services and Systems, including, without limitation, heating, ventilating and air-conditioning, gas, electrical, sewer/water and plumbing services, lines, pipes, wires, vents, flues, chimneys, ducts, cables, conduits, communication lines and systems, fire prevention installation and systems (collectively, "Utility Services and Systems") located within a Unit.

(d) Utility Services and Systems located within a Unit, but exclusively serving another Unit shall be deemed part of the Unit serviced, regardless of location of such Utility Services and Systems.

(e) The stairwell depicted on Sheets 2-7 inclusive of Exhibit A, and service corridor depicted on Sheet 2 of Exhibit A, are each part of Unit 200 subject to the easements set forth in Section 14.01.

(f) Subject to the easements set forth in Section 14.01, parking and landscaped areas within the Condominium are part of the Unit to which such areas are designated as depicted on Exhibit A.

ARTICLE IV

COMMON ELEMENTS; LIMITED COMMON ELEMENTS

4.01 Common Elements. The common elements (the "Common Elements") include and are limited to the land below the Units and the airspace beyond the Units.

4.02 Limited Common Elements. There are no Limited Common Elements in the Condominium.

ARTICLE V

PERCENTAGE INTERESTS

5.01 Percentage Interests. The undivided percentage interest ("Percentage Interest") in the Common Elements appurtenant to: (i) Unit 100 shall be thirty-two percent (32%); and (ii) Unit 200 shall be sixty-eight percent (68%).

5.02 Conveyance, Lease or Encumbrance of Percentage Interest. Any deed, mortgage, lease or other instrument purporting to convey, encumber or lease any Unit shall be deemed to include the Unit Owner's undivided percentage interest in the Common Elements and in any insurance proceeds or condemnation awards attributable to the Common Elements even though such interest is not expressly described or referred to therein.

ARTICLE VI

CONDOMINIUM ASSOCIATION

6.01 General. Following the conveyance of the first Unit to any person other than Declarant, all Unit Owners shall be entitled and required to be a member of an association of Unit Owners known as "The Fortitude Condominium Owners Association, Inc." (the "Association"). The Association shall be responsible to enforce and carry out the purposes of the Condominium Documents (defined below). The Association shall be incorporated as a non-stock corporation under the laws of the State of Wisconsin. The powers and duties of the Association shall include those set forth in the Association's articles of incorporation (the "Articles") and bylaws

(the “Bylaws”), the Condominium Ownership Act, this Declaration and Chapter 181, Wisconsin Statutes (the “Wisconsin Nonstock Corporation Law”). All Unit Owners, tenants of Units and all other persons and entities that in any manner use the Condominium or any part thereof shall abide by and be subject to all of the provisions of all rules and regulations of the Association (collectively, the “Rules and Regulations”), this Declaration, the Articles and Bylaws. The Association shall have the exclusive right to promulgate the Rules and Regulations from time to time and shall distribute to each Unit Owner the updated version of such Rules and Regulations upon any amendment or modification to the Rules and Regulations. Any new Rules or Regulations or any revision to existing Rules and Regulations shall become effective immediately upon distribution to the Unit Owners. The Declaration, Articles, Bylaws, Rules and Regulations are sometimes collectively referred to herein as the “Condominium Documents.”

6.02 Board of Directors. Except as specifically delegated in the Condominium Documents to the Unit Owners for action or decision, Association’s board of directors (“Board of Directors” or “Board”) shall govern the Condominium pursuant to Section 703.365(3)(a) of the Condominium Ownership Act and the Condominium Documents. The Board shall be composed of four (4) members, with two (2) representatives appointed by each of the two Unit Owners. A Director must be a Unit Owner or a shareholder, partner, member, officer, director, trustee, agent, employee or designee of a Unit Owner. Wherever in the Condominium Documents Association approval is required, such approval shall be given, denied or conditionally approved by the Board of Directors, unless the applicable provision in the particular Condominium Document specifically requires approval or action by the Unit Owners as members of Association.

6.03 Multiple Owners. If there are multiple owners of any Unit, such Unit’s votes shall be counted as provided in the Bylaws.

6.04 Maintenance and Repair.

(a) Units. Each Unit Owner shall, at its sole cost, be responsible for the cleaning, maintenance, repair, and replacement of its Unit and all improvements constructed within or as part of the Unit and Utility Services and Systems exclusively serving such Unit, regardless of location, and including any ducts, vents, pipes, wires, cables, conduits or other components designed or used solely in connection with such Utility Services and Systems. Each Unit shall, at all times, be kept in good condition and repair by its Unit Owner. If a Unit Owner allows its Unit or a portion of its Unit to fall into disrepair so as to create a dangerous, unsafe, unclean, unsightly or unattractive condition, or a condition that results or is reasonably likely to result in damage to the Common Elements or the other Unit, then the other Unit Owner, upon 15 days’ prior written notice to the non-performing Unit Owner, subject to the limitations set forth herein, shall have the right to correct such condition or to restore the Unit to its condition existing prior to the disrepair, or the damage or destruction if such was the cause of the disrepair, and the non-performing Unit Owner shall promptly reimburse the correcting Unit Owner for the reasonable cost thereof. Notwithstanding the foregoing, Unit Owners shall not have the right to enter into the other Unit’s interior building space for the purpose of correcting a condition or defect without the prior consent of the other Unit Owner, except in the event of an emergency that, if not immediately corrected, is likely to result in damage to the other Unit. All amounts due for such work shall be paid within 30 days after receipt of written demand therefor, or the amounts may be levied against the Unit as a Special Assessment under Section 6.07. If a Dispute, as defined at Section 13.03(a), should arise as to the need for the required maintenance or repair,

which remains unresolved, the parties shall proceed to expedited arbitration under Section 13.03(b).

(b) Damage Caused by Unit Owners. If any cleaning, maintenance, repair or replacement of all or any part of any Unit is required due to any negligent, reckless, or intentional act or omission, including, without limitation, any alteration or removal of an alteration to a Unit by another Unit Owner, or such other Unit Owner's contractor, tenant, invitee or occupant, then such Unit Owner shall pay the cost of such cleaning, maintenance, repair, replacement and restoration.

6.05 Common Expenses. Unless otherwise agreed to by the Association, common expenses of the Association shall be limited to administrative, collection, and accounting costs related to matters as referenced in Sections 6.07, 9.05, and 10.04 below, and expenses incurred by the Association for premiums for Association Insurance Policies (as defined in Section 8.06) ("Common Expense").

6.06 General Assessments. The Association shall levy general assessments (the "General Assessments") against the Unit Owners to maintain a fund from which Common Expenses may be paid. General Assessments shall be due in advance on the first day of each month, or on such other periodic basis as the Association may determine. Any General Assessment not paid when due shall bear interest until paid, as set forth in the Bylaws and, together with interest, collection costs, and reasonable attorneys' fees, shall constitute a lien on the Unit to which assessed if a statement of condominium lien is filed by the Association within two (2) years after the assessment becomes due as provided at Section 703.165 of the Condominium Ownership Act.

6.07 Special Assessments. The Association may, whenever necessary, levy special assessments (the "Special Assessments") against the Unit Owners, or any of them, for deficiencies in the case of destruction or condemnation as set forth in Section 9.05 and Section 10.04; for the collection of monies owed to the Association under any provision of this Declaration, including, without limitation, this Section 6.07 and Article XIII, or for any other purpose for which the Association may determine a Special Assessment is necessary or appropriate for the improvement or benefit of the Condominium. Special Assessments shall be paid at such time and in such manner as the Association may determine. Any Special Assessment or installment not paid when due shall bear interest until paid, as set forth in the Bylaws and, together with the interest, collection costs and reasonable attorneys' fees, shall constitute a lien on the Unit, on which it is assessed if a statement of condominium lien is filed within two (2) years after the Special Assessment becomes due as provided at Section 703.165 of the Condominium Ownership Act.

6.08 Common Surpluses. In the event that surpluses of the Association (the "Common Surpluses") should be accumulated, other than surpluses in any construction fund as described in Section 9.06 and Section 10.06, such Common Surpluses shall be used for any purpose the Board determines is for the good of the Condominium, or if the Board cannot agree on such a purpose, credited against the Unit Owners' General Assessments in accordance with their respective Percentage Interests.

6.09 Certificate of Status. The Association shall, upon the written request of a Unit Owner, purchaser or Mortgagee of a Unit, issue a certificate of status of lien and an estoppel certificate indicating whether a Unit Owner is in default of the Condominium Documents. Any recipient

party may conclusively rely on the information set forth in such certificate of status and such estoppel certificate.

ARTICLE VII

ALTERATIONS AND USE RESTRICTIONS

7.01 Unit Alterations. A Unit Owner may make improvements and alterations within its Unit; provided, however, that such improvements or alterations shall not impair the structural soundness or integrity of the Building, the Condominium or any portion thereof, nor impair any easement. A Unit Owner may not change the dimensions of or the exterior appearance of a Unit or any portion of the Common Elements without obtaining the prior written permission of the Association, which permission may be denied in the reasonable discretion of the Association. Any approved improvement or alteration, which changes the exterior dimensions of a Unit, must be evidenced by recording a modification to this Declaration and the Plat before it shall be effective and must comply with the then applicable legal requirements for such amendment or addendum. Furthermore, any approved improvements or alterations must be accomplished in accordance with applicable laws and regulations, must not unreasonably interfere with the use and enjoyment of the other Units and the Common Elements, and must not be in violation of any underlying mortgage, land contract or similar security interest.

7.02 Use and Restrictions on Use of Unit. Unit 100 shall be used for a public library or any other non-medical or non-correctional use operated by the City of Milwaukee or any of its agencies permitted by zoning and for no other purpose unless authorized by the Association prior to commencement of such alternative use. Unit 200 may be used for residential apartments, related leasing office or any other lawful purposes; provided, however, Unit 200 shall not be used for any of the following uses: tavern, adult retail or entertainment establishment, animal services or any use requiring a liquor license.

7.03 Nuisances. No nuisances shall be allowed upon the Property, nor any use or practice that is unlawful or interferes with the lawful possession and proper use of the Condominium by the Unit Owners. All parts of the Condominium shall be kept in a clean, sanitary and safe condition.

7.04 Lease of Units. The dwellings within Unit 200 may be leased for residential purposes and during the term of any such leases the Unit Owner of such Unit 200 shall remain liable for the compliance of the Unit by such Unit Owner and all tenants of the Unit with all provisions of the Condominium Documents, and shall seek compliance from the tenants of the Unit.

7.05 Signs. Subject to the approval of the Association, not to be unreasonably withheld, conditioned or delayed, (i) the Unit Owner of Unit 200 shall be permitted to install and maintain signage identifying the apartments and the availability of apartments, as well as signage for any other lawful use and (ii) the Unit Owner of Unit 100 shall be permitted to install and maintain a flagpole and signage identifying the library and an electronic or similar message board to promote library events, services and related activities. No other sign of any kind shall be displayed to the public view on any Unit without the written consent of the Association. All allowed signage shall be located on the Unit Owner's own unit.

7.06 Garbage and Refuse Disposal. All garbage and refuse shall be disposed and segregated in appropriate waste receptacles in accordance with all applicable law, and with applicable Rules and Regulations.

7.07 Storage. Outdoor storage shall not be permitted, except as authorized in writing by the Association.

7.08 Exterior Maintenance. The Unit Owner of Unit 100 shall be responsible for the installation, maintenance, and repair of the parking, driveways, walkways (including prompt snow removal), hardscaping and landscaping designated as part of Unit 100 on the Plat. The Unit Owner of Unit 200 shall be responsible for the installation, maintenance, and repair of parking, driveways, walkways (including prompt snow removal), hardscaping and landscaping designated as part of Unit 200 on the Plat.

7.09 Utilities. Each Unit shall be serviced by utility services separately metered to such Unit, and each such serviced Unit Owner will be responsible for payment of its own utility costs.

ARTICLE VIII

INSURANCE

8.01 Fire and Extended Loss Insurance. The Association shall obtain and maintain fire, casualty, and special form insurance coverage for the Common Elements and Units (collectively, the "Association Casualty Insurance"). Each Unit Owner shall obtain and maintain insurance coverage for all of the improvements and personal property owned by the Unit Owner located within their Unit in replacement value thereof, minus a commercially reasonable deductible. The Association Casualty Insurance coverage for the Common Elements and Units shall be reviewed and adjusted by the Association from time to time to maintain the required replacement coverage at all times. Under no circumstances shall the Board ever allow a policy of Association Casualty Insurance to lapse without having first obtained a replacement policy of Association Casualty Insurance. The Association Casualty Insurance covering the Common Elements and Units maintained by the Association shall be written in the name of the Association as insurance trustee for the individual Unit Owners, and shall name the Unit Owners as additional insureds. In the event of damage to or destruction of all or part of the Condominium insured hereunder, the proceeds of the insurance shall be paid to the Association, as insurance trustee, for the Unit Owners and the Mortgagees and distributed as provided in Article IX. Each Unit Owner shall have the right to insure its own Unit for its own personal benefit beyond the minimum requirements stated herein.

8.02 Public Liability Insurance. The Association may obtain and maintain a comprehensive general liability insurance policy ("CGL Policy") insuring the Association, its officers, directors, and the Unit Owners against any liability arising out of the maintenance, repair, ownership, or management of the Condominium, as well as for the use of the Common Elements. Liability coverage shall be a minimum of \$3,000,000 per occurrence combined single limit, or such higher limit as may be adopted from time to time by the Association. The CGL Policy shall name the Association as the insured, and the Association directors and officers and individual Unit Owners as additional insureds. Such insurance policy shall contain a "severability of interest" or cross-liability endorsement which shall preclude the insurer from denying the claim of a Unit Owner because of the negligent acts of the Association or other Unit Owners. Each Unit Owner shall

maintain in effect a policy of commercial liability insurance with a face amount as may from time to time be required by the Association, naming the Association as an additional insured. Upon the City of Milwaukee becoming a Unit Owner, the Association shall accept that the City of Milwaukee is self-insured and such self-insurance shall meet the requirement of this Section 8.02. Upon request of the Unit 200 Owner, the City of Milwaukee shall provide evidence of such self-insurance.

8.03 Fidelity Insurance. The Association may require and maintain fidelity coverage against dishonest acts by any person responsible for handling the funds belonging to or administered by the Association. The Association shall be the named insured.

8.04 Mutual Waiver of Claim and Subrogation. Each Unit Owner hereby waives, releases and discharges the other Unit Owner and Association, and their respective agents, managers, and employees, from all claims whatsoever arising out of loss, claim, expense or damage to or destruction of property covered under an insurance policy carried by or otherwise insuring the waiving party to the extent of insurance proceeds actually recovered by such waiving party. Additionally, each party hereto does hereby waive, on behalf of its respective insurer, any rights of subrogation as such insurer might otherwise have as a result of paying any claim under its policy. Each Unit Owner and Association shall advise their respective insurers of the waivers of claim and subrogation contemplated under this Section 8.04 and, if required under applicable law or state insurance practice, have its policies of insurance endorsed to recognize such waivers. Notwithstanding anything in the foregoing to the contrary, waivers herein made, and covenants to obtain agreement of insurers shall not be effective if it would result in an invalidation of such insurance coverage.

8.05 Mortgagee Insurance Requirements. If the Mortgagee of any Unit requires insurance coverage that the Board of Directors of the Association has not elected to carry, the Association shall obtain the additional required insurance and the cost of such additional insurance shall be assessed against the Unit on which the Mortgagee requiring the additional insurance holds a mortgage.

8.06 Insurance Premiums. Insurance policies referenced at Sections 8.01, 8.02 and 8.03, together with any other policies of insurance, if any, obtained by the Association, shall be referred to as "Association Insurance Policies." Premiums for Association Insurance Policies shall be allocated between the Units consistent with their Percentage Interests, as set forth at Section 5.01.

ARTICLE IX

RECONSTRUCTION, REPAIR OR SALE IN THE EVENT OF DAMAGE OR DESTRUCTION

9.01 Determination to Reconstruct or Repair. If all or any part of the Condominium become damaged or is destroyed by any cause, the damage shall be repaired or reconstructed unless 100% of the Unit Owners consent in writing not to repair or reconstruct the damage. Delivery of such written consent under the circumstances described in this Section 9.01 shall be deemed consent to subject the Condominium to an action for partition.

9.02 Restoration Plans and Specifications. Any reconstruction or repair of the Condominium shall, as far as is practicable, be made in accordance with the plans and specifications used in the

original construction of the damaged improvements, unless: (a) the Association approves a variance from the original plans and specifications; and (b) in the case of reconstruction or repair to any of the Units, the Unit Owner of the damaged Unit authorizes the variance. In the event a variance is authorized from the plans and specifications contained in the Plat or this Declaration, then, if required by law, an amendment shall be recorded by the Association setting forth such authorized variance.

9.03 Responsibility for Repair. In all cases after a casualty has occurred to the Condominium, the Association has the responsibility of reconstruction and repair, and shall promptly obtain reliable and detailed estimates of the cost to rebuild or repair, and provide copies of such estimates to the Unit Owners. The Association may delegate this responsibility to a single Unit Owner or a third party. The Association shall make construction funds available for such restoration, which shall be accomplished pursuant to the plans referenced in Section 9.02 above. In the event of a Deadlock or Dispute with regard to reconstruction or repair under this Section 9.03, it shall be resolved as described in Section 13.03(b).

9.04 Insurance Proceeds and Construction Fund. Association Casualty Insurance proceeds held by the Association as trustee pursuant to Section 8.01 shall first be disbursed by the Association for the repair or reconstruction of the Condominium. The Association shall have no responsibility to repair, reconstruct, or replace any improvements made to a Unit subsequent to completion of original construction of such Unit. Further, the Association shall have no responsibility to repair, reconstruct, or replace any personal property of any Unit Owner or tenant or occupant of a Unit. Unit Owners and Mortgagees shall not be entitled to receive payment of any portion of insurance proceeds unless there has been a determination not to rebuild pursuant to Section 9.01 and the Condominium is partitioned, or unless there is a surplus of insurance proceeds after damage to the Condominium has been completely restored or repaired as set forth in Section 9.06.

9.05 Assessments For Deficiencies. If the proceeds of Association Casualty Insurance are not sufficient to pay costs of reconstruction and repair of the damaged Condominium by the Association, a Special Assessment shall be made against the Unit Owners in sufficient amounts to provide funds for the payment of such costs. Such assessments shall be collectible as Common Expenses and shall be allocated consistent with Section 8.06, and in accordance with sound accounting and property management standards. All assessed funds shall be held and disbursed by the Association as trustee for the Unit Owners and Mortgagees involved.

9.06 Surplus in Construction Funds. All insurance proceeds held and Special Assessments collected by the Association, as trustee for the purpose of rebuilding or reconstructing any damage to the Condominium are referred to herein as "Construction Funds." It shall be presumed that the first monies disbursed in payment of costs of reconstruction or repair are insurance proceeds. If there is a balance in the Construction Funds after payment of all costs of reconstruction or repair, such balance shall be divided among the Unit Owners consistent with their respective percentages for property insurance as prescribed in Section 8.06, and with sound accounting and property management standards.

9.07 Partition and Sale Upon Consent. If the Unit Owners having 100% of the votes consent in writing to subject the Condominium to an action for partition as provided in Section 9.01, the net proceeds of sale together with any net insurance proceeds shall be considered as one fund and

shall be divided among all Unit Owners in accordance with their respective Percentage Interest and sound accounting and property management standards.

ARTICLE X

CONDEMNATION

10.01 Allocation of Award. Each Unit Owner shall be allocated the entire award for the taking of all or part of its Unit or any improvements located therein and for consequential damages to the Unit or improvements located therein.

10.02 Plans and Specifications. Reconstruction, if required to restore improved portions of one or both Units, shall, as far as is practicable, be made in accordance with the plans and specifications used in the original construction of the portion damaged, unless all Unit Owners whose Unit(s) will be altered from the original plans and specifications and their first Mortgagees shall authorize a variance from such plans and specifications and such alteration does not materially impact the other Unit Owner. In the event that a variance is authorized from the plans or specifications for the original Condominium construction, an amendment shall be recorded by the Association setting forth such authorized variances.

10.03 Responsibility for Reconstruction. In all cases after a taking of all or part of improved portions of the Condominium, the responsibility for restoration and reconstruction shall be that of the Association and it shall promptly obtain reliable and detailed estimates of the cost to rebuild, and provide copies of such estimates to the Unit Owners. Restoration shall be carried out by the Association, using the award for the taking to fund restoration. The Association may delegate this responsibility to a single Unit Owner or a third party. In the event of a Deadlock or Dispute with regard to reconstruction or repair under this Section 10.03, it shall be resolved as described in Section 13.03(b).

10.04 Assessments for Deficiencies. If the condemnation award for the taking of portions of the Condominium is not sufficient to pay the costs of reconstruction by the Association, Special Assessments shall be made against the Unit Owners in sufficient amounts to provide funds for the payment of such costs. In the event of a partial taking, such Special Assessments shall be prorated in proportion to the loss suffered by each Unit, relative to the total loss resulting from the condemnation.

10.05 Partition. If the Unit Owners having 100% of the votes consent in writing to subject the Condominium to an action for partition as provided in Section 703.19 of the Condominium Ownership Act, the net proceeds of sale together with any condemnation proceeds shall be considered as one fund and shall be divided among all Unit Owners, consistent with their respective percentage allocation of property insurance premium as referenced in Section 8.06.

10.06 Surplus. If it is decided to restore the Condominium after a partial taking, and if there is a surplus of restoration funds remaining after payment of all costs of restoration, such balance shall be divided among all Unit Owners in accordance with the Unit Owners' respective percentage allocation of property insurance premium as referenced in Section 8.06, and sound accounting and property management standards.

ARTICLE XI
MORTGAGEES

11.01 Notice. Any holder of a recorded mortgage or any vendor under a recorded land contract encumbering a Unit (the “Mortgagee”) that has so requested of the Association in a writing received by the Association shall be entitled to receive notice of the following matters:

- (a) The call of any meeting of the Association to be held for the purpose of considering any proposed material amendment to this Declaration, the Articles or the Bylaws.
- (b) Any material default under the Condominium Documents.
- (c) Any physical damage to the Common Elements in an amount exceeding \$100,000.

11.02 Amendment of Provisions Affecting Mortgagees. Notwithstanding the provisions of Article XII of this Declaration, neither Section 11.01 nor any Section of this Declaration requiring the approval of any Mortgagee to any action shall be amended unless all Mortgagees have given their prior written approval.

11.03 Owners of Unmortgaged Units. Whenever any provision contained in this Declaration requires the consent or approval (whether by vote or in writing) of a stated number or percentage of Mortgagees to any decision, each Unit Owner of any Unit not subject to a Mortgage shall be considered a “Mortgagee” as well as a “Unit Owner” for purposes of such provision.

11.04 Condominium Liens. Any Mortgagee who obtains title to a Unit under the remedies provided in the mortgage or land contract against the Unit or through foreclosure shall not be liable for more than 6 months of the Unit’s unpaid dues and assessments accrued before the date on which the Mortgagee acquired title.

ARTICLE XII
AMENDMENT

12.01 Approval of All Unit Owners Required. Except as otherwise provided in this Declaration or in the Condominium Ownership Act, this Declaration may only be amended with the written consent of all of the Unit Owners. Furthermore, this Declaration cannot be amended pursuant to Section 703.09(4) of the Wisconsin Statutes without approval by the City of Milwaukee. No Unit Owner’s written consent provided under this Article XII shall be effective unless it is approved by each Mortgagee (if any) of such Unit. Furthermore, no amendment to the Condominium Documents shall alter or abrogate the rights of any Mortgagee unless 100% of the Mortgagees consent in writing to such amendment. Copies of amendments shall be certified by the Association in a form suitable for recording. A copy of the amendment shall be recorded

with the Register of Deeds for Milwaukee County, and a copy of the amendment shall also be mailed or personally delivered to each Unit Owner at its address on file with the Association.

12.02 Approval of All Unit Owners Not Required. Furthermore, this Declaration and the Plat may be amended by the Declarant alone to clarify or correct errors or omissions until such time as Unit 100 is conveyed by Declarant to a third-party.

ARTICLE XIII

REMEDIES

13.01 Enforcement. The Association and each Unit Owner shall each have the right to enforce the Condominium Documents by proceedings at law or in equity against any person or entity violating or attempting to violate any provision of the Condominium Documents, either to restrain or cure the violation or to recover damages, or both. The Association and each Unit Owner shall each have the right to recover court costs and reasonable attorneys' fees in any action brought against another Unit Owner to enforce, or recover damages for a violation of, the Condominium Documents in which the Association or such enforcing Unit Owner is the prevailing party.

13.02 Unit Owner Enforcement. Consistent with Section 703.25 of the Condominium Ownership Act, if the Association fails to enforce this Declaration or any other Condominium Document against an offending Unit Owner, including, without limitation, if a Unit Owner fails to timely pay any General Assessment or Special Assessment, the other Unit Owner shall have the right to enforce this Declaration or any other Condominium Document against the offending Unit Owner, including, without limitation, the right to pursue resolution through the expedited arbitration set forth in Section 13.03 below. If a Unit Owner, in good faith, determines in its reasonable discretion that any delay in the enforcement of the provisions of the Condominium Documents as contemplated by this Section 13.02 could materially and adversely affect such Unit Owner or its Unit, then such Unit Owner, after providing written notice to the Association and the other Unit Owner, may seek to enforce the Condominium Documents as against the other Unit Owner via expedited arbitration, pursuant to Section 13.03 below.

13.03 Expedited Arbitration.

(a) Definitions.

(i) Deadlock. If the Association or the Board of Directors cannot fulfill its required duties under the Condominium Documents due to an impasse in failing to obtain a required vote or assent of Unit Owners or Directors, as applicable (including failure to obtain a quorum necessary for an Association or Board meeting), and such impasse lasts a minimum of five (5) business days, such event shall be deemed a "Deadlock".

(ii) Dispute. If there is a dispute between the Unit Owners regarding their respective rights or obligations under the Condominium Documents, and such dispute is not resolved within five (5) business days, such event shall be deemed a "Dispute".

(b) Deadlock and Disputes Related to Insurance or Assessments Under \$10,000. In the event of a Deadlock or Dispute related to (i) maintenance of Association Insurance

Policies or related premiums and Assessments, (ii) imposition or enforcement of Assessments in under \$10,000, or (iii) repair or reconstruction pursuant to Sections 9.03 and 10.03, either Unit Owner may provide written demand for expedited arbitration to the other Unit Owner. Within five (5) business days of such demand for expedited arbitration, each Unit Owner shall appoint a commercial property manager with a minimum of ten (10) years' experience in mixed-use properties in the metropolitan Milwaukee real estate market, and not having any affiliation for a minimum of the previous five (5) years with the Unit Owner making appointment. Such two (2) appointed commercial property managers shall appoint a third (3rd) similarly qualified commercial property manager, who shall be the "Qualified Decision-Maker" to hear the arbitration and render the decision. Within five (5) business days following the appointment of the Qualified Decision-Maker, each Unit Owner shall present to such Qualified Decision-Maker in writing its best case for resolution of the disputed matter. The Qualified Decision-Maker shall have a period of five (5) business days from the expiration of the five (5) day submittal period in which to evaluate the evidence presented, and select either one or the other Unit Owner's position in whole, in a so-called "baseball" arbitration mode, which shall be the final determination in the proceeding. The final determination of a Qualified Decision-Maker concerning the payment of Assessments shall be enforceable by the other Unit Owner without further action of the Association. By its acceptance of a deed to Unit 100, the City of Milwaukee is deemed to accept this provision and waive only with regard to situations covered by this Section 13.03(b) any protections for notice, sovereign immunity or other statutory legal defenses or protections afforded only to legal subdivisions of the state under Section 893.80, Wis. Stats. or other provisions of the Wisconsin Statutes. The Unit Owners shall share equally in the costs of any arbitration initiated hereunder.

(c) Deadlock and Disputes Related to Assessments in Excess of \$10,000 and Other Matters. In the event of a Deadlock or Dispute related to imposition or enforcement of Assessments in excess of \$10,000 or any other matter that is not the subject of Section 13.03(b), either Unit Owner may provide written demand for arbitration pursuant to the provisions of this Section 13.03(c). Within fifteen (15) business days of such demand for arbitration, each Unit Owner shall appoint a commercial property manager with a minimum of ten (10) years' experience in mixed-use properties in the metropolitan Milwaukee real estate market, and not having any affiliation for a minimum of the previous five (5) years with the Unit Owner making appointment. Such two (2) appointed commercial property managers shall appoint a third (3rd) similarly qualified commercial property manager, who shall be the "Qualified Decision-Maker" to hear the arbitration and render the decision. A preliminary telephone conference shall be held among the parties and the Qualified Decision-Maker within ten (10) business days from the appointment of the Qualified Decision-Maker. During such conference, the Qualified Decision-Maker shall direct the Unit Owners' preparations and presentations so that the arbitration closes no later than forty-five (45) calendar days after the date of the preliminary telephone conference, unless there is mutual agreement to an extension. At least five (5) business days prior to the hearing, the Unit Owners shall exchange directly between them copies of all exhibits, affidavits, and any other information they intend to submit at the hearing and identify all witnesses they intend to call at the hearing. The Qualified Decision-Maker shall set the date, time, and place of the hearing and the hearing shall not exceed one day unless an extension is deemed necessary by the Qualified Decision-Maker. The Qualified Decision-Maker shall render the award not

later than five (5) business days from the date of the closing of the hearing. If the decision of the Qualified Decision-Maker requires repair or restoration to a Unit, and the required repair or restoration to such Unit is not commenced by the offending Unit Owner within thirty (30) days following the date the decision is rendered, or if having commenced, repair or restoration is not completed within forty-five (45) days or such reasonably longer period as reasonably required for such repair or restoration, consistent with prompt commencement and diligent continuation, the aggrieved Unit Owner shall have the right to take over repair or restoration, and all costs incurred by the aggrieved Unit Owner shall be recoverable from the offending Unit Owner upon demand, and shall accrue interest at a rate of ten percent (10%) per annum until paid in full. The final determination of a Qualified Decision-Maker concerning the payment of Assessments shall be enforceable by the other Unit Owner without further action of the Association. By its acceptance of a deed to Unit 100, the City of Milwaukee is deemed to accept this provision and waive only with regard to situations covered by this Section 13.03(c) any protections for notice, sovereign immunity or other statutory legal defenses or protections afforded only to legal subdivisions of the state under Section 893.80, Wis. Stats. or other provisions of the Wisconsin Statutes. The Unit Owners shall share equally in the costs of any arbitration initiated hereunder.

13.04 Liens. In any arbitration conducted pursuant to Section 13.02 and 13.03 above, and to the extent the cause for which arbitration is brought is monetary in nature, the arbitrator shall direct the Association to file a Condominium lien, pursuant to Section 703.165 of the Condominium Ownership Act, against the offending Unit Owner's Unit, and direct the Association to seek enforcement thereof if payment is not made.

ARTICLE XIV

GENERAL

14.01 Easements.

(a) The establishment or grant of an easement, license, restriction, right, covenant and/or condition under this Declaration shall, subject to all of the terms and conditions set forth in the Condominium Documents, bind and burden each Unit and any other portion of the Property which, for the purposes of the Condominium Documents, shall be deemed to be a servient tenement. Where only a portion of the Property is bound and burdened by the easement, license, restriction, right, covenant and/or condition, only that portion shall be deemed to be a servient tenement. Each Unit, or portion thereof, so bound and burdened by an easement, license, restriction, right, covenant and/or condition shall sometimes be referred to as a "Burdened Unit" and the Unit Owner of a Burdened Unit shall sometimes be referred to as a "Burdened Owner". The creation, establishment or grant of an easement, license, restriction, right, covenant and/or condition for the benefit of a Unit or other portion of the Property shall, for the purposes of this Declaration, be deemed to be a dominant tenement. Where only a portion of the Property is so benefited, only that portion shall be deemed to be a dominant tenement. Each Unit, or portion thereof, so benefited by an easement, license, restriction, right, covenant and/or condition shall sometimes be referred to as a "Benefited Unit" and the Unit Owner of a Benefited Unit shall sometimes be referred to in this Declaration as a "Benefited Owner". Except in cases involving an emergency or immediate need (e.g., reasonable access to a Unit), a Benefited Owner shall make diligent and commercially reasonable efforts to (i) give at least seventy-two (72) hours

prior notice to the Burdened Owner of any Burdened Unit before entry into the Unit for the purpose of making repairs or replacements to materials or equipment located within or adjacent to the Unit that are the Benefited Owner's responsibility, and (ii) perform maintenance at such times and in such a manner that will not cause undue disruption or interference with the activities being conducted in the Unit. Any such entry shall be made at a time reasonably convenient to the Burdened Owner and, if requested by the Burdened Owner, in the company of a representative of such Burdened Owner.

(b) There is hereby granted for the benefit of each Unit, an exclusive right and easement of support in and to any columns, foundations, structural members, slabs, beams, braces and trusses and footings located within the Burdened Unit, if any, which exclusively support the building on the Benefited Unit, and a non-exclusive easement of support in and to any other columns, foundations, structural members, slabs, beams, braces and trusses and footings which are located within the Burdened Unit from time to time, if any, which provide support for the building or other improvements on another Unit.

(c) Each Unit Owner has an easement in, over, under, through or across the Property for the maintenance of its Unit components and for any other portion of the Property which that Unit Owner is responsible to maintain. The Association has an irrevocable right (but not the obligation) and an easement to enter the Units to make repairs to the Units when the repairs appear reasonably necessary to prevent serious damage to a Unit, or to prevent injury or death to a person, or to reconstruct the Units in the event of a casualty or if otherwise required to do so by the Condominium Documents. All maintenance shall be performed in accordance with applicable law and in a good and workmanlike manner. If maintenance performed by the Association was the responsibility of a Unit Owner, the costs of such repairs shall be charged to such Unit Owner and collected in the same manner as assessments provided in the Condominium Documents; provided however, that except in the case of an emergency, no such maintenance shall be performed by the Association until the Association has given the Unit Owner written notice of the need for such maintenance, and within fifteen (15) days thereafter, the Unit Owner has failed to perform the maintenance for which it is responsible or to commence performance of such maintenance which is then diligently completed. In the event of any Dispute (as defined at Section 13.03(a) above) as to whether maintenance is required, the parties shall proceed to expedited arbitration, pursuant to Section 13.03(b) above.

(d) Each Unit Owner has a non-exclusive easement over and across any portions of the Property, including driveways, parking areas and sidewalks located within the other Unit designed for vehicular and pedestrian ingress and egress (including stairways and corridors, if applicable) for reasonable access to and from its respective Unit and appurtenant easement areas, and to and from public roads adjacent to the Property, including, without limitation, West Good Hope Road. As part of the easement referenced above, the Unit Owner of Unit 200 shall have the right, but not the obligation, to clear a path sufficient for vehicular ingress and egress through accumulated snow on the Unit 100 parking area and driveways to permit ingress and egress to parking areas on Unit 200. No walls, fences, barriers or other obstructions that unreasonably interfere with or limit the free flow of vehicular and pedestrian traffic to and from the Units or such easement areas, or that otherwise unreasonably interfere with the activities of the Unit Owners, shall be erected or allowed to remain within the Property, without the prior written consent of the Unit Owner of the affected Unit, not to be unreasonably withheld, conditioned or delayed. Each Unit Owner has a reasonable right of access in and through the other Unit and other portions of the Property to the extent necessary to gain access to such easement areas, or to any other portions of the

Condominium that serve or benefit such Unit. Further, each Unit Owner has reasonable access easements in and through the other Unit as may be reasonably necessary to exercise the other rights granted to the Unit Owner under the Condominium Documents.

(e) There is hereby reserved unto each Unit Owner and the Association a non-exclusive perpetual blanket easement and right of passage on, through, over, under, and across all of the Property for ingress, egress, installation, maintenance, and use of all utilities serving the Units in their existing locations, or as they may have been relocated in accordance with this Declaration, including, but not limited to, water, sewer, drainage, electricity, gas, cable TV, internet and telecommunications, and reasonable access easements in connection therewith, which include the right of the Association to grant to the City of Milwaukee and County of Milwaukee or utility companies, easements and rights-of-way for the erection, construction and maintenance of all poles, wires, pipes and conduits for the transmission of electricity, gas, water, telephone and for other purposes, for sewers, storm water drains, gas mains, water pipes and mains, and similar services and for performing any utility function that the Association may deem fit and proper for the improvement and benefit of the Condominium or the Unit Owners. Each Unit Owner shall further have the right to grant easements to the City of Milwaukee, Milwaukee County or any public utility where the easement only impacts the Unit Owner's particular Unit and not the other Unit.

(f) The Property shall be available to the Unit Owners for emergency ingress and egress. To the extent emergency means of ingress and egress are not otherwise available, each Unit (including its stairways, hallways and corridors) is subject to an easement for the benefit of the other Unit Owner as required by fire code, building code, or other applicable law for emergency ingress and egress. Each Burdened Owner shall have the right, subject to applicable law, to designate from time to time by written notice to the Benefited Owner, appropriate fire or emergency exit corridors or passageways in and through the Burdened Unit, if and to the extent applicable, provided that such exit corridors or passageways comply with any applicable law and do not result in a material cost to the Benefited Owner or material interruption to the Benefited Owner's use or operation of its Unit.

(g) There is hereby granted for the benefit of each Unit an exclusive right and easement for encroachments and for the maintenance of encroachments in the event that (i) there are minor inaccuracies in or minor variations from the plans and specifications for the construction of the Building improvements occurring due to construction means, methods and/or techniques, (ii) there are minor inaccuracies in the description of any Unit, or (iii) there is settlement or shifting of any building or other improvements following completion of construction so that any part of such building or other improvements encroaches or shall thereafter encroach upon any part of the adjoining Unit. This easement for encroachments shall exist, as to a particular encroachment, only so long as the encroaching item shall remain standing and in existence, including if rebuilt or replaced substantially in accordance with its original construction.

(h) There is hereby reserved, for the benefit of Unit 100 and its Unit Owner and contractors and invitees, non-exclusive easements over the following areas as located within Unit 200: (i) stairwell as depicted on Sheets 2-7 inclusive of Exhibit A; (ii) service corridor as depicted on Sheet 2 of Exhibit A; and (iii) rooftop of Unit 200. All three areas are within the boundaries of Unit 200; however, the Unit 100 Unit Owner and its patrons, contractors, employees and invitees shall have a non-exclusive easement and right of use of: (i) the stairwell for access to the Unit 200 roof to install, service, repair and replace rooftop heating, ventilating and air-conditioning

installations on the roof of Unit 200; (ii) the service corridor to reach hot water closets and mechanical room serving Unit 100; and (iii) the rooftop of Unit 200 for installation, maintenance, repair and replacement of heating, ventilating and air-conditioning units serving Unit 100.

(i) In connection with the initial development and construction of improvements of, on or within a Unit, there is hereby granted for the benefit of such Unit, the Unit Owner of such Unit and its contractors, subcontractors and agents, temporary, non-exclusive, blanket easements and rights of passage (the "Development Easement") in, on, through, over, under and across such portions of the other Unit, if any, as may be reasonably required by the Benefited Owner, its contractors, subcontractors and agents, for ingress, egress, demolition, installation, excavation, sheeting and shoring, installation of tie-backs, construction, inspection, renovation, replacement, removal, maintenance and use of improvements, as such activities may be applicable to such initial development and construction (said activities being referred to collectively as the "Initial Construction Work"). The scope of the Initial Construction Work may include, without limitation, the following activities: excavation, sheeting and shoring, installation of tie-backs, filling and coordination of the height, grade, slope and contour of the Property, the addition and removal of soil, construction and/or renovation of on-site and off-site improvements including, as applicable, the streets, roads, driveways, lanes, sidewalks, parking ramps, and utilities. Each Benefited Owner agrees to indemnify the Burdened Owner with respect to any loss, cost or damage suffered by the Burdened Owner arising out of or related to construction activities performed by or on behalf of the Benefited Owner. Each Benefited Owner shall repair or restore or shall cause to be repaired or restored, at such Benefited Owner's sole cost and expense, any damage caused to the Burdened Unit by the Benefited Owner's use of the Development Easement. The Development Easement shall terminate upon issuance of all required certificates of occupancy for the Units, provided that a Benefited Owner's obligation to indemnify the Burdened Owner and to repair and restore any damage to the Burdened Unit caused by the Benefited Owner's exercise of the Development Easement shall survive the termination of the Development Easement.

(j) Easement Area Cost Sharing.

(i) In the event that repairs or resurfacing are needed to that portion of the Unit 100 Parking Lot that serves as access for Unit 200, not including snow and ice removal or repairs occasioned by the negligent, reckless, or intentional act or omission of the Unit Owner of Unit 100 or its contractors, tenants, invitees or occupants, then the Unit Owner of Unit 200 shall be responsible for fifty-two percent (52%) of the costs associated with such repairs, and shall promptly reimburse the Unit Owner of Unit 100 for such costs. All amounts due for such work shall be paid within 10 days after receipt of written demand therefor, or the amounts may be levied against Unit 200 as a Special Assessment under Section 6.06.

(ii) In the event that repairs are needed to the stairwell or service corridor referenced in Section 14.01(h), not including repairs occasioned by the negligent, reckless, or intentional act or omission of the Unit Owner of Unit 200 or its contractors, tenants, invitees or occupants, then the Unit Owner of Unit 100 shall be responsible for forty-eight percent (48%) of the costs associated with such repairs, and shall promptly reimburse the Unit Owner of Unit 200 for such costs. All amounts due for such work shall be paid within 10 days after receipt of written demand therefor, or the amounts may be levied against Unit 100 as a Special Assessment under Section 6.06.

14.02 Notices. All notices required or desired to be given under the Condominium Documents shall be sufficient if given to one registered Unit Owner of a Unit regardless of the number of Unit Owners who have an interest therein. All Unit Owners shall provide the Association with an address for the mailing or service of any notice or other documents. If a current contact person and address for a Unit Owner is not readily available, the Association or a Unit Owner intending to provide notice shall be entitled to rely on the Unit Owner's name and address on file with the City of Milwaukee Property Tax Assessor's Office.

14.03 Severability. The provisions hereof shall be deemed independent and severable, and the invalidity or partial invalidity or unenforceability of any one provision or portion thereof shall not affect the validity or unenforceability of the remaining portion of said provision or of any other provision hereof.

14.04 Agent for Service of Process. The name and address of the registered agent under Section 703.23 of the Wisconsin Statutes is Royal Capital Group, LLC, 710 North Plankinton Avenue, Suite 300, Milwaukee, WI 53203. The registered agent may be changed by the Association in any manner required by law.

14.05 Conflicts.

(a) In the event a conflict exists among any provisions of the Condominium Ownership Act and any Condominium Document, the Condominium Ownership Act shall prevail. In the event a conflict exists among the Condominium Documents, the Declaration shall prevail over the Articles, Bylaws and Rules and Regulations; the Articles shall prevail over the Bylaws and the Rules and Regulations; and the Bylaws shall prevail over the Rules and Regulations.

(b) The Condominium is also subject to that certain Good Hope Library Purchase, Sale & Development Agreement dated _____, recorded on _____, at the Milwaukee County Register of Deeds Office as Document No. _____ ("Development Agreement"). In the event a conflict exists among any provisions of the Development Agreement and the Condominium Documents, the Development Agreement shall prevail over the Condominium Documents.

[SIGNATURE PAGE FOLLOWS]

EXHIBIT A
CONDOMINIUM PLAT