

To: Owners of Properties in Riverwoods Subdivision

From: Architectural Review Committee of Riverwoods ("the ARC")

Date: May 21, 2009

The following Riverwoods property owners were elected to represent Riverwoods property owners on the Architectural Review Committee and are currently serving in such positions:

1. James Mani - N7072 Riverwoods Drive
2. Jerilynn Bush - N6962 Riverwoods Drive
3. Diane Brown - N7131 Riverwoods Drive

When Riverwoods Subdivision was platted, the developers imposed "Protective Covenants and Restrictions" on all properties in the subdivision. (We'll call this document "the Covenants.") Each of you probably received a copy of the Covenants with your documentation when you closed your purchase. The Covenants are of record at the office of the Sheboygan County Register of Deeds as Document No. 1211468. For your convenience, we've enclosed a copy.

Although the Covenants provide for the formation of an Architectural Review Committee, they do not provide for formation of a Homeowners' Association. A Homeowners' Association could be formed, but any such organization would be voluntary. The members of the ARC don't intend to use the ARC as a Homeowners' Association.

In addition to the significant expenditure of time by ARC members, the ARC will need financial resources to do its job. The Covenants do not provide for the power to impose dues or other assessments. However, the ARC will contact you in the future, either to seek an annual contribution or to seek funds toward a specific enforcement action. We believe that this is the most economically efficient method of protecting your property value.

According to the Covenants, the role of the ARC is to review and approve, or disapprove:

- Design of homes to be constructed
- Design of home additions
- Proposed building contractors
- Design and location of outbuildings

- Design and location of fences around swimming pools and in other locations
- Cutting of Trees
- "Other" land uses

The Covenants contain requirements and restrictions that are not necessarily within the sole jurisdiction of the ARC. For example, the Covenants say that no "junk or unsightly material shall be stored, kept or maintained on any lot" and that "no livestock, poultry or animals other than household pets" may be kept in the subdivision. The ARC does not intend to police these types of violations. Certain aspects of the Covenants can and must be enforced by individual property owners. The attorney we consulted informed us that any individual lot owner is entitled to enforce the Covenants. As far as we know, there is no governmental agency that will take on the burden of doing so. It is possible that a proposed or existing structure, or some activity on a lot, is in violation of both the Covenants and the building, health or zoning codes. In that case, the Township or the County may elect to enforce such codes. But they have no authority to enforce the Covenants *per se*.

Some of the more significant restrictions that appear in the Covenants are:

- There may be no detached garages, sheds or outbuildings. Plans for any proposed outbuilding must first be submitted to the ARC. The proposed structure, which must be attached to the home, must be "designed integrally" or "designed compatibly" with the house.
- There may be no above-ground swimming pools.
- No lot "shall be occupied by more than one private garage for residential purpose use."
- Steel and chain link fences are not permitted.

Although the ARC has discretion to waive the minimum size requirements for new homes of "superior architectural merit," the ARC has no power to waive other aspects of the Covenants and the ARC should not be asked to do so. For example, the ARC has no authority to permit a detached outbuilding, a chain link fence or an above-ground swimming pool.

When reviewing, the Covenants, you may note they say that "Exterior satellite antennae discs will not be permitted." The

attorney we consulted indicates that, under Federal law, this blanket prohibition of Satellite dishes is unenforceable. Luckily, since the Covenants were imposed in 1990, technology has changed such that this type of equipment is much smaller and less obtrusive than it had been. In our opinion, it is unlikely that one of the current satellite dishes would violate any of the "aesthetics" requirements of the covenants.

At this point, it is the ARC's intent to act prospectively. We expect that each lot owner will review the Covenants when making a decision about some future use of their property to determine whether such use may be in violation of the Covenants. Remember, any individual lot owner may enforce aspects of the Covenants. No lot owner should assume that inaction by the ARC with respect to some existing or future violation of the Covenants in any way functions as ARC consent to the violation. If an individual lot owner intends to enforce some aspect of the Covenants, he or she should contact the ARC and allow it to determine whether it will provide financial or other support for such enforcement.

Plans for construction of homes, additions, outbuildings, garages, fences and other structural matters should be prepared and submitted to the ARC for review. Any planned tree cutting (for landscaping, not merely intended to trim deadwood or cure other hazards) should also be submitted to the ARC. Until further notice, plans should be sent or delivered to Jim Mani at his address shown above.

Although the ARC may be active between now and then, the ARC does not plan to hold another formal meeting until September. However, per the Covenants, any five lot owners may "call" for a meeting at any time. The Covenants are unclear about precisely how such a meeting would be called. However, the ARC would accept a letter calling for such a meeting signed by the owners of 5 properties, so long as there is sufficient time from delivery of such request to give adequate notice to all lot owners of the meeting.

Sincerely yours,

Jenlynn Bush
Diane Brown
James Mani

1211468

For Exhibit see Vol 14
of Plats Page 14/16

REGISTER'S OFFICE
SHEBOYGAN COUNTY, WI
Received for Record the 29th
day of Nov A.D. 1990
at 2:04 o'clock P.M. and
Recorded in Vol. 1156
of Books on page 306/11

Dorine J. Davis
Registrar

PROTECTIVE COVENANTS AND RESTRICTIONS
RIVER WOODS SUBDIVISION

The Owners and Subdividers of the property known as RIVER WOODS in the Town of Sheboygan, Sheboygan County, Wisconsin hereby establish the following restrictions and guidelines for the subdivision with the intent of creating and maintaining RIVER WOODS in a way that will insure compatibility with its unique design and RIVER WOODS surroundings. A legal description of RIVER WOODS is attached to this document as Exhibit A.

RIVER WOODS is developed for people who want to live in a well-designed home situated in a country-club setting. The layout and location of this subdivision give residents a rural setting with the convenience of sewers and underground utilities. Every resident should be proud of and concerned about his/her surroundings including his/her lot and the structures on it.

For the benefit of all residents, building, tree cutting and other land uses are limited to those approved by the Architectural Review Committee (ARC). The ARC is being set up to insure that the subdivision is maintained in a uniform and attractive manner. The ARC is comprised of three (3) representatives and shall be known as (DVM) ARC OF RIVER WOODS. The ARC will review building designs, proposed building contractors, exterior restrictions. The address of the ARC shall be 817 New York Avenue, Sheboygan, WI 53081.

90 APR 29 P 7:04

The initial ARC shall be selected by DVM Partnership, the present owners of all subdivision lots. After conveyance of all lots by DVM, selection shall be by the owners of the lots in RIVER WOODS. All ARC members shall hold office until a substitute is selected. After all lots are sold, a meeting of the owners of the lots shall be called and ARC members selected by the majority of lot owners present at the meeting called for such purpose with written notice sent to all lot owners of the proposed meeting. A meeting for selection of ARC of RIVER WOODS members, thereafter may be called at any time by the ARC committee or the owners of 5 of the lots in the subdivision.

COVENANTS AND RESTRICTIONS:

001A89773	0006	JR:	\$10.00
001A89773	0006	LR:	\$2.00
001A89773	0006	CR LRM	\$2.00

- All building designs shall meet certain criteria and be submitted to the ARC for approval. Each lot is unique and some homes are better suited for particular lots. No dwelling shall be built or moved onto any lot of RIVER WOODS that does not have the minimum ground floor living area requirement for the following parcels:

Lots 6-14: 1,650 sq. ft. in a one story, split level or bi-level structure; or 2,000 sq. ft. for a two story structure.

Page 2

Lots 15-34: 1,800 sq. ft. in a one story, split level or bi-level structure; or 2,300 sq. ft. for a two story structure.

The square footage referred to herein shall be exclusive of garages, open porches or covered patios. The ARC shall have the right to waive all or part of the square footage requirements if the house to be built has superior architectural merit in the opinion of the ARC. All garages and storage buildings shall be designed integrally with and attached to the house. The house and attached garage shall be designed and located to compliment the subdivision. Garages should be designed for a minimum of two cars. No cantilever chimney chases are allowed; a below frost line foundation is required. Construction of the home shall begin within three (3) years of purchase of the lot. No house shall remain unfinished on the exterior for more than six (6) months. Minimum setbacks are required on all lots in RIVER WOODS. The setbacks are:

Front: 70 feet
 Side: Minimum 15' with a total of 30'
 Rear: 30 feet

All lots shall be used for residential purposes only, and no lot shall be occupied by more than one private garage for residential purpose use. The ARC shall have final authority to determine that any structure is not compatible with single family residential use.

2. Because of the narrow, curving roadways and courts, parking on the streets is discouraged. Each homeowner shall have a driveway of size sufficient to park two (2) cars.
3. No commercial, retail, wholesale or business activity shall be conducted or carried on, on any lot or in RIVER WOODS as regular activity.
4. To retain an open, uncluttered look, all storage buildings and garages shall be attached to and designed compatibly with the house. No trailer, basement, tent, shack, garage or any other type of temporary or out-building shall be at any time used as a residence, either temporary or permanent. No recreational vehicle, bus, trailer, boat, unlicensed or inoperable automobile, machinery, construction material (other than during construction or remodeling of a dwelling) or any other debris, junk or unsightly material shall be stored, kept or maintained on any lot of RIVER WOODS other than in the dwelling or the residential garage.

Page 3

5. Animals. No livestock, poultry or animals other than household pets (not to exceed four in number and in any event not kept, bred or maintained for commercial purpose or allowed to annoy or injure neighbors) shall be maintained on any lot. No detached kennels or enclosures shall be constructed, placed or maintained on any lot of RIVER WOODS Subdivision.
6. No portion of any lot shall be sold or separated from the platted lot so as to decrease the size of said lot, as set forth on the plat of RIVER WOODS as recorded in the office of the Register of Deeds for Sheboygan County without written approval of the ARC. No lot shall be subdivided so as to form additional building lots with the platted area of RIVER WOODS without written approval of the ARC.
7. Mature trees and shrubs enhance the aesthetic and actual value of the subdivision. We encourage the planting and growth of trees. Each homeowner shall plant at least six (6) canopy trees on each lot. No existing trees shall be cut without the consent of the ARC. The canopy trees and grass shall be planted at the first available growing season upon completion of construction of the above.
8. Any topsoil, excavated material or fill that is in excess of the requirements of any lot, shall not be removed from the subdivision without the approval of the ARC.
9. The subdivision shall be open, parklike and uncluttered.
 - a. Fences on lot lines are discouraged; natural plantings are more aesthetic. If a fence is used, it should be made of wood, stone and/or brick, and not steel or a chain link. Care should be taken to integrate the fence into the natural surroundings and neighboring lots. All fences will be subject to approval of the ARC.
 - b. Swimming pools must be in-ground. Above-ground pools tend to spoil the effect of the subdivision and are therefore prohibited. A fence surrounding a swimming pool is required; such a fence must meet applicable building codes and is subject to approval of the ARC.
 - c. All trash containers and outside air conditioning units shall be screened with berms, shrubs or low fences. Care should be taken to maintain a pleasant overall look to the subdivision.
 - d. Exterior lighting shall be soft and indirect. No light sources shall be located so that they are offensive to a neighboring property.

Page 4

- e. All telephone, electrical, cable and gas lines will be underground, eliminating unsightly overhead poles and wires. Each resident should make an effort to keep overhead clutter to a minimum by minimizing the size and height of television or other antennae. Exterior satellite antennae discs will not be permitted.

All restrictions are COVENANTS THAT RUN WITH THE LAND subject to termination or modification as stated herein. Together with the guidance of the ARC, the following restrictions will insure that the area will remain a desirable place to live.

RESTRICTIONS:

1. Signs shall not be displayed on residential properties except for one sign identifying the occupants of the residence. Said sign must be no larger than 12 x 18 inches and must conform aesthetically to the overall subdivision appearance. One sign advertising the sale or rental of the house is permitted; it may be no larger than 5 sq. ft.
2. Exterior maintenance of building shall be kept up with paint, stain, etc. as needed.
3. Easements for utilities and drainage are reserved as shown on recorded documents. Structures, planting and landscaping which interfere with these easements are not permitted.

For River lots, the natural vegetation for at least 50 feet from the waters edge must remain undisturbed during the construction of the residence or until the time where the vegetation of the disturbed areas are restored. Upon completion and occupancy of the residence the disturbed ground cover shall be reseeded or sodded within one growing season from the date of occupancy.

The restrictions (covenants) remain in effect for thirty (30) years from the date this instrument is recorded, after which time the restrictions (covenants) shall be automatically renewed for successive periods of ten (10) years. After DVM has sold all of the lots in RIVER WOODS a two-thirds majority of the owners of the lots in the subdivision may agree to change the restrictions (covenants) listed above in whole or in part. For purposes of this paragraph, each building site is entitled to one vote.

Page 5

Failure to adhere to the above-listed restrictions or decisions of the ARC may result in proceedings at law or in equity against the noncomplying person(s). The ARC may ask for an injunction, specific performance or damages to remedy noncompliance.

Invalidation of any restriction (covenant) or restrictions (covenants by a court of law) shall not affect any remaining restrictions (covenants) or provisions of the document.

DVM a Wisconsin Partnership

In Presence of

By:

William Bogenschultz
William Bogenschultz

Rodney Thieleke
Rodney Thieleke

James Spicer
James Spicer

Developer

STATE OF WISCONSIN)
) SS
SHEBOYGAN COUNTY)

Personally appeared before me, this 28th day of November, 1990 the above named William Bogenschultz, Rodney Thieleke and James Spicer, to me known to be the persons who signed the foregoing instrument and acknowledged the same.

Gregory C. Gottsacker
Gregory C. Gottsacker
Notary Public, Sheboygan County
Wisconsin
My Commission Expires: 12/16/90

This instrument was drafted by

William H. Holbrook
DILLMAN, HOLBROOK, WURTZ, ROTH & ROSTOLLAN