

## PRIVATE ROAD GRANT OF EASEMENT AND MAINTENANCE AGREEMENT

### BACKGROUND

TOWNLIN 1, LLC (the "Developer"), along with the undersigned, are the Owners of Lots 2-7 (the "Lots") of the Velvaere Development (the "Development"), a subdivision located in the Village of Ephraim, Door County, Wisconsin, more particularly described as set forth in Exhibit "A".

Two Private Roads registered and known as "Velvaere Court" and "Velvaere Way" (collectively the "Private Road") extend West from Town Line Drive to Lot 5 of the Development as depicted in the recorded the Velvaere Plat (Document Number 86210, Door County Records) (the "Plat") and is located within an easement/Private Road strip which runs within certain portions of Lots demarcated in the Plat. The Private Road services Lots 2-7 within the Plat.

The Private Road provides non-exclusive, unobstructed, vehicular and pedestrian ingress and egress to each of the Lots.

The Developer intends to sell some or all of these Lots, to third parties. As the current owners of Lots, the parties hereto are entering into the Private Road Easement and Maintenance Agreement to set forth the rights and responsibilities of the Lot Owners with respect to the Private Road.

### AGREEMENT

1.0 The Developer declares that the easement set forth within the Plat grants the rights of ingress and egress and utilities over, under and across the easement for the benefit of the owners of Lots 2-7 (each a "Lot Owner"), along with their guests and invitees. The Developer shall be solely responsible for the initial construction of the Private Road, including any final lift of asphalt as may be required by the Village of Ephraim or Door County.

2.0 Maintenance and improvements will be made to the Private Road (and any appurtenant structures related thereto) whenever necessary to maintain it in good operating condition at all times, and to ensure the provision of safe access by emergency vehicles. If a Lot Owner (or their guest or invitee) damages the surface of the roadway (other than through normal automobile use) then that owner shall be responsible to immediately restore the road service to as nearly as possible the condition which it had existed prior to being disturbed.

3.0 Responsibility for road maintenance and road improvements across the Private Road shall be the responsibility of a designee of the Developer, or if established, the condo association servicing Lot 2 (the "Road Manager"), and will be undertaken whenever necessary to maintain the road in good operating condition and to ensure the provision of safe access by emergency vehicles. All work done shall be performed in a good and workmanlike manner and shall be done expeditiously so as not to unreasonably interfere with or hinder the use and enjoyment of the easement rights of all property owners. Maintenance and improvement costs, and snow plowing costs, shall be administered as follows:

a. No later than January 31, the Road Manager shall issue an assessment statement to each Lot owner, setting forth the amount to be paid by the Lot Owner for any repairs, maintenance, or snow removal costs anticipated for the upcoming year. Such amount shall be due and payable to the Road Manager within 21 days, who shall hold the money in trust for the exclusive benefit of road maintenance. The condominium unit owners of Lot 2 shall collectively be responsible for the payment of 66.6% of any assessments levied, with a prorated share of the assessments due from the condominium unit owners being paid in equal shares by each of the 10 unit owners. The owners of Lots 3-7 shall collectively be responsible for the payment of 33.4% of the assessments, with a prorated share of the assessments due from the Lot Owners being paid in equal shares by each of the 5 Lot Owners.

b. The Road Manager shall thereafter be responsible for arranging for the repair and maintenance of the Private Road, and shall promptly remit payment to any vendors, maintaining an accurate accounting of all activity.

c. In the event there is a shortfall in the funds needed to cover all Private Road-related costs, the Road Manager shall have the right to issue a special assessment to each Lot owner requesting additional funds. In the event there are funds left over at the end of the year, the Road Manager shall be entitled to reduce the next year's assessment, hold the funds for future projects, or otherwise issue refunds to Lot owners, in its reasonable discretion.

d. The Road Manager shall be entitled to assert a lien against any Lot who is delinquent in the payment of assessments, and any unpaid assessments shall accrue interest at the rate of 18% APR. The Road Manager shall be entitled to recover all costs of collection, including reasonable attorney's fees, in the event action is required to recover any sums due. The Road Manager may be removed by majority vote of the Lot Owners.

4.0 This Private Road Easement and Maintenance Agreement is binding upon future owners of any of the Lots. This Agreement may be amended only by the unanimous written agreement of all Lot owners subject hereto.

5.0 This Private Road Easement and Maintenance Agreement shall be complementary to any separate restrictive covenant agreements that may be concurrently or subsequently recorded with respect to the Development.

6.0 Except as otherwise provided for herein, all Village of Ephraim rules and regulations governing the use of residential roadways shall apply to the utilization of the Private Road.

[signature pages follow]

EXHIBIT A

Plat Attached

