

ELM GROVE PARKWAY CONDOMINIUM BY-LAWS

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BY-LAWS OF
ELM GROVE PARKWAY CONDOMINIUM

ARTICLE I PLAN OF UNIT OWNERSHIP

Section 1. Condominium Unit Ownership. The property located in the Village of Elm Grove, Waukesha County, State of Wisconsin (the "Property") known as Elm Grove Parkway Condominium, has been submitted to the provisions of the Wisconsin Unit Ownership Act by the Declaration of Condominium (the "Declaration") recorded in the Office of the Register of Deeds for Waukesha County, Wisconsin, on the 20th day of July, 1979, on Reel 368 at Images 830 to 855 inclusive, as Document No. 1099734.

Section 2. Applicability of By-Laws. These By-Laws are adopted as the By-Laws of Elm Grove Parkway Condominium, Inc., a Wisconsin nonstock, nonprofit corporation formed to serve as the Association of Unit Owners for the Property as provided in the Wisconsin Unit Ownership Act. The terms "corporation" and "Association" are used interchangeably in these By-Laws to refer to said nonstock corporation. The provisions of these By-Laws are applicable to the property and to the use and occupancy thereof.

Section 3. Definitions. The term "property" and other terms used in these By-Laws shall, unless the context or the Declaration or Articles require otherwise, have the same meaning as the definitions contained in Section 703.02 of the Wisconsin Ownership Act.

Section 4. Office. The initial office and mailing address of the condominium and the corporation shall be located at 3500 North Sherman Boulevard, Milwaukee, Wisconsin, 53216.

Section 5. Covenant. These By-Laws shall be deemed covenants running with the land and shall be binding on the unit owners, their heirs, administrators, personal representatives, successors and assigns.

ARTICLE II MEMBERS

Section 1. Membership Classes. The Corporation shall have two (2) classes of members, and the rights and qualifications of the members are as follows:

a. Class A Members.

1. Defined. Class A members shall be all unit owners, with the initial exception of the Declarant, and shall have one (1) vote for each unit owned. Every unit owner upon acquiring title automatically becomes a member of the Association and shall remain a member thereof until such time as his ownership of such unit ceases for any reason, at which time his membership in the Association shall automatically cease.

AMENDMENT TO ARTICLE II, SECTION 6, OF BY-LAWS OF ELM GROVE PARKWAY
CONDOMINIUM, INC. -- passed by the Unit Owners at a Special Meeting held
on October 13, 1988:

The fourth sentence after the caption in Section 6 is amended
to read as follows (changes are underlined):

The annual meeting shall be held on the second Thursday in
October of each year, commencing in 1988, for the purpose of
electing directors and of transacting any other business
authorized to be transacted by the members.

AMENDMENT TO ARTICLE II, SECTION 6, OF BY-LAWS OF ELM GROVE PARKWAY
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October of each year, commencing in 1988, for the purpose of
electing directors and of transacting any other business
authorized to be transacted by the members.

b. Class B Members.

1. Defined. Class B members shall be the Declarant and shall be entitled to two (2) votes for each unit owned. The Class B membership shall cease and be converted to Class A membership as provided in the Declaration and By-Laws.

Section 2. One Membership Per Unit. One (1) Class A membership and one (1) vote shall exist for each unit. If title to a unit is held by more than one (1) person, the membership related to that unit shall be shared by such owners in the same proportionate interests and by the same type of tenancy in which the title to the unit is held. Voting rights may not be split, and share membership interests must be voted pursuant to the nomination contained in the Membership List.

Section 3. Membership List. The Association shall maintain a current membership List showing the membership pertaining to each unit and the person designated to cast the one vote pertaining to such unit. Only the person so designated shall be entitled to cast a vote in person or by proxy. A designation may be changed by notice in writing to the Secretary of the Association signed by a majority of the persons having an ownership interest in the unit.

Section 4. Transfer of Membership. Each membership shall be appurtenant to the unit upon which it is based and shall be transferred automatically upon conveyance of that unit. Membership in the Association may not be transferred, except in connection with the transfer of a unit. Upon transfer of a unit, the Association shall, as soon as possible thereafter, be given written notice of such transfer, including the name of the new owner, identification of unit, date of transfer, name of the person designated to vote, and any other information about the transfer which the Association may deem pertinent, and the Association shall make appropriate changes to the Membership List effective as of the date of transfer.

Section 5. Quorum and Proxies for Members' Meetings. A quorum for members' meetings shall consist of a majority of votes entitled to vote. Votes may be cast in person or by proxy. The act of a majority of votes present in person or by proxy at any meeting at which a quorum is present shall be the act of the members. Proxies shall be valid only for the particular meeting(s) or time period designated therein, unless sooner revoked, and must be filed with the Secretary before the appointed time of the meeting. If any meeting of members cannot be organized because a quorum is not present, a majority of the members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present, without further notice. At such adjourned meeting at which a quorum shall be present or represented any business may be transacted which might have been transacted at the meeting as originally noticed.

Section 6. Time, Place, Notice and Calling of Members' Meetings. Written notice of all meetings stating the time and place and the purposes for which the meeting is called shall be given by the President or Secretary, unless waived in writing, to each member at his address as it appears on the books of the Association and shall be mailed or personally delivered not less than five (5) days nor more than thirty (30) days prior to the date of the meeting. Notice of meetings may be waived before or after

meetings. Meetings shall be held at such time and place as may be designated by the Board of Directors. The annual meeting shall be held on the third Monday in January of each year for the purpose of electing directors and of transacting any other business authorized to be transacted by the members. Special meetings of the members shall be held whenever called by the President or any two (2) members of the Board of Directors and must be called by such officers upon receipt of a written request signed by members with one-third ($1/3$) or more of all votes entitled to be cast. ←

ARTICLE III BOARD OF DIRECTORS

Section 1. Number and Qualifications. The affairs of the Association and of the Property shall be governed by the Board of Directors. The number of Directors constituting the Board shall be not less than three (3) nor more than seven (7), with the number at any given time to be determined by resolution of the Board or by resolution of the members at an annual or special meeting. The initial Board of Directors shall consist of the three (3) persons named in the Articles of Incorporation and any additional persons appointed by the Declarants who need not be members of the Association, to serve until Class B membership ceases and is converted to Class A membership. The Board shall automatically be expanded to add, in addition to the Directors appointed by the Declarants, additional Directors to be elected by the members other than the Declarants, within forty-five (45) days after the conversion of Class B membership and prior to the conveyance of twenty-five percent (25%) of the common element interest to Purchasers at which time the Unit Owners other than the Declarants shall elect at least twenty-five percent (25%) of the Directors. Prior to the conveyance of fifty percent (50%) of the common element interest to Purchasers, the members shall hold a meeting and the Unit Owners other than the Declarants shall elect at least one-third ($1/3$) of the Directors. Directors' terms, except for the initial Directors, shall be as provided in Section 4.

Section 2. Powers and Duties. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association and of the Property, except such powers and duties as by law or by the Declaration of these By-Laws may not be delegated to the Board of Directors by the unit owners. The Board of Directors shall have full powers and authority necessary or desirable for the complete enforcement and administration of the Property and the provisions of the Wisconsin Unit Ownership Act, the Declaration of Condominium, these By-Laws and rules and regulations hereunder.

Section 3. Responsibilities of Directors. In addition to such other duties imposed by the Articles of Incorporation and by these By-Laws or by resolutions of the corporation, the Board of Directors shall be responsible for the following:

- a. The ownership, management, maintenance and improvement of the common areas and facilities.
- b. The promulgation and enforcement of rules and regulations relative to such common lands and facilities, and

- c. The establishment of a yearly budget for the estimated cost of carrying out their responsibilities as set forth in "a" above.
- d. The fixing, levying and collecting of assessments as necessary for the aforesaid purposes. The Board of Directors shall estimate the common expenses of the Association and the Property for the ensuing calendar or fiscal year and shall prepare an annual operating budget at least fifteen (15) days prior to the commencement of the calendar or fiscal year in order to determine the amount of common charges to be assessed to each unit which shall be payable by the Unit Owner to meet the estimated common expenses of the Association and the Property for such year; provided, however, that any failure to prepare such budget within that time shall not affect the validity of the budget or assessment. Within thirty (30) days after such budget has been adopted by the Board, copies shall be delivered to each Unit Owner, together with a notice specifying the amounts payable by each Unit Owner and the dates on which such assessment shall become due. The annual budget may provide for funds for all common expenses which occur on a regular basis and for a reserve fund for expenses that may arise other than on a regular basis. *Treasurer*
- e. At each annual meeting of the corporation, the Directors shall supply to all of the owners an accounting of the expenses paid during the preceding fiscal year along with a tabulation of amounts collected pursuant to the estimates provided and showing any shortage or overage of actual expenditures plus reserves. Any amount accumulated in excess of the amount required for actual expenses and reserves shall be allocated as the Board of Directors shall determine, and in the event of a shortage, shall be subject to such action as is deemed necessary by the Board of Directors.
- f. The corporation and the Directors hereof shall keep full and correct books of account and the same shall be open for inspection by any owner or representative of any owner duly authorized in writing, at such reasonable time or times during normal business hours as may be requested by a member.

Section 4. Election and Term of Office. At the first annual meeting of the unit owners following the date of conversion of Class B membership to Class A membership, the term of office of the members of the Board of Directors shall be fixed by vote of the members, so that at least one-third (1/3) of the Directors' terms shall expire annually. The members of the Board of Directors, of whom not more than one may be a non-unit owner, shall serve for a term of two (2) years and shall hold office until their respective successors shall have been duly elected by the unit owners.

Section 5. Removal of Members of the Board of Directors. At any regular

or special meeting of unit owners, any one or more of the members of the Board of Directors may be removed with or without cause by a majority of the unit owners and a successor may then and there or thereafter be elected to fill the vacancy thus created. Any members of the Board of Directors whose removal has been proposed by the unit owners shall be given an opportunity to be heard at the meeting. A director may resign at any time by filing his written resignation with the secretary of the corporation. Directors need not be residents of the State of Wisconsin.

Section 6. Vacancies. Vacancies in the Board of Directors caused by any reason other than the removal of a member thereof by a vote of the unit owners, shall be filled by a vote of a majority of the remaining members at a special meeting of the Board of Directors held for that purpose promptly after the occurrence of any such vacancy even though the members present at such meeting may constitute less than a quorum, and each person so elected shall be a member of the Board of Directors for the remainder of the term of the member so removed and until a successor shall be elected at the next annual meeting of the unit owners.

Section 7. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority of the members of the Board of Directors, but at least two such meetings shall be held during each fiscal year. Notice of regular meetings of the Board of Directors shall be given to each member of the Board of Directors, by mail or telegraph or by delivery in person, at least three (3) business days prior to the day named for such meeting.

Section 8. Special Meetings. Special meetings of the Board of Directors may be called by the President on three (3) business days' written notice to each members of the Board of Directors, given by mail or telegraph or delivery in person, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice on the written request of at least two (2) members of the Board of Directors.

Section 9. Waiver of Notice. Any member of the Board of Directors may, at any time, waive notice of any meeting of the Board of Directors in writing, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of the Board of Directors at any meeting of the Board shall constitute a waiver of notice by him of the time and place thereof. If all the members of the Board of Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 10. Quorum of Board of Directors. At all meetings of the Board of Directors, a majority of the members thereof shall constitute a quorum for the transaction of business, and the votes of a majority of the members of the members of the Board of Directors present at a meeting at which a quorum is present shall constitute the decision of the Board of Directors. If at any meeting of the Board of Directors there shall be less than a quorum present, a majority of those present may adjourn the meeting from time to time. At such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called, may be transacted without further notice.

Section 11. Compensation. No member of the Board of Directors shall receive any compensation from the Association for acting as such.

Section 12. Liability of the Board of Directors. The members of the Board of Directors shall not be liable to the unit owners for any mistake of judgment, negligence or otherwise, except for their own individual willfull misconduct or bad faith. The unit owners shall indemnify and hold harmless each member of the Board of Directors against all contractual liability to others arising out of the contracts made by the Board of Directors on behalf of the Association unless any such contract shall have been made in bad faith or contrary to the provisions of the Declaration or of these By-Laws. It is intended that the members of the Board of Directors shall have no personal liability with respect to any contract made by them on behalf of the Association. It is also intended that the liability of any unit owner arising out of any contract made by the Board of Directors or out of the indemnity in favor of the members of the Board of Directors shall be limited to such proportion of the total liability thereunder as his interest in the common areas and facilities bears to the interests of all the unit owners in the common areas and facilities. Every agreement made by the Board of Directors or by a managing agent or by a manager on behalf of the Association shall provide that the members of the Board of Directors, or the managing agent or the manager, as the case may be, are acting only as agents for the unit owners and shall have no personal liability thereunder (except as unit owners), and that each unit owner's liability thereunder shall be limited to such proportion of the total liability thereunder as his interest in the common areas and facilities bears to the interests of all unit owners in the common areas and facilities. The Board of Directors may obtain and maintain, at the expense of the Association, director's liability insurance consistent with the provisions of this section in an amount or amounts it deems advisable.

Section 13. Informal Action. Any action which is required to be taken at a meeting of the Board of Directors or which may be taken at such a meeting, may be taken without a meeting if a consent in writing setting forth the action so taken shall be signed by all of the directors entitled to vote with respect to the subject matter. Such consent shall have the same force and effect as a unanimous vote.

ARTICLE IV OFFICERS

Section 1. Designation. The principal officers of the Association shall be the President, the Vice President, the Secretary and the Treasurer, all of whom shall be elected by the Board of Directors. The Board of Directors may appoint an Assistant Treasurer, an Assistant Secretary and such other officer as in its judgment may be necessary. The President and Vice President must be members of the Board of Directors. Any two (2) or more offices may be held by the same person except the offices of President and Secretary, and the offices of President and Vice President.

Section 2. Election of Officers. Officers shall be elected annually by the Board of Directors at the organization meeting of each new Board of Directors and shall hold office at the pleasure of the Board of Directors.

Section 3. Removal of Officers. Upon the affirmative vote of a majority of the members of the Board of Directors, any officer may be removed, either with or without cause, and his successor may be elected at any regular meeting of the Board of Directors, or at any special meeting of the Board of Directors called for such purpose.

Section 4. President. The President shall be the chief executive officer of the Association. He shall preside at all meetings of the unit owners and of the Board of Directors. He shall have all of the general powers and duties which are incident to the office of President of a stock corporation organized under the Wisconsin Business Corporation Law, including but not limited to the power to appoint from among the unit owners any committee which he decides is appropriate to assist in the conduct of the affairs of the Property.

Section 5. Vice President. The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Board of Directors shall appoint some other member of the Board of Directors to act in the place of the President on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him by the Board of Directors or by the President.

Section 6. Secretary. The Secretary shall keep the minutes of all meetings of the unit owners and of the Board of Directors; he shall have charge of such books and papers as the Board of Directors may direct; he shall count votes at all meetings of the unit owners and of the Board of Directors; and he shall, in general, perform all the duties incident to the office of Secretary of a stock corporation organized under the Wisconsin Business Corporation Law.

Section 7. Treasurer. The Treasurer shall have the responsibility for Association funds and securities and shall be responsible for keeping full accurate financial records and books of account showing all receipts and disbursements and for the preparation of all required financial statements. He shall be responsible for the deposit of all moneys and other valuable effects in the name of the Board of Directors, or the managing agent, in such depositories as may from time to time be designated by the Board of Directors, and he shall, in general, perform all the duties incident to the office of Treasurer of a stock corporation organized under the Wisconsin Business Corporation Law.

Section 8. Agreements, Contracts, Deeds, Checks, etc. All agreements, contracts, deeds, leases, checks and other instruments of the Association shall be executed by any two officers of the Association or by such other person or persons as may be designated by the Board of Directors.

Section 9. Compensation of Officers. No officer shall receive an compensation from the Association for acting as such

ARTICLE V DUTIES, OBLIGATIONS AND RIGHTS OF MEMBERS

Section 1. Obstruction in Common Areas. No owner shall place or cause to be placed any obstructions or objects in any of the common areas, without the written permission of the Board of Directors.

Section 2. Use of Common Areas. All owners shall have the right to use all the common areas and facilities except those that are limited areas designated for the exclusive use of individual unit owners.

Section 3. Payment of Common Charges. Each owner shall be obligated to pay to the corporation the assessment made pursuant to the provisions of Article III, Section 3(d), which shall be payable in such installments as the Board of Directors deems necessary. If any payment is not made within ten (10) days of the due date, the Board of Directors may prescribe a penalty for each day in which such assessment, or any installment is not paid. No unit owner shall be liable for the payment of any part of the common charges which shall be assessed against his unit subsequent to a sale, transfer or other conveyance by him thereof (made in accordance with the provisions of Article VIII of these By-Laws) and except that a mortgagee or other purchaser of a unit at a foreclosure sale of such unit shall not be liable for and such unit shall not be subject to a lien for the payment of common charges assessed prior to the foreclosure sale. Each unit owner shall be obligated to pay common charges hereunder notwithstanding the fact that he may have a pending dispute with the Association on any matter.

Section 4. Default in Payment of Common Charges. In the event of default by any unit owner in payment to the Board of Directors the assessed common charges, such unit owner shall be obligated to pay interest at twelve (12%) percent per year on such common charges from the due date thereof, together with all expenses, including actual attorneys' fees, incurred by the Board of Directors in any proceeding brought to collect such unpaid common charges. The Board of Directors shall have the right and duty to attempt to recover such common charges, together with interest thereon, and the expenses of the proceedings, including actual attorneys' fees, in an action brought against such unit owner, or by foreclosure of the lien on such unit granted by Section 703.16 of the Wisconsin Unit Ownership Act. If the Association has filed a statement of condominium lien with the Clerk of Circuit Court for Waukesha County on any unit and the amount necessary to release the lien has not been paid at the time of any meeting of the Association, that unit owner shall be prohibited from voting at that meeting and all subsequent meetings until such time as the amount of the lien claim, including interest, filing fees and actual attorneys' fees, have been paid in full.

Section 5. Foreclosure of Liens for Unpaid Common Charges. In any action brought by the Board of Directors to foreclose a lien on a unit because of unpaid common charges, the unit owner shall be required to pay a reasonable rental for the use of his unit and the plaintiff in such foreclosure action shall be entitled to the appointment of a receiver to collect such rental. The Board of Directors, acting on behalf of all unit owners, shall have power to purchase such unit at the foreclosure sale and to acquire, hold, lease, mortgage, vote the votes appurtenant to, convey or otherwise

deal with the same. A suit to recover a money judgment for unpaid common charges shall be maintainable without foreclosing or waiving the lien securing same.

ARTICLE VI OPERATION OF THE PROPERTY

Section 1. Insurance. The Board of Directors shall be required to obtain and maintain, to the extent obtainable, fire insurance with extended coverage, vandalism and malicious mischief endorsements, insuring all buildings (including all of the units and the bathroom and kitchen fixtures initially installed herein by the Declarant, but not including furniture, furnishings or other personal property supplied or installed by unit owners), together with all air-conditioning equipment and other service machinery contained therein; and all limited common areas and facilities, such insurance shall cover the Property, the Association, the Board of Directors and all unit owners and their mortgagees, as their interests may appear, in an amount equal to the full replacements value of the buildings, without deduction for depreciation. Each policy shall provide that proceeds shall be payable to the Board of Directors or the insurance trustee as provided herein as trustee for all unit owners and their mortgagees as their interests may appear. All such policies shall provide that adjustment of loss shall be made by the Board of Directors with the approval of the insurance trustee, and that the net proceeds thereof, if \$10,000.00 or less, shall be payable to the Board of Directors, and if more than \$10,000.00, shall be payable to the insurance trustee. All policies of physical damage insurance shall contain waivers of subrogation and waivers of any defense based on co-insurance or of invalidity arising from any acts of the insured, and shall provide that such policies may not be cancelled or substantially modified without at least ten (10) days' prior written notice to all of the insureds, including all mortgagees of units. Duplicate originals of all policies of physical damage insurance and of all renewals thereof, together with proof of payment of premiums, shall be delivered to all mortgagees of units at least ten (10) days prior to expiration of the then current policies. Prior to obtaining any policy of fire insurance or any renewal thereof, the Board of Directors shall obtain an appraisal from a fire insurance company or otherwise of the full replacement value of the buildings including all of the units and all of the common and limited common areas and facilities without deduction for depreciation, for the purpose of determining the amount of fire insurance to be effected pursuant to this section. The Board of Directors shall also be required to obtain and maintain, to the extent obtainable, public liability insurance in such limits as the Board of Directors may from time to time determine, covering each member of the Board of Directors, and each unit owner. Such public liability coverage shall also cover cross liability claims of one insured against another. The Board of Directors shall review such limits once each year. Until the first meeting of the Board of Directors following the first annual meeting of the unit owners, such public liability insurance shall be in a single limit of \$1,000,000.00 covering all claims for bodily injury or property damage arising out of one occurrence. Unit owners or their mortgagees shall not be prohibited from carrying other insurance for their own benefit provided that all policies shall contain waivers of subrogation, that the liability of the carriers issuing insurance obtained by the Board of Directors shall not be affected or diminished by reason of any such additional insurance carried by any unit owner and that all reasonable efforts shall be made to place such additional insurance with the carrier issuing insurance obtained by the Board of Directors.

Section 2. Repair and Reconstruction After Damage.

- a. In the event of any damages to or destruction of the Property as a result of fire or other casualty or otherwise, the Board of Directors is authorized to and shall arrange for the prompt repair and reconstruction (including any damaged units, and any kitchen or bathroom fixtures initially installed therein by the Declarant, but not including any wall, ceiling or floor decorations or coverings or other furniture, furnishings, fixtures or equipment installed by unit owners in the units), and the Board of Directors or the insurance trustee, as the case may be, shall disburse the proceeds of all insurance policies to the contractors engaged in such repair and reconstruction. Any cost of such repair and reconstruction in excess of the insurance proceeds shall constitute a common expense and the Board of Directors may assess all the unit owners for such deficit as part of the common charges.
- b. If the insurance proceeds are insufficient to reconstruct or repair the damaged premises but are equal to at least ninety percent (90%) of the cost of the reconstruction and repair, then the damaged premises shall be reconstructed and repaired by the Association with the insurance proceeds, and the owners of units shall be assessed for the deficiency in the same manner as if the deficiency is a common expense of the condominium.
- c. If the insurance proceeds are less than ninety percent (90%) of the cost to reconstruct and repair the damaged premises, then the provisions of the Declaration relating to damage or destruction shall be applicable.

Section 3. Abatement and Enjoining of Violations. The violation of any rule or regulation adopted by the Board of Directors, or the breach of any By-Law contained herein, or the breach of any provision of the Declaration, shall give the Board of Directors the right, in addition to any other rights set forth in these By-Laws: (a) to enter the unit in which or as to which such violation or breach exists and to summarily abate and remove at the expense of the defaulting unit owner any structure, thing or condition that may exist therein contrary to the intent and meaning of the provisions hereof, and the Board of Directors shall not thereby be deemed guilty of any manner of trespass; or (b) to enjoin, abate or remedy such thing or condition by appropriate legal proceedings.

Section 4. Maintenance and Repair.

- a. All maintenance of and repairs to any unit (including replacement of window panes and glass doors, if any), structural or nonstructural, ordinary or extraordinary shall be made by the owner of such unit, except for maintenance of and repairs to

any common or limited common area or facility contained therein not necessitated by the negligence, misuse or neglect of the owner of such unit. Each unit owner shall be responsible for all damages to any other unit and to the common and limited common areas and facilities resulting from his misconduct, negligence or misuse.

- b. All maintenance, repairs and replacement to the common and limited common areas and facilities whether located inside or outside of the units (unless necessitated by the negligence or misuse of a unit owner, in which case such expense shall be charged to such unit owner), shall be a common expense and shall be the responsibility of the Board of Directors.
- c. Any patio assigned to a unit as a limited common area and facility shall be for the exclusive use of the owner of such unit. Such unit owner shall keep such patio free and clean of snow, ice and any accumulation of water and shall make all repairs to such patio resulting from his negligence, misuse or neglect. All other repairs in, to or with respect to such patio shall be the responsibility of the Board of Directors as common expense.

Section 5. Use of Property. In order to provide for congenial occupancy of the Property and for the protection of the values of the units, the use of the property shall be subject to the following limitations:

- a. The units shall be used for residences only.
- b. The common and limited common areas and facilities shall be used only for the purposes for which they are reasonably suited and which are incidental to the use and occupancy of units.
- c. No nuisances shall be allowed on the property nor shall any use or practice be allowed which is a source of annoyance to its residents or which interferes with the peaceful possession or proper use of the Property by its residents.
- d. No immoral, improper, offensive or unlawful use shall be made of the Property or any part thereof, and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be complied with. Such compliance shall be accomplished at the sole expense of the unit owners or the Board of Directors, whichever shall have the obligation to maintain or repair such portion of the Property.
- e. No rooms in any unit may be rented, and no transient tenants may be accommodated. No units may be subdivided.

Amendment to Article VIII, Section 1, of Bylaws of Elm Grove Parkway Condominium, passed at the Homeowners Association meeting May 10, 2005.

Delete Section 1 as it currently reads. Replace with:

All units will be owner occupied. No unit may be rented or leased.

(Insert between pages 12 and 13)

Amendment to Article VI, Section 5, of Bylaws of Elm Grove Parkway Condominium, passed at the Homeowners Association meeting May 10, 2005.

Additional item amended to read:

g. All units must be owner occupied. No unit may be rented or leased.

(Insert between pages 12 and 13)

- f. No animals, livestock, or poultry of any kind shall be raised or bred on the Property. The Board of Directors may impose rules and regulations in connection with the foregoing subject.

Section 6. Additions, Alterations or Improvements by Board of Directors. Whenever in the judgment of the Board of Directors the common and limited common areas and facilities shall require additions, or alterations or improvements costing in excess of \$10,000.00 and the making of such additions, alterations or improvements shall have been approved by a majority of the unit owners, the Board of Directors shall proceed with such additions, alterations or improvements and shall assess all unit owners for the cost thereof as a common charge. Any additions, alterations or improvements costing \$10,000.00 or less may be made by the Board of Directors without approval of the unit owners and the cost thereof shall constitute a common charge.

Section 7. Additions, Alterations or Improvements by Unit Owners. No unit owner shall make any structural additions, alterations or improvements in or to his unit, nor affix anything to the exterior of his unit nor erect or construct anything in the limited common area assigned to his unit without the prior written consent thereof from the Board of Directors. The Board of Directors shall have the obligation to answer any written request by a unit owner for approval of any matter prescribed by the foregoing sentence within thirty (30) days after such request, and failure to do so within the stipulated time shall constitute a consent by the Board of Directors to the request. Any application to any governmental authority for a permit to make an addition, alteration or improvement in or to any unit shall be executed by the Board of Directors. The Board of Directors shall not be liable to any contractor, subcontractor or materialman or to any person sustaining personal injury or property damage, for any claim arising in connection with such addition, alteration or improvement. The provisions of this Section 7 shall not apply to units owned by the Declarant until such units shall have been initially sold by the Declarant.

Section 8. Unit Owner's Right with Respect to Interiors. Each unit owner shall have the exclusive right to paint, repaint, tile, panel, paper or otherwise refurnish and decorate the interior surfaces of the walls, ceilings, floors and doors forming the boundaries of his unit and all walls, ceilings, floors and doors within such boundaries, and to erect partition walls of a non-structural nature, provided that such unit owner shall take no action which in any way will materially change any common walls.

Section 9. Individual Units and Limited Common Areas. Each unit owner shall be responsible for keeping the interior of his unit and all of its equipment, fixtures and appurtenances in good order, condition and repair and in a clean and sanitary condition, and shall be responsible for decorating, painting and varnishing which may at any time be necessary to maintain the good appearance and condition of his unit. Without in any way limiting the foregoing, in addition to decorating and keeping the interior of the unit in good repair, each unit owner shall be responsible for the maintenance, repair or replacement of any plumbing fixtures, lighting fixtures, refrigerators, air-conditioning equipment, dishwashers, disposals, laundry equipment such as washers and dryers, ranges, or other equipment which may be in, or connected with the unit. Each unit owner shall keep the limited common areas appurtenant to his unit, as defined in

Section 703.02 (10) of the Wisconsin Statutes in good, clean, sanitary and attractive condition, excepting the parking areas, which shall be maintained by the Association.

Section 10. Rules and Regulations. Rules and regulations concerning the use of the common and limited common areas or facilities may be promulgated and amended by the Board of Directors. Copies of such rules and regulations shall be furnished by the Board of Directors to each unit owner prior to their effective date.

Section 11. Maintenance and Utilities. Electricity shall be supplied by the applicable public utility company directly to each unit and to the common areas and facilities through separate meters for each unit and for the common areas and facilities. Gas shall be supplied by the applicable public utility company for the common areas and facilities and for furnishing heat and water. The Association shall pay for the bills for electricity and gas consumed in the common areas and facilities as a common expense.

ARTICLE VII MORTGAGES

Section 1. Mortgage of Units. Each unit may be separately mortgaged.

Section 2. Notice to Board of Directors. A unit owner who mortgages his unit shall notify the Board of Directors of the name and address of his mortgagee and shall file a conformed copy of the note and mortgage with the Board of Directors. The Board of Directors shall maintain such information in a book entitled "Mortgages of Units".

Section 3. Notice of Unpaid Common Charges. The Board of Directors, whenever so requested in writing by a mortgagee of a unit, shall promptly report any then unpaid common charges or other default by the owner of the mortgaged unit.

Section 4. Notice of Default. The Board of Directors, when giving notice to a unit owner of a default in paying common charges or other default, shall send a copy of such notice to each holder of a mortgage covering such unit whose name and address has theretofore been furnished to the Board of Directors.

Section 5. Examination of Books. Each unit owner and each mortgagee of a unit shall be permitted to examine the books of accounts of the property at reasonable times, on business days, but not more often than once a month.

ARTICLE VIII SALES AND LEASES OF UNITS

Section 1. Rental. Unit owners may rent their units subject to such provisions, restrictions and requirements as may be designated, from time to time, by the Board of Directors.

Section 2. No Severance of Ownership. No unit owner shall execute and deed,

mortgage, or other instrument conveying or mortgaging title to his unit without including therein the appurtenant interests, it being the intention hereof to prevent any severance of such combined ownership. Any such deed, mortgage or other instrument purporting to affect one or more of such interests, without including all such interests, shall be deemed and taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described therein. No part of the appurtenant interests of any unit may be sold, transferred, or otherwise disposed of, except as a part of a sale, transfer or other disposition of the unit to which such interests are appurtenant, or as part of a sale, transfer or other disposition of such part of the appurtenant interests of all units.

Section 3. Payment of Assessments. No unit owner shall be permitted to convey, mortgage, pledge, hypothecate, sell or lease his unit unless and until he shall have paid in full to the Board of Directors all unpaid common charges theretofore assessed by the Board of Directors against his unit and until he shall have satisfied all unpaid liens against such unit, except permitted mortgages.

Section 4. Membership. Upon the sale of a unit, the purchaser shall become a member of the Association. If a unit owner leased his unit, he shall continue to be a member of the Association.

ARTICLE IX CONDEMNATION

Section 1. Condemnation. In the event of a taking in condemnation or by eminent domain of part or all of the common or limited common areas or facilities, the award made for such taking shall be payable to the Board of Directors if such award amounts to \$10,000.00 or less, or does not relate to any building otherwise it shall be paid to the insurance trustee. If payable to the insurance trustee, then if the Association by a majority vote approve the repair and restoration within ninety (90) days of payment of the award (or other payment if conveyed in lieu of such taking), the Board of Directors shall arrange for the repair and restoration and the insurance trustee shall disburse the proceeds to the contractors engaged in such repair and restoration in appropriate progress payment. In the event the Association, if so required, does not duly and promptly approve the repair and restoration, the insurance trustee shall disburse the net proceeds where there is not repair or restoration of the damage, as provided in Section 2(c) of Article VI of these By-Laws.

ARTICLE X RECORDS

Section 1. Records and Audits. The Board of Directors shall keep detailed records of the actions of the Board of Directors minutes of the meetings of the Board of Directors, minutes of the meetings of the unit owners, and financial records and books of account of the Property, including a chronological listing of receipts and expenditures, as well as a separate account of each unit which, among other things, shall contain the amount of each assessment of common charges against such unit, the date when

due, the amounts paid thereon and the balance remaining unpaid. A written report summarizing all receipts and expenditures of the Property shall be rendered by the Board of Directors to all unit owners at least quarter annually. In addition, an annual report of the receipt and expenditures of the Property shall be rendered by the Board of Directors to all unit owners and to all mortgagees of units who have requested the same, promptly after the end of each fiscal year.

ARTICLE XI MISCELLANEOUS

Section 1. Notices. All notices to the Board of Directors shall be sent by registered or certified mail, or to such other address as the Board of Directors may hereafter designate from time to time. All notices to any unit owner shall be sent by registered or certified mail to the unit or to such other address as may have been designated by them from time to time, in writing, to the Board of Directors. All notices to mortgagees of units shall be sent by registered or certified mail to their respective addresses, as designated by them from time to time, in writing, to the Board of Directors. All notices shall be deemed to have been given when mailed, except notices of change of address which shall be deemed to have been given when received.

Section 2. Invalidity. The invalidity of any part of these By-Laws shall not impair or affect in any manner the validity, enforceability or affect the balance of these By-Laws.

Section 3. Captions. The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these By-Laws or the intent of any provision thereof.

Section 4. Gender. The use of masculine gender in these By-Laws shall be deemed to include the feminine gender and the use of the singular shall be deemed to include the plural, whenever the context so requires.

Section 5. Waiver. No restriction, condition, obligation or provision contained in these By-Laws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur.

Section 6. Insurance Trustee. The insurance trustee shall be designated by the Board of Directors. The fees and disbursements of any insurance trustee, if approved by the Board of Directors, shall constitute a common expense.

ARTICLE XII AMENDMENTS TO BY-LAWS

Section 1. Amendments to By-Laws. Except as hereinafter provided otherwise, these By-Laws may be modified or amended by the vote of seventy-five (75%) percent in

number and in common interest of all unit owners at a meeting of unit owners duly held for such purposes; however, Section 1, Article III insofar as it provides that Declarant shall designate the directors and this Section 1 of this Article may not be amended without the consent in writing of the Declarant so long as the Declarant shall be the owner of one or more units.

ARTICLE XIII CONFLICTS

Section 1. Conflicts. These By-Laws are set forth to comply with the requirements of Section 703.10 of the Wisconsin Unit Ownership Act. In case any of these By-Laws conflict with the provisions of such Act or of the Declaration, as the case may be, shall control, and in case of any conflict between the provisions of such Act and the Declaration as related to these By-Laws or otherwise, the provisions of the statute shall control.