BY-LAWS
OF
WHISPERING RIDGE ESTATES OWNERS ASSOCIATION, INC.

ARTICLE I

Name and Purpose

Pursuant to the Articles of Incorporation of Whispering Ridge Estates Owners Association, Inc., and the Protective Covenants for Whispering Ridge Estates recorded in the Office of the Register of Deeds for Waukesha County, Wisconsin (hereinafter "Protective Covenants"), the following are adopted as the By-Laws of WHISPERING RIDGE ESTATES OWNERS ASSOCIATION, INC. (hereinafter sometimes referred to as the "Association"), which is a non-profit nonstock corporation formed and organized to serve as an association of owners of real estate and improvements located in Whispering Ridge Estates, Lannon, Wisconsin (the "Subdivision") subject to the terms and conditions of the Protective Covenants. The Subdivision is divided into individual residential parcels (the "Lots") pursuant to the recorded plat of the Subdivision. The final development and platting of the Subdivision was completed by Whispering Ridge Estates, LLC (the "Developer").

These By-Laws shall be binding on the owners of Lots in Whispering Ridge Estates, and their heirs, administrators, personal representatives, successors and assigns.

ARTICLE II

Members, Voting and Meetings

2.1 ***Members.*** The rights and qualifications of the members are as follows:

a. *Defined.* Members of the Association shall be all owners of any Lot in the Subdivision (the "Owners"). Each Owner shall have the number of votes equal to the number of Lots owned by said Owner. If title to any Lot is held by more than one Owner, the membership in the Association related to that Lot shall be shared by such Owners in the same proportionate interests and by the same type of tenancy in which title to the Lot is held. Every Owner upon acquiring title shall automatically become a member of the Association and shall remain a member thereof until such time as his ownership ceases for any reason, at which time his membership in the Association shall automatically cease.

b. *Membership List.* The Association shall maintain a current Membership List showing the names of Owners, the address to which notice of meetings of the Association shall be sent, any mortgagee of the Lot, and the person designated shall be entitled to cast a vote in person or by proxy. A designation may be limited in time or 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 Lot.

c. *Transfer of Membership.* Each membership shall be appurtenant to the Lot upon which it is based and shall be transferred automatically upon conveyance of that Lot. Membership in the Association may not be transferred, except in connection with the transfer of a Lot. Upon transfer of a Lot, the Association shall, as soon as possible thereafter, be given written notice of such transfer, including the name and address of the new Owner, identification of Lot, date of transfer, name of the person designated to vote, name and address of mortgagee, if any, 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.

2.2 ***Quorum and Proxies for Members' Meetings.*** A quorum for members' meetings shall consist of thirty (30) percent of the votes in the Association. Votes may be cast in person or by proxy in accordance with designations in the Membership List. Proxies shall be valid only for the particular meeting(s) or time period designated therein, up to a maximum of 180 days, 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.

2.3 ***Act by Majority.*** The act of a majority of votes of the Association present in person or by proxy at any meeting at which a quorum is present shall be the act of the Association, unless provided otherwise under the Wisconsin Nonstock Corporation Law.

2.4 ***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 by all Owners, 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 ten (10) days nor more than ninety (90) 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.

2.5 ***Annual and Special Meetings.*** The first annual meeting of the Association shall be held on the second Tuesday in October following the sale and conveyance by Developer of all Lots in the Subdivision, or such earlier time as determined by Developer, in either case subject to the requirements of Section 2.4 above. Subsequent annual meetings shall be held on the second Tuesday in October of each year. The purposes of annual meetings shall be to elect directors and to transact 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 members of the Board of Directors and must be called by such officers upon receipt of a written request signed by members with ten percent (10%) or more of all votes entitled to be cast in the Association.

ARTICLE III

Board of Directors

3.1 ***Initial Board of Directors.*** The initial Board of Directors shall consist of up to three (3) persons, appointed by Developer, who need not be members of the Association. The initial Board of Directors shall serve until such time as the members elect a Board of Directors pursuant to Section 3.4 below.

3.2 ***Number and Qualifications of Directors.*** After the Board of Directors of the Association has been elected by the Owners pursuant to Section 3.4 below, the Board of Directors shall consist of three (3) persons, to be classified with respect to the terms for which they severally hold office as set forth in Section 3.4 below. Each member of the Board of Directors shall be a member of the Association or, in the event that such member of the Association is not a natural person, the appointee of such member of the Association.

3.3 ***Powers and Duties of the Board of Directors.*** The affairs of the Association including management and operation of the Subdivision shall be governed by the Board of Directors. All powers and duties as shall be necessary for the administration of the affairs of the Association shall be exercised by the Board of Directors. Such powers and duties shall be exercised in accordance with the provisions of the Protective Covenants, the Articles of Incorporation, and these By-Laws.

3.4 ***Election and Term of Directors.*** At the first annual meeting of the Association following the sale and conveyance by Developer of all Lots in the Subdivision, or such earlier time as determined by Developer, the members shall elect three (3) directors to be classified with respect to the terms for which they hold office by dividing them into two (2) classes as follows:

(a) One (1) director whose term will expire after one (1) year, at the next annual meeting of the Association (Class "A" Directors).

(b) Two (2) directors whose terms will expire after two (2) years, at the second annual meeting of the Association after their election (Class "B" Director).

The successors to the class of directors whose terms expire as set forth above shall be elected to hold office for a term of two (2) years or until their successors are duly elected and qualified, or until any of said directors shall have been removed in the manner hereinafter provided, so that the term of one class of directors shall expire in each year.

3.5 ***Vacancies on Board.*** After the Board of Directors has been elected by the Owners pursuant to section 3.4, vacancies on the Board of Directors caused by any reason other than the removal of a director by a vote of the members shall be filled by a vote of the majority of the remaining directors, even though they may constitute less than a quorum, and each person so elected shall be a director until a successor is elected at the next annual meeting of the members at which that class of directors is to be elected.

3.6 ***Removal of Directors.*** After the Board of Directors has been elected by the Owners pursuant to section 3.4, at any regular or special meeting duly called, any one or more of the directors may be removed with or without cause by a majority of the votes of the membership present or represented at such meeting, providing a quorum in attendance, and a successor may then and there be elected to fill the vacancy thus created.

3.7 ***Annual Meeting and Notice.*** An annual meeting of the Board of Directors shall be held immediately after, and at the same place as, the annual meeting of the members, for the purpose of election of officers and transacting such business as may come before the meeting. Notice of the regular annual meeting of the Board of Directors shall not be required. Prior to the first annual members' meeting, an annual meeting of the Board of Directors shall be held at such time and place as may be designated by the Board of Directors.

3.8 ***Regular Meetings and Notice.*** The Board of Directors may provide by resolution for regular or periodic meetings of the Board, to be held at a fixed time and place, and upon the passage of any such resolution, such meetings shall be held at the stated time and place without the necessity of other notice than such resolution.

3.9 ***Special Meetings and Notice.*** Special meetings of the Board of Directors may be called by the President or by two (2) directors on three (3) days prior written notice to each director, given personally or by mail, which notice shall state the time, place and purpose of the meeting.

3.10 ***Waiver of Notice.*** Before, at or after any meeting of the Board of Directors, any director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a director at any meeting of the Board shall be a waiver by him of notice of the time and place thereof. If all of the directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

3.11 ***Quorum of Directors – Adjournments.*** At all meetings of the Board of Directors, a majority of the directors shall constitute a quorum for the transaction of business, and the act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the

Board of Directors. If, at any meeting of the Board of Directors, there shall be less than a quorum present, the majority of those present may adjourn the meeting from time to time without further notice. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting as originally called may be transacted.

3.12 ***Fidelity Bonds.*** The Board of Directors may require that some or all officers and/or employees of the Association handling or responsible for Association's funds shall furnish adequate fidelity bonds. The premiums on any such bonds shall be paid for by the Association.

ARTICLE IV

Officers

4.1 ***Designation, Election and Removal.*** The principal officers of the Association shall be a President, Vice President, Secretary and Treasurer, to be elected annually by the Board of Directors. 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 shall be elected at a regular meeting of the Board of Directors, or at any special meeting called for that purpose. Any two or more offices, except a combination of the offices of President and Secretary and a combination of the offices of President and Vice President, may be held by the same person.

4.2 ***President.*** The President shall be selected from among the members of the Board of Directors and shall be the chief executive officer of the Association. He shall preside at all meetings of the Association and of the Board of Directors. He shall have all the general powers and duties which are usually vested in the office of President including, but not limited to, the power to sign, together with any other officer designated by the Board, any contracts, checks, drafts or other instruments on behalf of the Association in accordance with the provisions herein. The President shall perform such duties and have such other authority as may be delegated by the Board of Directors.

4.3 ***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 both the President and the Vice President are unable to act, the Board of Directors shall appoint some other member of the Board to act on an interim basis. The Vice President shall also perform such duties as shall from time to time be imposed upon him by the Board of Directors.

4.4 ***Secretary.*** The Secretary shall keep the minutes of all meetings of the Board of Directors and of the Association and shall have charge of the Association's books and records, and shall, in general, perform all duties incident to the office of the Secretary. The Secretary shall be responsible for maintaining the Membership List for the Association.

4.5 ***Treasurer.*** The Treasurer shall have responsibility for the Association's funds and shall be responsible for keeping full and accurate accounts of all receipts and disbursements and financial records and books of account on behalf of the Association. He shall be responsible for the deposit of all monies and all valuable effects in the name, and to the credit, of the Association in such depositories as may from time to time be designated by the Board of Directors. The Treasurer shall also be responsible for the billing and collection of all common and special charges and assessments made by the Association. The Treasurer shall count votes at meetings of the Association.

4.6 ***Compensation.*** No director of officer of the corporation shall receive any fee or other compensation for service rendered to the Association except by specific resolution of the membership.

ARTICLE V

Indemnification

5.1 ***Mandatory Indemnification.*** The Association shall, to the fullest extent permitted or required by Chapter 181 of the Wisconsin Statutes, inclusive, the Wisconsin Nonstock Corporation Law ("Statute"), including any amendments thereto (but in the case of any such amendment, only to the extent such amendment permits or requires the corporation to provide broader indemnification rights than prior to such amendment), indemnify its Directors and Officers against any and all Liabilities, and advance any and all reasonable Expenses, incurred thereby in any Proceeding to which any Director or Officer is a Party because such Director or Officer is a Director or Officer of the corporation. The corporation may indemnify its employees and authorized agents, acting within the scope of their duties as such, to the same extent as Directors or Officers hereunder. The rights to indemnification granted hereunder shall not be deemed exclusive of any other rights to indemnification against Liabilities or the advancement of Expenses which such Director or Officer may be entitled under any written agreement, board resolution, vote of the Members, the Statute or otherwise. All capitalized terms used in this Article V and not otherwise defined herein shall have the meaning set forth in Section 181.0103 of the Statute.

5.2 ***Permissive Supplementary Benefits.*** The Corporation may, but shall not be required to, supplement the foregoing right to indemnification against Liabilities and advancement of Expenses under Section 5.1 above by (a) the purchase of insurance on behalf of any one or more of such Directors or Officers whether or not the corporation would be obligated to indemnify or advance expenses to such Director or Officer under Section 1 of this Article, and (b) entering into individual or group indemnification agreements with any one or more of such Directors or Officers.

5.3 ***Private Foundation Limitations.*** Notwithstanding the foregoing, no indemnification will be permitted to the extent such indemnification would constitute an act of "self-dealing" or is otherwise subject to excise taxes under Chapter 42 of the United States Internal

Revenue Code of 1986, or prohibited under Chapter 181 of the Wisconsin Statutes or any similar successor provisions thereto.

ARTICLE VI

Operation of the Subdivision

6.1 ***The Association.*** The Association, acting through the Board of Directors, shall be responsible for administration, maintenance, management and operation of the Subdivision in accordance with the Protective Covenants, the Articles of Incorporation, and these By-Laws. The Association, by resolution of the Board of Directors, shall have full power and authority to borrow money and acquire and convey property on behalf of the Association, provided that any single Association loan, acquisition, conveyance, or mortgage involving the sum of $1,000 or more, shall first be approved by the membership at an annual or special meeting called for such purpose. The Association may, to the extent it deems advisable, contract for management services or a managing agent with respect to the administration and operation of the Association.

6.2 ***Rules and Regulations.*** The Association, through the Board of Directors, shall from time to time adopt rules and regulations governing the operation, maintenance and use of the Lots by the Owners and occupants. Such rules and regulations of the Association shall not be inconsistent with the terms of the Protective Covenants or the contracts, documents, and easements referred to in the Protective Covenants, and shall be designed to prevent unreasonable interference with the use of the respective Lots by persons entitled thereto. A violation of any such rules or regulations shall constitute a violation of the Protective Covenants. The Association through its Board of Directors shall designate such means of enforcement thereof as it deems necessary and appropriate. The rules and regulations may be adopted, altered, and amended or repealed by the Board of Directors if the rule or regulation so adopted so provides.

6.3 ***Common Expenses.*** The Board of Directors shall determine the common expenses of the Association, and shall prepare an annual operating budget for the Association in order to determine the amount of the assessments payable by each Lot owner, to meet the estimated common expenses of the Association for the ensuing year. The amounts required by such budget shall be assessed equally against the Lots, excluding those Lots owned by the Developer, and allocated among the members of the Association according to their respective ownership interests in the Lots. The assessments shall be made on an annual basis and shall be due and payable in one lump sum. If not paid on or before the due date, the assessment shall bear interest at the prevailing prime rate of interest, determined as of the first day of each month by the bank handling Association accounts, until paid in full. If delinquent for more than thirty (30) days, the Association may pursue foreclosure or collection action pursuant to Section 6.5 herein. In the event the annual budget and assessments are not determined prior to the beginning of a fiscal year of the Association, the assessment for the prior year shall remain in effect until revised by the Board of Directors.

6.4 ***Operating Budget.*** The annual operating budget shall provide for two funds, one of which shall be designated the "operating fund" and the other the "reserve fund." The operating fund shall be used for all common expenses which occur annually or more frequently, such as amounts required for the cost of operation, maintenance, and other items such as; real estate taxes, management services, insurance, common services, landscaping, administration, materials and supplies. The reserve fund shall be used for contingencies and periodic expenses such as road maintenance, pond maintenance or other renovations. In the event the Association incurs extraordinary expenditures not originally included in the annual budget, then such sums as may be required in addition to the operating fund may be charged against the reserve fund. In the event that both funds prove inadequate to meet the necessary common expenses, or at the discretion of the Board of Director, the directors may levy further assessment(s) against the Owners.

The reserve fund may also be used to discharge mechanic's liens or other encumbrances levied against the entire property, or against each Lot, if resulting from action by the Association. The Owner or Owners responsible for any lien which is paid by the Association but not the obligation of the Association shall be specially assessed for the full amount thereof. The directors may also use the reserve fund for the maintenance and repair of any Lot if such maintenance and repair, although the obligation of the Owner, is necessary to protect the common property. The full amount of the cost of any such maintenance or repair shall be specially assessed to the Owner responsible therefor. Any charges against the reserve fund in accordance with the foregoing paragraphs which are not otherwise repaid to the fund shall be replenished by additional assessments against the Owners in subsequent years.

The annual budget shall be prepared and determined by September 30 of each calendar year. The Board of Directors shall advise all members of the Association in writing of the amount of common assessments payable on behalf of each Lot owner by the date of the annual membership meeting and shall furnish copies of the budget on which such common assessments are based to each member.

6.5 ***Default and Liens.*** All annual and special assessments, until paid, together with interest and actual costs of collection, constitute a lien for the benefit of the Association on the Lots on which they are assessed. Such lien shall be subordinate and junior only to the first mortgage lien of any financial institution arising at the time of purchase of the respective Lot. If a member of the Association is in default in payment of any charges or assessments for a period of more than thirty (30) days, the Board of Directors, in the name of the Association, may file liens therefor and bring suit for and on behalf of the Association, as representative of all members, to enforce collection of such delinquencies or to foreclose the lien therefor, as provided by law and the Protective Covenants, and there shall be added to the amount due: 1) a $50.00 late fee, 2) an additional $15.00 late fee per day until the outstanding charges and assessments have been paid in full, and 3) the costs of collection and interest, together with attorney fees. Liens shall be signed and verified on behalf of the Association by any officer of the Association. The owners of a Lot against which a lien has been filed shall not be entitled to vote at Association meetings until the lien has been paid in full.

ARTICLE VII

Repairs and Maintenance

7.1 ***General Lot Maintenance.*** The Owner of any Lot shall have the duty of, and responsibility for, keeping the premises, building, improvements, appurtenances and landscaping of the Lot, in a well-maintained, safe, clean, and attractive condition at all times. All grass, trees, and shrubbery must be kept in good condition and appearance at all times. All grass must be cut whenever necessary and weeds must be controlled. Each Owner shall be responsible for removal of any rubbish or trash of any character which may accumulate on a Lot. Damaged or cracked areas of all parking areas, sidewalks, and other hard surfaces shall be promptly repaired or replaced. The type and quality of materials and the color thereof to be used in replacing, repairing, painting, or maintaining building exteriors and external fixtures such as entry doors, lighting fixtures and other items shall be consistent with those approved by the Subdivision Review Board pursuant to the Protective Covenants.

7.2 ***Common Areas.*** The Association shall be responsible for the management, performance of the obligations set forth herein, the Protective Covenants and any easements applicable to the Property and control of any and all easement areas located in the Subdivision, and any real estate owned by the Association, and any other areas of the Subdivision which the Association is obligated or agrees to maintain, together with any other amenity that may be provided by the Association, and shall cause the same to be maintained, repaired and kept in good, clean and attractive condition, order, and repair. Without in any way limiting the foregoing, the Association shall be responsible, at Association expense (unless necessitated by the negligence or misuse of an Owner, in which case such expense shall be charged and specially assessed to such Owner), for accomplishment of all landscaping, grass cutting, weed control and general maintenance of the common areas described above; care, repair and restoration of entrance monuments and signs; inspection, maintenance, recertification and repair of streets and drainage facilities; and related landscaping maintenance and replacement of lighting, if any, for entrance monuments and signs.

ARTICLE VIII

Duties and Obligations of Owners

8.1 ***Rules and Regulations.*** The Lots shall be occupied and used in accordance with the Protective Covenants, the Articles of Incorporation, these By-Laws, and the rules and regulations adopted by the Association from time to time.

8.2 ***Enforcement.*** The rules and regulations contained in the Protective Covenants and other rules and regulations adopted by the Association shall be enforced by such means as the Association deems necessary and appropriate, including recourse to civil authorities, court action if

necessary, and monetary fines of $50 per violation plus $15.00 per day until the violation is corrected, to be charged and assessed against the Owners who violate or whose guests violate such rules and regulations. Such fines shall be charged and assessed against the subject Lot and may be enforced and collected as an assessment for common expenses, including the foreclosure of a lien therefor.

ARTICLE IX

General

9.1 ***Fiscal Year.*** The fiscal year of the Corporation shall begin on the first day of January and end on the last day of December in each year, unless a different fiscal year is elected on the first annual tax return filed by the Association.

9.2 ***Address.*** The mailing address of the Association shall be 11600 W. Lincoln Avenue, West Allis, WI 53227, Attention: Whispering Ridge Estates Owners Association, until such time as Developer has sold all Lots, at which time a new mailing address may be designated by the Association.

9.3 ***Seal.*** The Association shall have no corporate seal.

ARTICLE X

Amendments

10.1 ***By Members.*** These By-Laws may be altered, amended or repealed and new By-Laws may be adopted by the members, at any meeting called for such purpose, by the affirmative vote of Owners having sixty-seven percent (67%) or more of the votes in the Association.

10.2 ***Rights of Developer.*** No amendment of these By-Laws shall alter or abrogate the rights of Developer as contained in these By-Laws.

ARTICLE XI

Miscellaneous

11.1 ***Record of Ownership.*** Every Owner shall promptly cause to be duly recorded or filed of record the deed, assignment or other conveyance of such Lot or other evidence of such Owner's title thereto, and shall present such evidence of title and file any lease with the Board of Directors, and the Secretary shall maintain all such information in the Membership List of the Association.

11.2 ***Statement of Assessments.*** The Board of Directors or Treasurer of the Association, at the request of any mortgagee or any prospective purchaser of any Lot or interest therein, shall provide a statement to such person as to the amount of any assessments against such Lot then due and unpaid, within ten (10) business days after such request is received.

11.3 ***Subordination.*** These By-Laws are subordinate and subject to all provisions of the Wisconsin Nonstock Corporation Law, and the Protective Covenants and any amendments thereto, which shall control in case of any conflict.

11.4 ***Definition of Terms.*** All terms herein (except where specifically defined herein or clearly repugnant to the context) shall have the same meanings as in the Protective Covenants or the Wisconsin Nonstock Corporation Law.

11.5 ***Interpretation.*** In case any provision of these By-Laws shall be held invalid, such invalidity shall not render invalid any other provision hereof which can be given effect. Nothing in these By-Laws shall be deemed or construed to authorize the Association or Board of Directors to conduct or engage in any active business for profit on behalf of any or all of the Owners.

-End of By-Laws-