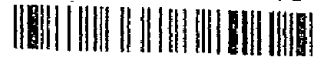


DOC#: 1073861



**DECLARATION OF
CONDOMINIUM OF
THE LOFTS AT RIVER
SHORES CONDOMINIUM**

Document Number

Document Title

Recorded

DEC. 29, 2004 AT 12:00PM

SHARON A. MARTIN

REGISTER OF DEEDS

WASHINGTON COUNTY, WI

Fee Amount: \$75.00

Recording Area

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DECLARATION OF CONDOMINIUM OF THE LOFTS AT RIVER SHORES CONDOMINIUM

This Declaration of Condominium of The Lofts at River Shores Condominium is made and entered into by The Lofts at River Shores, LLC, pursuant to the Wisconsin Condominium Ownership Act.

Recitals

Declarant owns the real property described and depicted on the attached Exhibit A (the "Real Property"), upon which Declarant has constructed or renovated or is constructing or renovating certain improvements. By this Declaration, Declarant intends to submit the Property (as hereinafter defined) to the condominium form of ownership and to establish certain easements, rights, restrictions, and obligations with respect to the ownership, use and maintenance of the Property. The Real Property and any and all improvements now or hereafter located thereon and any and all easement rights and appurtenant rights belonging thereto shall be known and described as The Lofts at River Shores Condominium. This is a Sub-Condominium as that term is used in the Declaration of Condominium of River Shores Block 2 Condominium.

Declaration

Now, therefore, Declarant by this Declaration (1) submits the Property to the condominium form of use and ownership as provided in the Act (as hereinafter defined); (2) establishes and imposes the provisions, restrictions, conditions, easements and uses herein upon the Property; and (3) specifies that the provisions of this Declaration shall constitute covenants running with the land which shall be binding upon Declarant, and all subsequent owners and occupants of all or any part of the Property.

ARTICLE 1. DEFINITIONS

The following terms shall have the following definitions:

1.1 Act. The "Act" shall mean the Wisconsin Condominium Ownership Act, as currently set forth at Chapter 703 of the Wisconsin Statutes and as the same shall be amended or renumbered from time to time.

1.2 Association. The "Association" shall mean The Lofts at River Shores Condominium Association, Inc. established under Article 4 hereof. Wherever herein a matter is subject to the "Association," the use of the term "Association" does not necessarily mean that the entire Association is entitled to vote on a particular matter; the Association acts through its Board unless specifically stated to the contrary.

1.3 Association Insurance. "Association Insurance" shall mean all policies of insurance to be maintained by the Association under this Declaration.

1.4 Board. The "Board" or "Board of Directors" shall be the governing body of the Association, elected in accordance with the Bylaws, subject to Section 4.1.

1.5 Bylaws. The "Bylaws" shall mean the Bylaws of the Association as adopted by the Board.

1.6 City. The "City" shall mean the City of West Bend, Wisconsin.

1.7 Common Elements. The "Common Elements" shall consist of all of the Condominium except for the Units and are composed of two categories. Certain Common Elements are available for the nonexclusive use and enjoyment of all Owners and Occupants and are referred to as the "General Common Elements." Other Common Elements are limited to the use by the Owner and Occupants of a particular Unit to which such Common Elements are appurtenant and are referred to as "Limited Common Elements".

1.8 Common Expenses. The "Common Expenses" are any and all expenses incurred by the Association in connection with the management of the Condominium, maintenance of the Common Elements and administration of the Association, including expenses for landscaping, lawn care, snow removal, improvements to the Common Elements, security lighting, Association Insurance premiums, municipal utility services for the Common Elements, maintenance and management wages, and fees of outside consultants.

1.9 Condominium. The "Condominium" shall be known as The Lofts at River Shores Condominium and shall mean the Property together with the Units and Common Elements as they are currently constructed or as they may hereafter be constructed on the Property.

1.10 Condominium Documents. The "Condominium Documents" are this Declaration, the Articles of Incorporation and Bylaws of the Association, and such Rules and Regulations as may be adopted by the Board pursuant to this Declaration or the Bylaws.

1.11 Declarant. The "Declarant" shall mean The Lofts at River Shores, LLC and the successors and assigns of Declarant pursuant to assignment in accordance with Section 16.7 of this Declaration.

1.12 Declaration. "Declaration" shall mean this Declaration of Condominium of The Lofts at River Shores Condominium as the same may be amended from time to time.

1.13 Director. A "Director" shall mean a member of the Board.

1.14 Interest. "Interest" shall mean the proportionate undivided interest in the Common Elements appurtenant to each particular Unit in the Condominium.

1.15 Mortgage. "Mortgage" shall mean a recorded lien mortgage against a Unit or the vendor's interest under a recorded lien land contract of the Unit.

1.16 Mortgagee. "Mortgagee" shall mean the holder of a Mortgage.

1.17 Occupant. "Occupant" shall mean the Owner or any other person occupying a Unit.

1.18 Owner. "Owner" or "Unit Owner" shall mean each fee simple owner of a Unit and each vendee of a Unit under a recorded land contract. The Declarant is an Owner with respect to each Unit to which it holds title.

1.19 Plat. "Plat" shall mean that certain plat of condominium comprised of a plat of survey of the Property, building floor plans, and unit addresses as recorded or to be recorded in the Register's Office and as the same may be amended from time to time.

1.20 Property. The "Property" shall mean the Real Property, together with all improvements located thereon and appurtenances thereto.

1.21 Register's Office. The "Register's Office" is the Office of the Register of Deeds for Washington County, Wisconsin.

1.22 Rules. The "Rules" shall mean rules and regulations established by the Association as provided in Section 4.1.

1.23 Unit. "Unit" shall mean a separate freehold estate, consisting of the space bounded and described in Article 2. Units 3-101, 3-102 and 3-201 are sometimes referred to as the "Commercial Units" and the remaining Units are sometimes referred to as the "Residential Units".

ARTICLE 2. DIVISION OF CONDOMINIUM INTO SEPARATE FREEHOLD ESTATES

2.1 Units. The Condominium shall initially include 31 Units which are identified by designation and number on the attached Exhibit A. The boundaries of each Unit shall consist of the interior planes of the undecorated walls, ceilings, and lowest floor inside the Unit, all as depicted in the floor plans attached as Exhibit A. Each Unit also includes all windows and doors, and all mechanical and utility installations which exclusively service the Unit.

2.2 Common Elements. Each Unit also has appurtenant Common Elements, which consist of both General and Limited Common Elements, as follows:

(a) The Limited Common Elements are reserved for the exclusive use of the Unit to which they are appurtenant and are generally identified on the Plat and floor plans attached as Exhibit A; provided that nothing herein prohibits the use of (1) unassigned parking spaces or (2) parking spaces assigned to any of Units 3-101, 3-102 or 3-201, from being used by visitors and business invitees; and further provided that the Association may take measures to mark parking spaces which are not available for such parking (and mark those which are so available) so as deter unauthorized persons from parking in parking spaces which are not available, but Declarant and the Association have no responsibility to police such parking or assure any Owner that no one other than that Owner will ever park in its assigned parking space.

(b) The General Common Elements shall consist of all of the Condominium except the Units and the Limited Common Elements.

(c) Any supply lines, waste lines, pipes, wires, conduits or public utility lines or portion thereof which run through any part of a Unit and service only that Unit shall be part of that Unit; and any supply lines, waste lines, pipes, wires or conduits or portions thereof which do not service one particular Unit (regardless of whether or not such lines, pipes, wires or conduits run through any part of a Unit) shall be General Common Elements to the extent not owned and/or maintained by any public utility, governmental unit or cable television company.

2.3 Relocation of Unit Boundaries. Boundaries between Units may be reallocated as provided in Section 703.13(6) of the Act and evidenced by an amendment to the Declaration. If a Unit involved in a proposed boundary reallocation is subject to a Mortgage, then the Mortgagee must also consent to such action. The Owners involved in such reallocation shall pay all costs associated with such reallocation, including the costs of physically adjusting Common Elements between such Units and the expenses of legal and architectural review of the plans and documents to carry out the adjustment. The Association may require that an estimate of such costs be paid as a condition to execution of the amendment, with a final payment made upon completion of any work by the Association.

2.4 Separation of Units.

(a) Units 3-101, 2-102 and 3-201 may be separated as provided in Section 703.13(7) of the Act and evidenced by one or more amendments to the Declaration.

(b) After separation as above, the Interest appurtenant to the separated Unit shall be equally divided among the resulting Units, the common surpluses and expenses shall be allocated in accordance therewith, and each Owner of a resulting Unit shall be entitled to vote in accordance with Section 4.2.

(c) The Owner of the separated Unit shall pay all costs associated with such separation, including the costs of physically creating or adjusting Common Elements between the resulting separated Units.

2.5 Merger of Units.

(a) If the Owner or Owners of two (2) or more adjacent Units desire to merge the Units, such Owners may merge the Units in accordance with Section 703.13(8) of the Act and evidenced by an amendment to this Declaration.

(b) After merger of the Units as above, all of the undivided Interest in the Common Elements and rights to use the Limited Common Elements, the votes in the Association formerly appertaining to the separate Units and the liability for Common Expenses and rights to common surpluses formerly appertaining to the separate Units shall be allocated to the merged Unit.

(c) The Owner or Owners of the merged Unit shall pay all costs associated with such merger, including the costs of physically adjusting Common Elements for the resulting merged Unit.

2.6 Conveyance of Certain Limited Common Elements. The Owner of a Unit may convey by deed to any other Owner the right to use the following Limited Common Elements: the parking space and/or storage area appurtenant to such Unit, if any, and such parking space or storage area shall thereafter be appurtenant as Limited Common Elements of the Unit specified in such deed.

2.7 Initial Designation by Declarant. Parking spaces as shown on Exhibit A are available to be conveyed by Declarant as Limited Common Elements, but such spaces have not yet been designated by Declarant as appurtenant to particular Units. Declarant may designate particular spaces for particular Units by deed and such spaces shall thereupon be Limited Common Elements of such Units. Until such designation, Declarant shall have the exclusive right to use such spaces. Declarant shall have the continuing right to so designate spaces even after all Units have been conveyed by Declarant, provided that spaces may only be designated or used in connection with Units or the Association.

ARTICLE 3. INTEREST AND COMMON ELEMENTS

3.1 Unit Interest. Each Unit shall have an Interest as follows:

Unit 3-101	6.9480 %
Unit 3-102	8.8350 %
Unit 3-201	23.4900 %
Units 3-301, 304, 309, 311, 313, 401, 404, 409, 411 and 413 each	2.3620 %
Units 3-306 and 406 each	2.2985 %
Units 3-301, 307, 308, 314, 401, 407, 408 and 414 each	2.6800 %
Units 3-303, 312, 403, and 412 each	1.3837 %
Units 3-305, 310, 405 and 410 each	1.3838 %

ARTICLE 4. ASSOCIATION OF UNIT OWNERS

4.1 Administration. The Declarant shall create the Association, which shall be incorporated and shall adopt Bylaws for the governance and administration of the Condominium. The Association shall administer the Condominium and the provisions of this Declaration and the Bylaws, acting through its Board. The Board shall always consist of an even number of Directors, split evenly between (a) Owners of Residential Units, who will be elected solely by

the Owners of Residential Units, and (b) Owners of Commercial Units or a designee of such Owner of a Commercial Unit, who will be elected solely by the Owners of Commercial Units (provided that during the term of service of such designee on the Board, any replacement for such designee may be appointed by such Owner in its discretion). From time to time, the Board may, but need not, adopt and amend Rules regarding the use of the Common Elements and other matters concerning the Condominium and Association, provided such Rules are not inconsistent with this Declaration or the Bylaws and that such Rules will not unreasonably burden or interfere with the use of the Commercial Units for their intended purposes. After adoption, the Rules shall be binding upon Owners and Occupants. From time to time, the Directors representing the Residential Units or the Commercial Units may adopt Rules which affect only the Units represented by such Directors, and such Rules shall be binding only on the Owners and Occupants of such Units.

4.2 Membership and Voting. Each Owner shall be a member of the Association and membership shall commence and terminate with ownership. Each Unit shall be vested with a vote equal to the numerical equivalent of its percentage Interest, so that the total number of votes is 100, to be cast as set forth in the Bylaws.

4.3 Control of Association. The Declarant shall have the right to appoint and remove the officers of the Association and to exercise any and all of the powers and responsibilities assigned to the Association and its officers by the Articles, Bylaws, the Act, this Declaration and the Wisconsin Nonstock Corporation Law from the date the first Unit is conveyed by the Declarant to any person other than Declarant, until the earliest of: (1) 3 years from such date; or (2) thirty (30) days after the conveyance of seventy-five percent (75%) of the Interests to purchasers; or (3) Declarant's election to waive its right of control. Prior to the conveyance of twenty-five percent (25%) of the Interests to purchasers, the Association shall hold a meeting, and the Owners other than the Declarant shall elect at least twenty-five percent (25%) of the Directors. Prior to the conveyance of fifty percent (50%) of the Interests to purchasers, the Association shall hold a meeting, and the Owners other than the Declarant shall elect at least thirty-three and one-third percent (33 1/3%) of the Directors. Not later than forty-five (45) days after the expiration of the Declarant control period, the Association shall hold a meeting and the Owners shall elect the Board and officers of the Association.

4.4 Management. The Association may employ a professional management agent or company for the Condominium with such experience and qualifications and on such terms and conditions as are acceptable to the Board. Any such agreement must be terminable with or without cause upon ninety (90) days notice without payment of any penalty.

4.5 Approvals. Any proposal by an Owner requiring Board approval shall be submitted in writing, in such detail and with such supporting documents as the Board may require to facilitate its understanding and review. The Board may approve or disapprove any proposal after considering one or more of the following concerns and any additional criteria the Board deems prudent: (1) freedom and safety of access and convenience to other Units; (2) requiring the written agreement of the Owner making the proposal to pay the costs of restoring Common Elements affected by such proposal to their prior physical condition upon the termination of such use; and (3) requiring the Owner's written agreement to pay a fair and reasonable monthly charge to the Association for any encroachment on Common Elements

resulting from the proposal. The Board may at its discretion impose further conditions upon its consent to any proposal as it deems appropriate. Approval of a proposal shall be deemed given if the Association president (A) indicates in writing or (B) fails to respond within sixty (60) days following the Owner's written submission of a proposal unless, prior to the expiration of such period, additional information is requested of the Owner by the Board or the Board issues its written refusal.

4.6 River Shores Block 2 Condominium. The Board will have the authority to exercise the rights of this Association as a member of River Shores Block 2 Condominium Association, Inc., including the right to appoint persons to the board of directors of such association, provided that one such representative must be an Owner of a Residential Unit and one must be an Owner of a Commercial Unit or a designee of the Owner of such Commercial Unit (provided that during the term of service of such designee on such board, any replacement for such designee may be appointed by such Owner in its discretion). The Board will cause the Condominium to comply with the terms, provisions and conditions of the Declaration of River Shores Block 2 Condominium and the by-laws associated therewith and all rules adopted thereunder. The costs of such actions will be Common Expenses.

ARTICLE 5. ASSESSMENTS

5.1 Budget and Assessments.

(a) The Association shall annually adopt and distribute to all Owners a budget of Common Expenses and levy general and special assessments therefor against the Units, except as set forth herein. The budget shall include the funding of an adequate replacement reserve out of general assessments and shall set forth the following: (1) all anticipated Common Expenses and any amounts to be allocated to a statutory reserve account, if any, and to any other funds for future expenditures, (2) the amount and purpose of any other anticipated Association expenditure, (3) the amount in any statutory reserve account or any other funds held for future expenditures, (4) any common surpluses, (5) the amount and source of any income, other than assessments from Owners, (6) the amounts assessed on behalf of the River Shores Block 2 Association, Inc. and River Shores Master Association, Inc., and (7) the aggregate amount of any assessment to be levied against Owners and the purpose of the assessment.

(b) The Association may also levy a special assessment on all Owners for any purpose for which a general assessment may be levied, including capital improvements, and a special assessment or fine on a particular Owner for the purpose of collecting any amounts due the Association or enforcing compliance of such Owner with any provision of the Condominium Documents, including assessments under Section 13.2, or for any other purpose authorized herein.

(c) In no event shall any reserve account established hereunder be deemed to be a statutory reserve account pursuant to Section 703.163 of the Act. The Declarant hereby acknowledges that it is not establishing a statutory reserve account for the Condominium and anticipates that future expenditures for the repair and replacement of

Common Elements will be funded through a reserve account established and funded pursuant to the terms of this Declaration.

5.2 Installments; Late Payments. General assessments shall be made on an annual basis but shall be due and payable in monthly installments on the first day of each month. Special assessments shall be due and payable at such time and in such manner as the Board may determine. Any assessment or installment of an assessment not received by the Association within ten (10) days of its due date may be subject to a late charge and/or interest as set forth in the Bylaws or in a Rule.

5.3 Enforcement; Liens. If an Owner defaults in any payment, the Association shall take appropriate measures as provided by law; provided that in the exercise of reasonable business judgment, the Board may elect not to take such measures in cases of hardship or unlikelihood of recovery. The defaulting Owner shall be responsible for all costs incurred by the Association in seeking to enforce payment including reasonable attorneys' fees. Owners shall be both personally liable for assessments and a lien shall be imposed against such Owner's Unit for any unpaid assessments. Liens for unpaid assessments shall also extend to and secure interest, fines and reasonable costs of collection, including attorneys' fees incurred by the Association incident to the collection of assessments or enforcement of liens. The Association may purchase a Unit upon the foreclosure of its lien.

5.4 Payment of Assessments by Declarant. During the period of Declarant control, Declarant may, but shall not be obligated to, directly pay bills or provide services which would otherwise represent Association obligations to which regular assessments would be applied. Declarant shall be entitled to offset expenses incurred by Declarant in performing or paying for such Association obligations against assessments due on Declarant owned Units.

5.5 Initial Working Capital Fund. Each Owner of a Unit, other than Declarant, shall, at the time of conveyance to such Owner, pay to the Association an amount equal to two (2) months installments of the general assessment provided for in this Article, or such greater amount as designated by the Board. Amounts paid under this Section shall not be considered advance payments of installments of general assessments, but shall be maintained as working capital and kept in a segregated account.

5.6 Association Statements. Within ten (10) days of written request from an Owner or Mortgagee, the Association shall provide a letter stating the existence of outstanding general or special assessments against the Unit, if any. Notwithstanding anything to the contrary in the preceding sentence, all Units conveyed by Declarant shall be deemed conveyed free from outstanding general, special or working capital assessments and no such letter shall be required or given as to such Units.

5.7 Common Expenses and Surpluses. Except as otherwise provided in this Declaration, Common Expenses and surpluses shall be allocated among all Owners according to the Interest applicable to their Units, provided that Common Expenses related to matters which substantially benefit either the Commercial Units or the Residential Units will be allocated and assessed solely to such Units. As examples of the foregoing, but without limitation, the cost of the elevators benefits all Units in the Condominium, but the cost of sweeping or repairing the

common hallways on the third and fourth floors of the building benefit only the Residential Units. All common surpluses of the Condominium for each of its fiscal years shall be retained for Common Expenses of the Condominium for the next succeeding fiscal year.

5.8 Records. The Association shall keep detailed, accurate records using standard bookkeeping procedures of the receipts and expenditures affecting the Common Elements, specifying and itemizing the maintenance and repair expenses of the Common Elements and any other expenses incurred. The records and vouchers authorizing such payments shall be available for examination by Owners at convenient hours. During the period of Declarant control and for one (1) year thereafter, upon written request to the Association by the lesser of three (3) Owners or the Owners of ten percent (10%) of the Units other than Units owned by Declarant, the Association shall arrange for an independent audit of its financial records; provided, however, that no request may be made for an audit within twenty-four (24) months after the completion of a previous audit. Declarant shall turn such records over to the Board upon its election as provided in Section 4.3.

ARTICLE 6. MAINTENANCE AND ALTERATIONS

6.1 Owner Responsibility. Each Owner, at the Owner's sole cost, shall: (1) perform routine maintenance, repair and replacement of all components or installations of the Unit; (2) pay for the repair and replacement of Common Elements damaged through the fault or negligence of such Owner or such owner's family, guests, invitees or tenant or any other Occupants of such Owner's Unit; (3) be responsible for the reasonable security and safety of such Unit and shall be liable for damages caused to any other Unit(s), or the Common Elements, to the extent not covered by insurance, as a result of a breach of such duty; and (4) maintain, repair and replace the Limited Common Elements appurtenant to the Unit with materials and in a manner approved by the Association.

6.2 Association Responsibility. The Association shall maintain in good condition and repair, replace and operate all of the Common Elements, except as expressly provided at Section 6.1.

6.3 Microorganisms.

(a) Microorganisms, including, but not limited to, mold, mildew, spores, or any other form of fungi or bacteria, and any chemical or toxin secreted therefrom, ("Microorganisms"), occur naturally in the environment and may be present, during or after construction, in the indoor air of the building in which the Condominium is located (the "Building"), on the interior surfaces of the Building including, without limitation to, wall cavities, attics, windows, basements, and/or on the exterior surfaces of the Building, or any part thereof. Concentration of moisture in the Building may result from cooking, showering, or similar activities inside the Building, the outside atmosphere, and/or the design, construction means and methods, and/or the materials used in the construction of the Building. This moisture may cause the growth, release, discharge, dispersal, or presence of Microorganisms which, at certain levels, may cause deterioration of Building materials, damage to property, health hazards, personal injuries and/or other irritant

effects such as, without limitation, skin irritation, respiratory problems and/or allergic reactions. Likewise, concentrations of radon released from soil or chemicals released from household furnishings, appliances, mechanical equipment, personal possessions, or Building materials may, at certain levels, create health hazards and/or other irritant effects such as, without limitation, skin irritation, respiratory problems, and/or allergic reactions. Because Microorganisms and radon occur naturally in the environment, the Declarant cannot eliminate the possibility that radon may be present or that Microorganisms may grow in, on, or about the Building. A Unit Owner and the Association may minimize these effects by compliance with the maintenance requirements contained in this Article, proper utilization and maintenance of heating, cooling, dehumidification, and/or ventilation equipment, interior maintenance and cleaning, and exterior maintenance such as, but not limited to, proper grading, landscaping, painting, and caulking.

(b) To the fullest extent permitted by law, and notwithstanding any other contrary provision in this Declaration, each Owner, by acceptance of a deed to a Unit, and the Association, fully, finally, and forever release and discharge, and will indemnify and defend, Declarant, its successors and assigns, subcontractors, material suppliers and the officers, employees, agents of each of them, from and against any and all claims, obligations, demands, damages, causes of action, liabilities, losses, and expenses, including actual attorneys' and expert fees, whether now known or hereafter known, foreseen or unforeseen, that an Owner, or any Occupant of its Building or the Association had, has, or may have in the future, in law or in equity (the "claim") that are attributable to (1) bodily injury, sickness, emotional distress, disease, death, or any other personal injury or adverse health effects, or (2) injury to or destruction of tangible real or personal property, including loss of use thereof, arising out of, relating to, or in any way connected with, the indoor air of or moisture in the Building or the presence of any Microorganisms or radon, or any chemical or toxin secreted therefrom, in the indoor air of the Building, on the interior surfaces of the Building, including, without limitation to, wall cavities, the attic, windows, and the basement, or on the exterior surfaces of the Building, or any part thereof, whether or not the claim is caused by, in whole or in part, the Declarant's breach of warranty given to an Owner or the Association, if any, or implied by law, if any, or any act or omission of Declarant, its subcontractors or material suppliers, including, but not limited to, Declarant's, or its subcontractors' or material suppliers', construction means and methods, material selection, material installation, and/or design services, if any.

(c) Declarant makes no express or implied warranty, including but not limited to implied warranties of habitability, merchantability, fitness for a particular purpose, or good workmanship as to building materials and/or construction means and methods with regard to indoor air quality of the Building or the presence of Microorganisms, radon, or chemicals including, without limitation to, any chemical or toxin secreted therefrom, in, on, or about the Building.

(d) By acceptance of title to a Unit, the Owner acknowledges that such person has been informed of such effects and assumes all risks of damage, bodily injury,

personal injury, or destruction of or injury to real or personal property that may arise as a result of or in any way connected with the indoor air quality of the Building or the presence of Microorganisms, radon, or chemicals in, on, or about the Building.

ARTICLE 7. RESTRICTIONS ON USE AND OCCUPANCY

7.1 Permitted Uses.

(a) The occupancy and use of the Condominium shall be subject to the following restrictions:

(1) The Commercial Units may be used for retail, restaurant, and appurtenant and accessory purposes, and for athletic club purposes, and appurtenant and accessory purposes provided such purposes are not prohibited by the Bylaws, Rules or any applicable governmental regulation. If the Owner(s) of all Commercial Units elect by giving at least 30 days notice to the Directors representing the Residential Units, and with the approval of the City as required under its ordinances, the Commercial Units may be separated under Section 2.4 for the purpose of, and each resulting Unit will be, converted to residential use, in which case all such resulting Units will be Residential Units under this Declaration and there will be no more Commercial Units.

(2) The Residential Units may be used for residential purposes, and appurtenant and accessory purposes provided such purposes are not prohibited by the Bylaws, Rules or any applicable governmental regulation.

(b) In the case of each residential use, the following will be permitted as being incidental to such residential use:

(1) incidental use for personal business conducted by mail and telecommunications which does not burden the use of the Common Elements by frequent visits by business service providers or customers in the opinion of the Board, subject to any Rules relating to such burdens. Examples of trades or businesses under this clause include dealers in custom jewelry or software programmers, subject to any Rules which the Board may adopt relating to such trades or businesses

(2) the sale or lease by Owner thereof, subject to the other provisions hereof and any Rules related thereto.

(c) Declarant or its agents and affiliates may establish in one or more Units offices for sales of Units in this Condominium and in adjacent properties, including the construction and use of a "model" Residential Unit for sale, and the Association may establish offices for conducting its affairs.

(d) No Owner or Occupant shall carry on any trade or business under this Section if it is not permitted to be carried on at the Condominium under any City ordinance, statute or regulation.

7.2 Leases of Units. An Owner of all or a portion of a Residential Unit may lease the Unit for terms of not less than six (6) months; there are no restrictions on the leasing of Commercial Units. Each lease of a Unit shall require that the lessee comply with the terms and provisions of the Act and the Condominium Documents and shall further provide that a breach of the Condominium Documents or Act shall be deemed a default under the lease. Within five (5) business days after entering into or renewing a lease for a Residential Unit, such Owner shall provide a copy of such lease to the Association. Notwithstanding the foregoing, an Owner shall be responsible to the Association and each other Owner for any breach of any provision of the Condominium Documents caused by a lessee or an Occupant. The Association will only need to deal with the Owner and may, but shall not be obligated to, address any breach with the offending lessee or Occupant. Before any lessee occupies a Unit, the Owner shall provide a copy of the Condominium Documents to such lessee.

7.3 No Time Shares. No Unit shall be subject to any time share or similar arrangement, whether or not under Wis. Stats. Chapter 707.

7.4 Marketing of Units. In no event shall an Owner, Occupant or agent of an Owner or Occupant, other than Declarant or those to whom Declarant delegates such rights, display any sign on the Property or within the Unit which sign is visible from the exterior of the Unit relating to the availability of a Unit for sale, including, without limitation, a "For Sale" sign; provided that such restrictions shall not apply to the Commercial Units (but the Commercial Units may still not alter the exterior of the building as it is a General Common Element of this Condominium).

7.5 Deed Restrictions. The Association reserves the right to implement certain deed restrictions against the Property and Units as may be required pursuant to certain environmental remediation agreements affecting the Property existing as of the date hereof; provided, however such restrictions shall not include the prohibition of the use of the Units as residences.

ARTICLE 8. RECONSTRUCTION AND CONDEMNATION

8.1 Reconstruction. In the event of fire, casualty or any other disaster affecting one or more of the Units or Common Elements (the "Damaged Premises"), the Damaged Premises shall be reconstructed and repaired, unless otherwise determined as provided below, subject to any provisions of the Declaration of Condominium of River Shores Block 2 Condominium. Reconstruction and repair shall mean restoring the Damaged Premises to substantially the same condition as existed prior to the fire, casualty or disaster, and in accordance with the maps, plans and specifications used in the original construction insofar as practicable. The Board may authorize changes to the same with the consent of the Mortgagees of the Units so affected and with the recordation of an amendment to this Declaration noting the effects thereof.

8.2 Insufficient Proceeds. If insurance proceeds are insufficient to reconstruct or repair General Common Elements, then, subject to Section 8.3, the Owners of all Units shall be assessed according to their Interests for the deficiency relating to the reconstruction or repair of

General Common Elements comprising Damaged Premises. The provisions of Article 5 shall apply to all sums assessed for any deficiency.

8.3 Partition. If the insurance proceeds are insufficient to reconstruct or repair the General Common Elements (excluding any deductibles under the Association Insurance), then the Condominium shall be subject to an action for partition upon obtaining the written consent of seventy-five percent (75%) or more of the Owners and Mortgagees. If such approval is not obtained within thirty (30) days from the date of adjustment of insurance proceeds following the fire, casualty or other disaster, then no such action for partition shall be maintained or initiated.

8.4 Control of Adjustment and Restoration. The Association shall have the sole power to settle adjustments with the insurance carrier for Association Insurance. The Association shall have the sole power to engage contractors to restore the Common Elements and insured portions of the Units. The Association shall have no responsibility to repair, reconstruct or replace any improvements in a Unit which are not insured by Association Insurance or any improvements installed subsequent to initial construction of the Unit.

8.5 Construction Fund. Insurance proceeds and special assessments under Section 8.2 shall constitute a construction fund, with insurance proceeds disbursed first. Any surplus funds shall be held or distributed to the Owners and their Mortgagees as their interests may appear, in accordance with their Interests.

8.6 Condemnation. If all or any portion of the Condominium is taken under the power of eminent domain or sold in settlement or anticipation of any pending or threatened proceeding, this Section shall control. Each Owner of an affected Unit shall have the right of appeal of the necessity of the taking and of the amount of condemnation award with respect to its Unit and Limited Common Elements appurtenant to such Unit. A Unit Owner may appeal the necessity of the taking and the amount of the condemnation award with respect to the Owner's Interest in the General Common Elements. Damages shall be awarded and Interests shall be adjusted as follows:

(a) Each Owner is entitled to the entire award for the taking of all or part of its Unit and Limited Common Elements appurtenant to such Unit and for consequential damages to the Unit.

(b) If no reconstruction is undertaken, any award for the taking of General Common Elements shall be allocated to all Owners in proportion to their respective Interests.

(c) Where an entire Unit is taken, the Interests and votes on Association matters appertaining to the remaining Units shall be adjusted post-condemnation in the same manner as following an expansion of the Condominium. A partial taking of a Unit shall not include the Interest or vote appurtenant to the Unit. If Interests or votes are affected, the Association shall record an amendment which discloses the nature of the taking and adjustments caused thereby. Following the taking of all or a part of the Units and the General Common Elements, the Association shall promptly undertake to restore the improvements of the General Common Elements to an architectural whole. Costs of

restoration of General Common Elements in excess of the condemnation award shall be a Common Expense. Notwithstanding anything to the contrary contained herein, if the Board determines that reconstruction or restoration is not practical, the entire Condominium shall be subject to an action for partition upon obtaining the written consent of the Owners having seventy-five percent (75%) or more of the Interests. Upon partition, the net proceeds of sale of the Condominium, together with any net proceeds of the award for taking, shall be considered as one fund and divided among all Owners in accordance with their Interests. If the seventy-five percent (75%) approving vote is not obtained within thirty (30) days of the Board decision, then reconstruction, including any necessary reconstruction of Units, shall take place with costs of restoration of the General Common Elements in excess of condemnation proceeds assessed against all Owners in proportion to their Interests.

ARTICLE 9. INSURANCE

9.1 Association Insurance. The Association shall obtain and maintain commercial general liability insurance for occurrences on the Common Elements, special form or all-risk casualty insurance coverage on the General Common Elements, and such other policies or coverage as the Board deems necessary or advisable.

9.2 Coverage of Association Insurance. The casualty insurance coverage shall be in an amount equal to the maximum insurable replacement value, with an "agreed amount" and a "replacement cost" endorsement, without deduction or allowance for depreciation. This coverage amount shall be annually reviewed and shall insure against loss or damage by fire and other hazards as commonly covered by a standard extended coverage endorsement and such other hazards as customarily covered with respect to buildings similar in construction, location and use. Commercial general liability coverage shall be in such amounts as the Board determines annually, but not less than \$1,000,000 per occurrence.

9.3 Proceeds. Association Insurance proceeds for casualty loss shall be for the benefit of the Association, Owners of damaged Units and their Mortgagees as their interests appear in order to finance reconstruction of damaged Common Elements. Liability coverage and other insurance proceeds shall be applied as the Association directs.

9.4 Cost. All premiums for Association Insurance and other insurance obtained by the Association shall be a Common Expense of the Condominium, except that any increase in the rating or premium charged for any such insurance caused by the character or use of a Unit shall be allocated solely to its Owner.

9.5 Waiver of Subrogation. The Association and each Owner acting both for themselves and for their respective insurers, waive any claim it or they may have against the other for any loss insured under any policy obtained by either to the extent of insurance proceeds actually received, however loss is caused, including such losses as may be due to the negligence of the other party, its agents or employees. All policies of insurance shall contain a provision that they are not invalidated by the foregoing waiver, but such waiver shall cease to be effective

if the existence thereof precludes the Association from obtaining any policy of insurance at a reasonable and customary rate.

9.6 Acts Affecting Insurance. No Owner or Occupant shall commit or permit any violation of covenants or agreements contained in the Association Insurance, or do or permit anything to be done, or keep or permit anything to be kept, or permit any condition to exist, which might (1) result in termination of any such policies, (2) adversely affect the right of recovery thereunder, (3) result in reputable insurance companies refusing to provide such insurance, or (4) result in an increase in the insurance rate or premium over the premium which would have been charged in the absence of such violation or condition, provided that, in the case of such increase, the Owner responsible for such increase shall pay the same. If the rate of premium payable with respect to the Association Insurance or with respect to any policy of insurance carried by any Owner shall be increased over the rate charged for the lowest-rated Unit, (w) by the size, design or composition of the Unit, (x) by reason of anything done or kept in a Unit, or (y) the failure of any Owner or Occupant to comply with Association Insurance requirements or (z) the failure of any Owner or Occupant to comply with this Declaration or the Bylaws, then the particular Owner shall reimburse the Association for the resulting additional premiums. The Association reimbursement right is without prejudice to any other Association remedy, and may be enforced by special assessment against the particular Unit.

9.7 Exclusions From Coverage. Association Insurance coverage may exclude (1) coverage on the Unit itself and any personal property located within or pertaining to the exclusive use of a Unit; and (2) liability coverage on an Owner, its guests, invitees, employees or any other Occupants of such Unit, arising out of any occurrences within a Unit or relating to an Owner's personal property. It is the sole responsibility of each Owner to obtain such insurance coverages as are excluded from Association Insurance.

ARTICLE 10. AMENDMENT OF DECLARATION

10.1 General. Except as otherwise provided herein, this Declaration may be amended only by the written consent of Owners of Units which represent at least seventy percent (70%) of the Interests, or such greater percentage as may be required by the Act. Consent is not effective unless approved by the Unit's Mortgagee, if any. Amendments shall be prepared and executed by the president of the Association and shall become effective when recorded in the Register's Office. No action to challenge the validity of an amendment shall be commenced more than one (1) year after the amendment is recorded.

10.2 Special Approvals of Certain Amendments.

(a) No amendment shall adversely affect a special right conferred on or reserved to Declarant or a Commercial Unit Owner under this Declaration without the prior written consent of Declarant or such Commercial Unit Owner as applicable.

(b) If the revision or adoption of a building code or zoning ordinance prevents or substantially affects the construction of a Unit or Common Elements as platted, the Declarant may reasonably modify the Plat, by addendum in accordance with Section

703.095 of the Act, to the extent necessary to comply with the code or ordinance in order to construct the Units or Common Elements.

(c) If the revision or adoption of a building code or zoning ordinance prevents or substantially affects the reconstruction of a Unit or Common Element as platted, the Declarant, Owner, or Association, as appropriate, may reasonably modify the Plat, by addendum in accordance with Section 703.095 of the Act, to the extent necessary to comply with the code or ordinance in order to reconstruct the Unit or Common Elements.

(d) No approvals are required for amendments when this Declaration specifically provides that the Association or another Owner may adopt or record an amendment.

10.3 Material Amendments. A change to the provisions hereof affecting any of the following shall also require approval by fifty-one percent (51%) of Mortgagees: (a) voting rights; (b) assessments, assessment liens, or the priority of assessment liens; (c) reserves for maintenance, repair, and replacement of Common Elements; (d) responsibility for maintenance and repairs; (e) reallocation of Interests in the General or Limited Common Elements, or rights to their use; (f) redefinition of any Unit boundaries; (g) convertibility of Units into Common Elements or vice versa; (h) expansion or contraction of the project, or the addition, annexation, or withdrawal of property to or from the Condominium; (i) insurance or fidelity bond; (j) leasing of Units; (k) imposition of any restrictions on an Owner's right to sell or transfer the Owner's Unit; (l) a decision by the Association to establish self-management when professional management had been previously engaged; (m) restoration or repair of the Condominium (after a hazard damage or partial condemnation) in a manner other than as specified herein; (n) any action to terminate the legal status of the Condominium after substantial destruction or condemnation occurs; or (o) any provisions that expressly benefit mortgage holders, insurers, or guarantors.

10.4 Alternative Procedure for Amendment of Declaration. As an alternative to Section 10.1 above, this Declaration may be amended under this Section if at least seventy percent (70%) of the Interests, or such greater percentage as may be required by the Act, consent in writing to the amendment and those consents are approved by the Mortgagees of the Units, if any, pursuant to the following procedure:

(a) The Association shall record an affidavit with the Register's Office which affidavit: (1) sets forth the text of the proposed amendment; (2) provides the name and address of the president of the Association to whom inquiries should be directed with regard to the proposed amendment; (3) states that a notice was sent to each Owner and Mortgagee for each Unit on the date the affidavit is recorded; and (4) is signed by the president of the Association.

(b) On the date the affidavit is recorded, the Association shall mail a notice of the proposed amendment to the Owner of each Unit and to any Mortgagee, as identified in a title report prepared on the date the notice is sent. The notice shall: (1) contain a copy of the text of the proposed amendment and a current copy of Section 703.093 of the Act; (2) include a written ballot to be signed by the Owner, identifying the Unit casting the ballot,

identifying each Owner of record of that Unit as of the date the affidavit is recorded as provided herein and including a place for any Mortgagee to whom notice is sent to indicate its approval or objection; (3) state that, if more than one person is an Owner and the Owners cannot agree how to cast the ballot, the Unit's vote shall be treated as a vote in opposition to the proposed amendment; (4) state that a ballot signed by only one Owner shall count as the ballot of that Unit, unless more than one ballot is received by the Association for that Unit, in which case all ballots received for that Unit must concur in the vote cast or the ballots, collectively, shall be treated as a vote in opposition to the proposed amendment by that Unit; (5) state that the proposed amendment must be voted on as written and that no changes to the proposed amendment may be accomplished by the vote; and (6) include the address to which the completed ballot should be mailed or delivered.

(c) Each Owner shall vote on the proposed amendment by signing the ballot before a notary public and by mailing the signed and notarized ballot or by personally delivering it to the Association.

(d) Each Mortgagee receiving the notice shall signify its approval or objection to the amendment by having an authorized person sign the ballot before a notary public and by returning the signed, notarized ballot to the Association.

(e) The Association may rely on the list of Owners set forth in a title report obtained as of the date the affidavit is recorded, unless the Association receives a written notice, signed and notarized by both the previous Owner and the new Owner, advising the Association that ownership of the Unit has changed. The Association shall send a copy of the notice to the new Owner and any Mortgagee promptly after receiving notice of the transfer of ownership. It is the responsibility of the new Owner to comply with this Section. If the previous Owner had voted prior to the change in ownership, the new Owner may execute the ballot included in the notice, which ballot, when returned by the new Owner, shall supersede and replace any ballot cast by the previous Owner if the required approval of any Mortgagee is also timely received. The 180-day period applicable to receipt of the ballot for the Unit shall be extended to a date 14 days after the ballot is mailed by the Association if the ballot is mailed within 14 days before the end of the 180-day period.

(f) Any person acquiring a Mortgage on a Unit after the affidavit is recorded may notify the Association in writing of the Mortgage, identifying the Unit on which it holds a lien, and signify its approval of or objection to the proposed amendment to the Declaration.

(g) If the Association receives the required number of consents and approvals from Owners and Mortgagees within 180 days after the affidavit is recorded, the president of the Association shall record an affidavit in the Register's Office setting forth the facts satisfying the requirements of this Section and providing record notice to all interested persons that the Declaration has been revised, effective upon the recording of the affidavit, and restating the entire Declaration, as amended.

(h) The Association shall, for a period of two (2) years following the recording of the amended Declaration, retain on file and make available for inspection at the place where the Condominium financial records are maintained: (1) the title report relied upon by the Association; (2) all of the ballots received by the Association from Owners; and (3) all written approvals or objections received by the Association from Mortgagees.

ARTICLE 11. RIGHTS OF MORTGAGEES

11.1 Notice. Any Mortgagee of a Unit that makes written request on the Association for the following, identifying the name and address of such person and the Unit number or address, will be entitled to timely written notice of:

(a) Any condemnation or casualty loss that affects either a material portion of the Condominium or the Unit securing its Mortgage;

(b) Any thirty (30) day delinquency in the payment of assessments owed by the Owner of the Unit on which it holds a Mortgage or any breach of the provisions of any instrument or rule governing the Condominium which is not cured by such Owner within thirty (30) days of such Owner's receipt of notice of such breach;

(c) A lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association; and

(d) Any proposed action that requires the consent of Mortgagees.

11.2 Mortgagee Acquisition of Unit. A Mortgagee acquiring title to a Unit pursuant to remedies provided in its Mortgage or by a deed in lieu of foreclosure following an Owner's default under the Mortgage shall not be liable for such Unit's unpaid assessments accruing prior to the Mortgagee's acquisition of title to the Unit (except to the extent that any uncollected assessments may be included in any subsequent budget or revision to a budget).

11.3 Restoration. Any restoration or repair of the Condominium after a partial condemnation or damage due to an insurable hazard shall be performed substantially in accordance with this Declaration and the original plans and specifications, unless other action is approved by at least fifty one percent (51%) of Mortgagees.

11.4 Termination. Any election to terminate the Condominium must require Mortgagee approval as follows: (1) fifty one percent (51%) in the case of such an election after substantial destruction or a substantial taking in condemnation of the Property and (2) sixty seven percent (67%) in all other cases.

ARTICLE 12. RIGHTS OF DECLARANT

12.1 Reserved Rights. Notwithstanding anything in this Declaration to the contrary, until the sale by Declarant of all Units in the Condominium, Declarant:

(a) may, but shall not be obligated to, manage and operate the Condominium in accordance with this Declaration, including the right to contract for professional management of the Condominium, subject to Section 4.4.

(b) may use the General Common Elements and any unsold Units on the Condominium in any manner as may facilitate the sale or leasing of all Units including, but not limited to, in connection therewith, maintaining a sales and/or rental office or offices and models and showing the Condominium or maintaining signs.

(c) may grant easements upon, over, through and across the General Common Elements as may be required for furnishing any kind of utility services, including cable television or master antenna service, which easements may be granted to itself or its nominee and/or as may be necessary for excavation and construction of any of the Units.

(d) may grant easements upon, over, through or across the General Common Elements for permanent or temporary ingress and egress to and from the Condominium and other real property adjacent to it.

(e) may grant easements over the Property (other than within the Units) to the City as Declarant deems necessary, in its sole discretion.

(f) may lease Units owned by Declarant on such terms as Declarant desires.

(g) may make alterations and changes to the design or exterior materials of any Unit or part thereof during construction.

(h) may implement certain deed restrictions against the Property and the Units as may be required pursuant to certain agreements affecting the Property existing as of the date hereof.

ARTICLE 13. REMEDIES FOR VIOLATION BY OWNER

13.1 General Remedies. If any Owner or Occupant fails to comply with the Act, this Declaration, the Bylaws or the Rules, such Owner shall be liable for damages or any other remedy provided by the Bylaws or subject to injunctive relief, or all of the above, as a result of such noncompliance. The Association, or in a proper case, an aggrieved Owner, may bring an action because of such noncompliance.

13.2 Owner Violation; Association Right to Cure. In addition to any other remedies provided herein, if any Owner or Occupant fails to properly maintain its Unit or any part or portion thereof or the Limited Common Elements appurtenant thereto or otherwise comply with this Declaration, the Bylaws or the Rules, which failure continues for a period of fifteen (15)

days following written notice from the Association, the Association shall have the right but not the obligation, to perform or cause to be performed such maintenance, replacement, restoration or other action as the Association deems necessary or appropriate. Expenses incurred by the Association shall be assessed against the Unit's Owner and shall be subject to all rights and remedies reserved under this Declaration with respect to collection, expense, late payment penalties or interest, filing of a lien and/or foreclosure as reserved at Article 5 of this Declaration. Once the Association has taken such an action, it shall not be obligated to take any other or further action with respect to the same, similar or subsequent failure by the same or a different Owner or Occupant.

13.3 Eviction Actions Against Tenants. An Owner, as a condition of a rental or lease of the Owner's Unit, shall grant the Association power of attorney to bring an eviction action against a tenant of the Owner for failure to comply with the Condominium Documents or for any act or omission that constitutes grounds for eviction under Wisconsin Statutes Chapter 704 if the Owner, after being requested by the Association to evict the tenant, fails to take reasonable action to evict the tenant. An Owner shall be deemed to have taken reasonable action to evict the tenant if such Owner gives notice, terminates, or does not renew a tenant's lease or rental agreement within sixty (60) days after an eviction request. All eviction-related costs incurred by the Association in connection with this Section shall be the sole responsibility of the Owner. Any eviction action brought by the Association under this Section is subject to Wisconsin Statutes Chapters 704 and 799. This Section applies only to leases or rental agreements that are entered into or renewed after three (3) years after the date of recordation of this Declaration.

ARTICLE 14. SERVICE OF PROCESS

14.1 Agent. Service of process shall be made on Timothy J. Dixon, 1818 N. Hubbard, Milwaukee, Wisconsin 53212. Any change in the person or location for the service of process designated by the Association may be accomplished by resolution adopted by a majority of the Board of Directors and by the filing of such change with the Department of Financial Institutions of the State of Wisconsin or such other office as shall then be designated for the filing of a change of registered agent for nonprofit corporations and shall become effective upon the recording of notice thereof in the Register's Office.

ARTICLE 15. EASEMENTS

15.1 Right of Entry. A right of entry to each Unit is reserved to the Association and its agents to service utility installations provided request for entry is made in advance and at a convenient time for the Owner. In case of emergency, entry of a Unit may be made immediately, whether the Owner or Occupant of the Unit is or is not present and without liability to the Association or its agents. Any damage or loss caused as a result of such emergency entry shall be at the sole expense of the Owner if, in the reasonable judgment of those authorizing the entry, such entry was for emergency purposes.

15.2 Encroachments. If any portion of the Common Elements encroaches upon a Unit or any Unit encroaches upon the Common Elements or upon any other Unit or if any utility lines

encroach upon either the Common Elements or a Unit, a valid easement for the encroachment and maintenance of same shall exist for the duration of the encroachment. Minor encroachments of parts of the Common Elements and utility lines due to reconstruction of part or all of a Unit shall be permitted and an easement for such encroachments and the maintenance thereof is prospectively reserved.

15.3 Further Easements. The Association may grant easements over and through the General Common Elements for such purposes as the Board deems reasonable for the benefit of the Owners.

15.4 Easements to the City. The Declarant may grant easements over and through the Common Elements to the City and to utility providers for such purposes as Declarant deems necessary in connection with the development of the Condominium and certain other properties adjacent to the Property which may be developed by Declarant or an affiliate of Declarant.

ARTICLE 16. CONSTRUCTION AND EFFECT

16.1 Number and Gender. Whenever used herein, unless the context shall otherwise provide, the singular number shall include the plural, the plural shall include the singular, and the use of any gender shall include all genders. The term "person" shall include all legal entities.

16.2 Including. Whenever used herein, the term "including" preceding a list of one or more items shall indicate that the list contains examples of a general principle and is not intended as an exhaustive listing.

16.3 Captions. The captions and article and section headings in this Declaration are intended for convenience and reference only and in no way define or limit the scope or intent of the various provisions hereof.

16.4 Severability. If any portion of this Declaration or its application to any person or circumstance is held to be invalid or unenforceable, the remainder of this Declaration, or the application of such provision, or any part thereof, to persons or circumstances other than those to which it is held invalid or unenforceable, shall not be affected thereby. The remainder of this Declaration shall be valid, and enforced, to the fullest extent permitted by law.

16.5 Remedies. All remedies herein are cumulative.

16.6 Waivers. Whenever a waiver, consent or approval is required or permitted herein, it must be express and in writing; no waiver, consent or approval shall be implied. A waiver, consent or approval to any one matter shall not be deemed a waiver, consent or approval to any subsequent matter whether similar or not.

16.7 Assignment of Declarant's Rights. Subject to any prohibitions within the Act, all of the rights and benefits conferred on or reserved herein for Declarant in its status as such (as opposed to those rights or benefits conferred on or reserved for all Owners or groups thereof) may be assigned as follows: (a) to any person by an amendment to this Declaration specifically identifying the rights and benefits so assigned, and including an acceptance of such assignment

signed by the assignee, which is recorded in the Register's Office, or (b) to any purchaser of the Declarant's rights in a foreclosure sale or deed in lieu of foreclosure, without any specific written assignment of Declarant's rights, or (c) to any person or entity to which Declarant's rights have been collaterally assigned upon the exercise of such person's or entity's rights under such collateral assignment, without any specific written assignment of Declarant's rights. An assignment of Declarant's rights is effective from the date of recordation of the assignment under (a), the deed under (b), or notice by such collateral assignee of such exercise under (c). A mortgage or other security interest granted in Declarant's rights does not confer on the mortgagee or holder of the security interest the right to act as Declarant without some further act under (a) or (b) or (c). From and after each assignment, only the assignee may act as Declarant under this Declaration with respect to the rights assigned and all prior persons holding Declarant's rights shall no longer be entitled to exercise such rights. No successor Declarant shall be responsible or liable for the obligations of a Declarant arising before the date on which such successor Declarant may act as above.

(Signatures on next page)

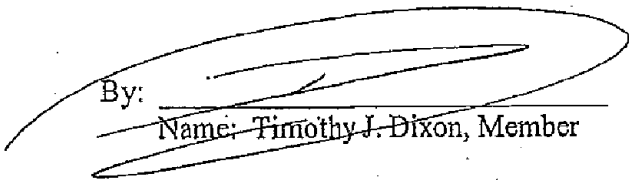
SIGNATURE PAGE TO THE DECLARATION OF CONDOMINIUM OF
THE LOFTS AT RIVER SHORES CONDOMINIUM

Executed as of December 28th, 2004.

THE LOFTS AT RIVER SHORES, LLC

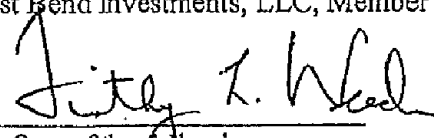
By: EG Riverbend, LLC, Member

By: Endeavour Group Investments, LLC, Member

By: 

Name: Timothy J. Dixon, Member

By: Hendricks West Bend Investments, LLC, Member

By: 

Name: One of the following managers:

Kenneth A. Hendricks

Diane Hendricks

Michael Slavish

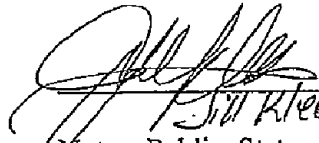
Timothy Weeden

Brad Austin

ACKNOWLEDGMENT

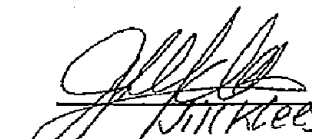
STATE OF WISCONSIN)
) SS.
MILWAUKEE COUNTY)

Personally came before me this 28th day of December, 2004, the above named Timothy J. Dixon, who acknowledged himself to be a member of EG Riverbend, LLC, which is a member of Endeavour Group Investments, LLC, which is a member of The Lofts at River Shores, LLC, and to me known to be the person who executed the foregoing instrument as such officer of such corporation, by its authority, and acknowledged the same.


Notary Public, State of Wisconsin
My Commission: Expires 11/04/07

STATE OF WISCONSIN)
) SS.
MILWAUKEE COUNTY)

Personally came before me this 28th day of December, 2004, the above named Timothy Weeden, who acknowledged himself to be a manager of Hendricks West Bend Investments, LLC, which is a member of The Lofts at River Shores, LLC, and to me known to be the person who executed the foregoing instrument as such officer of such corporation, by its authority, and acknowledged the same.


Notary Public, State of Wisconsin
My Commission: Expires 11/04/07

This instrument was drafted by
and should be returned to:

Hal Karas, Esq.
MICHAEL BEST & FRIEDRICH LLP
100 E. Wisconsin Avenue, #3300
Milwaukee, WI 53202-4108

Attachments

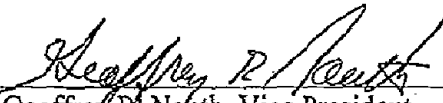
Exhibit A Legal Description and Map of Condominium
Exhibit B Floor Plans of Condominium

Consent of Mortgagee to Declaration of Condominium

The undersigned is the holder of a mortgage encumbering the Property submitted to this Declaration of Condominium and hereby executes the Declaration in order to comply with Section 703.09(1)(c), Wis. Stats. By signing this Consent, the undersigned does not accept any responsibility as the Declarant and has no obligations to any Unit Owner under the Declaration.

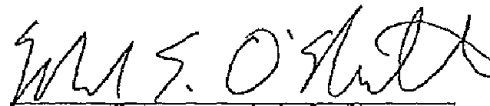
M&I Marshall & Ilsley Bank

By:


Geoffrey R. Nauth, Vice President

STATE OF WISCONSIN)
) SS.
MILWAUKEE COUNTY)

Personally came before me this 29th day of December, 2004, the above named Geoffrey R. Nauth, who acknowledged himself to be a Vice President of M&I Marshall & Ilsley Bank, and to me known to be the person who executed the foregoing instrument as such officer of such corporation, by its authority, and acknowledged the same.



Mark E. O'Neill
Notary Public, State of Wisconsin
My Commission is permanent.

EXHIBIT A

Legal Description and Map of Condominium

Address of Condominium

705 Village Green Way
West Bend, Wisconsin

Legal Description of Condominium:

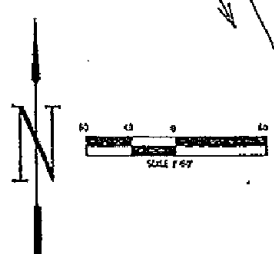
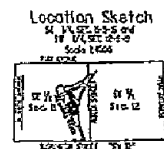
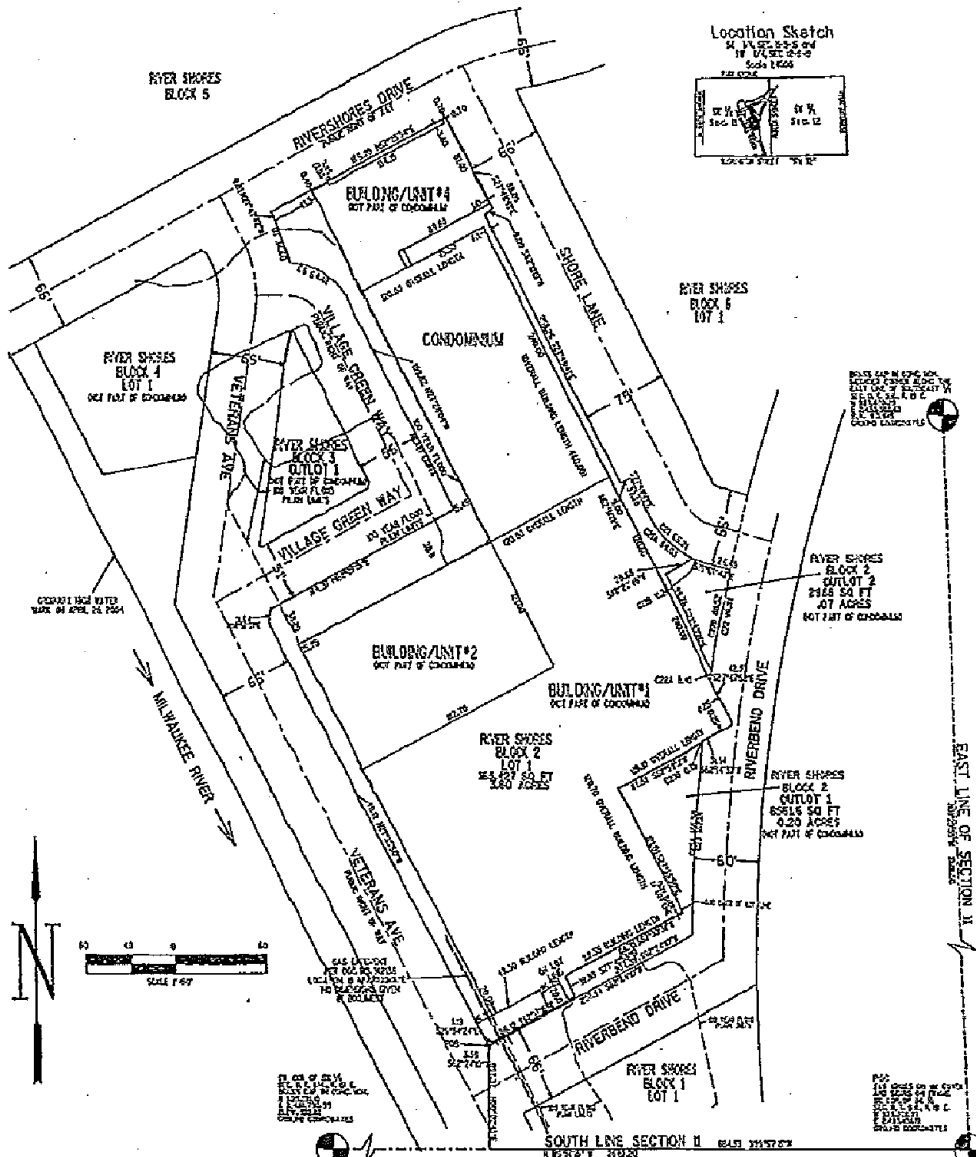
Unit 3 in River Shores Block 2 Condominium, being a Condominium created under the Condominium Ownership Act of the State of Wisconsin by a Declaration of Condominium of River Shores Block 2 Condominium, dated December ____, 2004 and recorded _____ in the office of the Register of Deeds for Washington County, Wisconsin as Document No. _____.

Attached hereto as a part of Exhibit A is a reduced copy of the Plat of Condominium, including the floor plans for the Units.

X:\client\b\090332\0020\A1018325.3

CONDOMINIUM PLAT OF SURVEY THE LOFTS AT RIVER SHORES CONDOMINIUM

A CONDOMINIUM OF UNIT 3 OF RIVER SHORES BLOCK 1 CONDOMINIUM, BEING A PART OF LOT 1 BLOCK 2, RIVERSHORES 6006 *070467, MAP BOOK 44, PAGES 28-32, RECORDED NOV 22, 2004, A DIVISION OF CERTIFIED SURVEY MAP 810 LYING IN THE NORTHEAST 1/4 AND THE SOUTHEAST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 8 AND THE NORTHEAST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 12, TOWN 14 NORTH, RANGE 10 EAST, IN THE CITY OF WEST BEND, COUNTY OF WASHINGTON, STATE OF WISCONSIN.



DETAILS SHOWN IN PLAN FOR DIMENSIONS ARE AS FOLLOWS:

SECTION	NO.	AREA	PER	AREA	PER	AREA	PER	AREA	PER	AREA	PER
BLK 1 UNIT 1	1	1,120	100%	1,120	100%	1,120	100%	1,120	100%	1,120	100%
BLK 1 UNIT 2	2	1,120	100%	1,120	100%	1,120	100%	1,120	100%	1,120	100%
BLK 1 UNIT 3	3	1,120	100%	1,120	100%	1,120	100%	1,120	100%	1,120	100%
BLK 1 UNIT 4	4	1,120	100%	1,120	100%	1,120	100%	1,120	100%	1,120	100%
BLK 1 UNIT 5	5	1,120	100%	1,120	100%	1,120	100%	1,120	100%	1,120	100%
BLK 1 UNIT 6	6	1,120	100%	1,120	100%	1,120	100%	1,120	100%	1,120	100%
BLK 1 UNIT 7	7	1,120	100%	1,120	100%	1,120	100%	1,120	100%	1,120	100%
BLK 1 UNIT 8	8	1,120	100%	1,120	100%	1,120	100%	1,120	100%	1,120	100%
BLK 1 UNIT 9	9	1,120	100%	1,120	100%	1,120	100%	1,120	100%	1,120	100%
BLK 1 UNIT 10	10	1,120	100%	1,120	100%	1,120	100%	1,120	100%	1,120	100%

DECLARANT:
RIVERBEND DEVELOPMENT, LLC.

FOR THE
EASTERN BEND ARE WITH RECORDS COLOCATED.
AS THEY APPEAR ON THE PLAT, THEY ARE NOT TO BE CONSIDERED AS A BASIS FOR ANY OTHER RECORDS.
ALL PLATS, DEEDS, STORIES AND RECORDS ARE LATER EPOCH ELEMENTS.
ALL OTHER RECORDS EXCEPT THE PLAT, ARE GENERAL EPOCH ELEMENTS.

THIS PLAT IS SUBJECT TO THE PLAT AND
RECORDS TO THE PLAT AND RECORDS.

WITNESSED BY ME, THE CLERK OF THE COURT, IN THE CITY OF WEST BEND, COUNTY OF WASHINGTON, STATE OF WISCONSIN, ON THIS 12TH DAY OF OCTOBER, 2004.



I, WILLIAM J. SULLIVAN, A WISCONSIN REGISTERED LAND SURVEYOR, DO HEREBY CERTIFY THAT THE CONDOMINIUM PLAT OF SURVEY FOR THE LOFTS AT RIVER SHORES CONDOMINIUM, BEING A PART OF LOT 1 BLOCK 2, RIVERSHORES 6006 *070467, MAP BOOK 44, PAGES 28-32, RECORDED NOV 22, 2004, IS A TRUE AND CORRECT REPRESENTATION OF THE CONDOMINIUM DESCRIBED AND THE CONVEYANCE THEREOF, AND THAT THE PLAT AND RECORDS ARE IN ACCORDANCE WITH THE PLAT.

PREPARED BY:
Manning The Grade, Inc.
1418 Wilburton Avenue
Menomonie Falls WI 53051
Phone: (715) 781-1888
Email: MANNINGTHEGRADE@GMAIL.COM
DRAWN BY: JAMBERLY JOHNSON

CONSIDERED AS PART 3 OF PLYER STREET BLOCK 2 COMMERCIAL BEING A PART OF LOT 10 BLOCK 2, PLYER STREET BLOCK 2, 27TH & 28TH BLOCK 44, PAGES 29-32, RECORDED MAY 23, 1900, A GRANT OF CERTIFIED SURVEY MADE BY THE DEPARTMENT OF THE SOUTHEAST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 16, TOWNSHIP 10 NORTH AND THE WEST HALF 1/4 OF THE SOUTHEAST 1/4 OF SECTION 16, TOWNSHIP 10 NORTH, RANGE 15 EAST IN THE CITY OF WEST BERN, COUNTY OF WASHINGTON, STATE OF MICHIGAN.

[illegible]

NOTE:
FLYING SPACES MAY BE ASSIGNED AS LISTED COLUMN
ELEMENTS AS PROVIDED IN DECLARATION OF CONCLUSIONS.



PAGE 2 OF 6

$$\begin{aligned} 240 &\times 120 \\ &= 28,800 \text{ SF} \\ &\times 4 = 115,200 \text{ SF} \end{aligned}$$

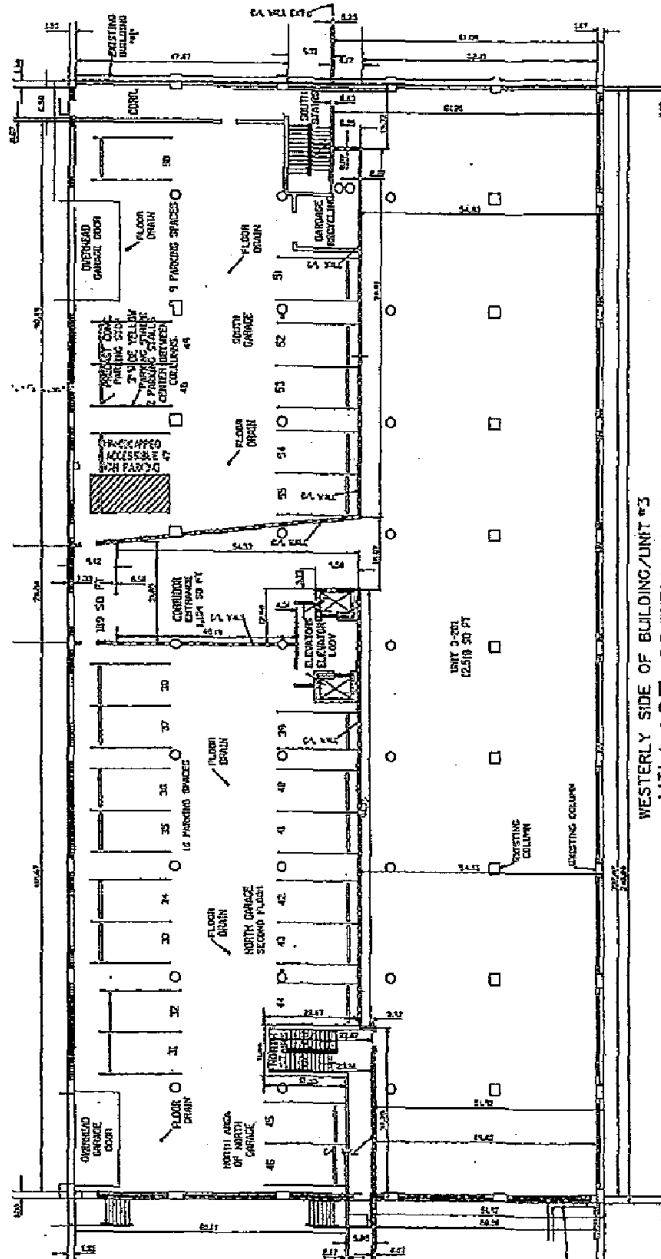
CONDOMINIUM PLAT OF SURVEY THE LOFTS AT RIVER SHORES CONDOMINIUM

A CONDOMINIUM OF UNIT 3 OF RIVER SHORES BLOCK 2, A CONDOMINIUM BEING A PART OF LOT 18,000 2, RIVER SHORES, COOK COUNTY, ILL. MAP BOOK 14, PAGES 13-18, RECORDED MAY 23, 2000, A DIVISION OF CERTIFIED SURVEY MAP 210, LOTS 18,000 2, AND THE SOUTHEAST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 12, AND THE SOUTHEAST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 12, T4N, R10W, E1/2, IN THE CITY OF WEST BEND, COUNTY OF BROWN, STATE OF WISCONSIN.

SECOND FLOOR (ALL DIMENSIONS ARE APPROXIMATE)

SHORE LANE
EASTERLY SIDE OF BUILDING/UNIT #3

VILLAGE GREEN WAY
WESTERLY SIDE OF BUILDING/UNIT #3



PREPARED BY:
Manning The Grady, Inc.
2118 WAVERLY HOSPITAL AVE
MADISON, WISCONSIN 53705
PHONE: (608) 781-1888
EMAIL: MTHEGRADY@GMAIL.COM
DRAWN BY: KIMBERLY POENSCHE

William J. Sullivan
WILLIAM J. SULLIVAN, PLS. 0001
DATED DECEMBER 29, 2004

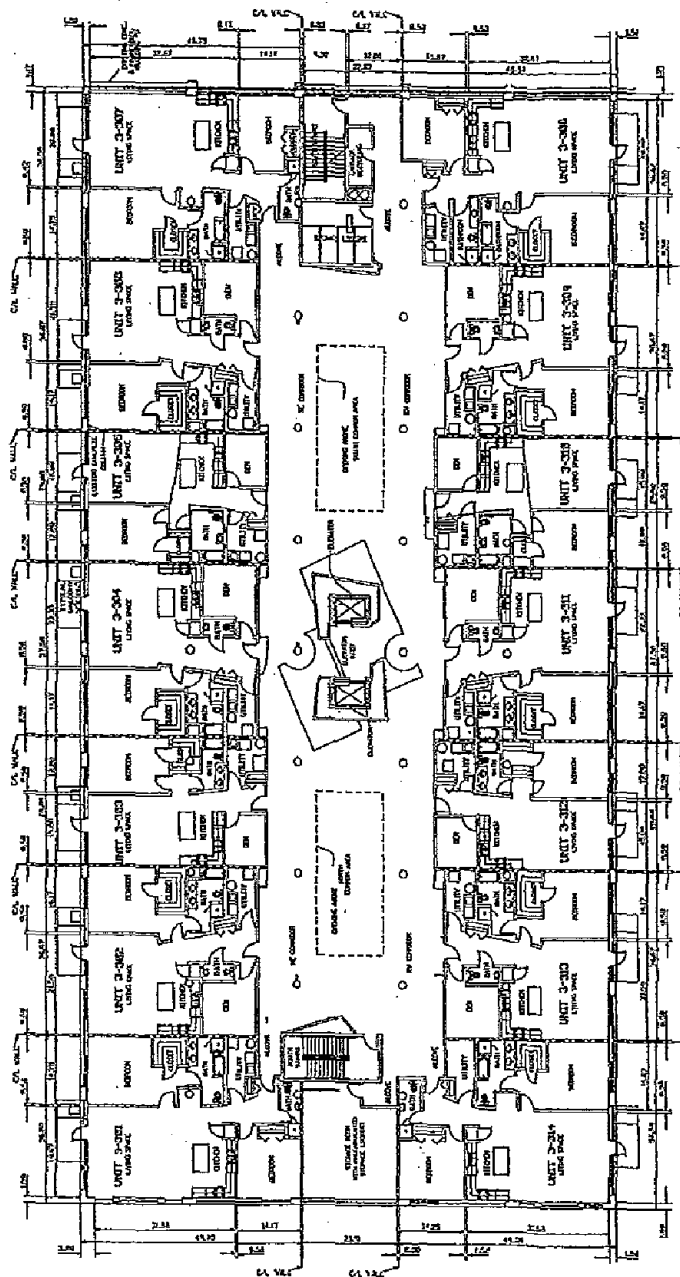
NOTE:
PARKING SPACES MAY BE ASSIGNED AS LIMITED DESIGN
ELEMENTS AS PROVIDED IN DECLARATION OF CONDOMINIUM.

Scale: 1"=10'



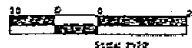
A CORRECTION OF PART 3 OF DEED CROSS BLOCK 2 CONVEYING BEING A PART OF LOT 18 BLOCK 2, RIVERCHURCHES ESTATE MOBILE, ALA, PAGES 20-22, RECORDED NEW 23, 2000, A SECTION OF DECEASED SURVIVOR WAS SETTING OF THE NORTHEAST 1/4 AND THE SOUTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 10 AND THE WESTMOST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 14, TOWN & RANGE, RANGE 10 EAST, IN THE CITY OF BOSTON, COUNTY OF WASHINGTON, STATE OF VIRGINIA.

SHORE LANE
EASTERLY SIDE OF BUILDING/UNIT #3



WESTERLY SIDE OF BUILDING/UNIT #3
VILLAGE GREEN WAY

THOMAS J. SULLIVAN NY 5-354
DATED DECEMBER 28, 1964

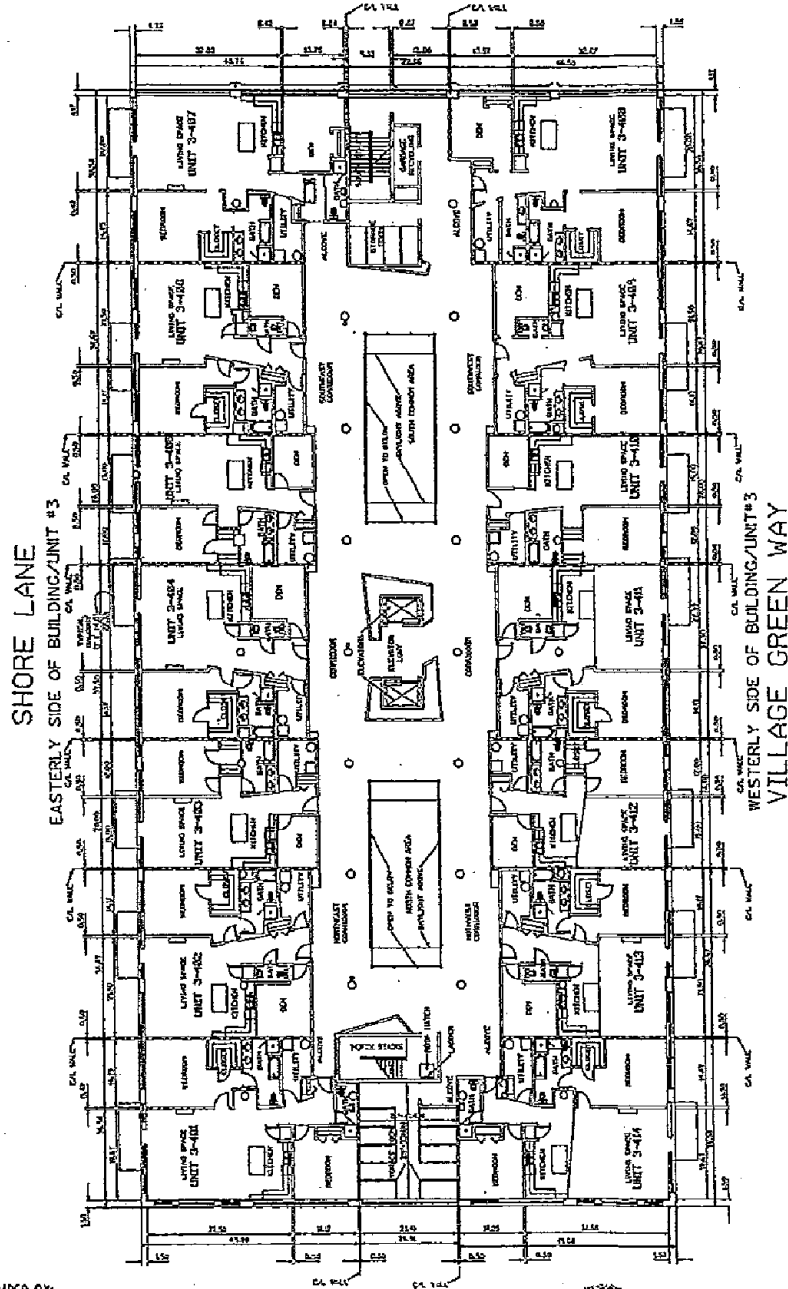


12.2.7.3.4

CONDOMINIUM PLAT OF SURVEY THE LOFTS AT RIVER SHORES CONDOMINIUM

A CONDOMINIUM OF UNIT 3 OF RIVER SHORES BLOCK 3 CONDOMINIUM, BEING A PART OF LOT 10 BLOCK 2, PATTERSONS ADD. 1000411, MAP BOOK 14, PAGE 20-25, RECORDED NOV 28, 1994.
A DIVISION OF CERTIFIED SURVEY MAP 173-130 IN THE NORTHEAST 1/4 AND THE SOUTHEAST 1/4 OF SECTION 8 AND THE NORTHEAST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 16, TOWN 10 NORTH, RANGE 6 EAST, IN THE CITY OF WEST LAKE, COUNTY OF WISCONSIN, STATE OF WISCONSIN.

FOURTH FLOOR (ALL DIMENSIONS ARE APPROXIMATE)

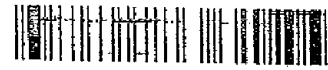


PREPARED BY:
Mickling The Grade, Inc.
1419 WHITE Knapton Ave
Menomonie Falls WI53051
Phone: (715) 781-1588
E-mail: MANTH2000@AOL.COM
DRAWN BY: KIMBERLY POENSON



William J. Sullivan
WILLIAM J. SULLIVAN PLS 5-514
DATED: 02-04-00

1402693



RECORDED

April 13, 2016 11:00 AM

SHARON A MARTIN

REGISTER OF DEEDS

WASHINGTON COUNTY, WI

Recording Fee Paid: \$30.00

DOCUMENT TITLE

Affidavit of Scrivener Regarding Declaration
of Condominium of The Lofts at River
Shores Condominium

DOCUMENT NO.

RECORDING AREA

NAME AND RETURN ADDRESS

Lori Goff

Hendricks Commercial Properties, LLC

525 Third Street, Suite 300

Beloit, WI 53511

Parcel Identification Number

3

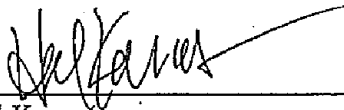
**AFFIDAVIT OF SCRIVENER
REGARDING
DECLARATION OF CONDOMINIUM OF
THE LOFTS AT RIVER SHORES CONDOMINIUM**

The undersigned was the scrivener of the Declaration of Condominium of The Lofts at River Shores Condominium at River Shores Condominium (the "Declaration"). The Declaration was recorded on December 29, 2004 in the Office of the Register of Deeds for Washington County, Wisconsin, as Document No. 1073861.

The purpose of this affidavit is to correct an inadvertent error in the Declaration noted as follows:

1. On the acknowledgement page of the signature page to the Declaration there is referenced at the bottom of such page **Attachments noted as Exhibit A – Legal Description and Map of Condominium, and Exhibit B – Floor Plans of Condominium**. Attached to the Declaration in fact is only Exhibit A. Exhibit A included a reduced copy of the Plat of Condominium including the floor plans for the units which were inadvertently referenced as being contained on a separate Exhibit B. This scrivener error is strictly to note that there is only Exhibit A which identifies legal description, map of condominium and floor plans of the condominium.

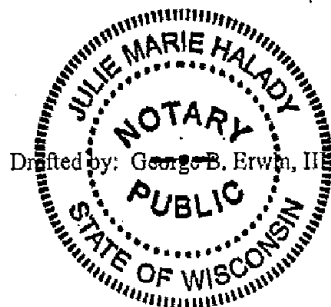
The matters described herein are deemed correct as of the date of recording of the Declaration.



Hal Karas
Member, State Bar of Wisconsin

STATE OF WISCONSIN)
) SS.
MILWAUKEE COUNTY)

Subscribed and sworn to before me this 1st day of April, 2016.
Personally before me on this date came Hal Karas, to me known to be the person executing the foregoing document and acknowledged the same.





Notary Public, State of Wisconsin
My Commission ends 6/8/2019

Drafted by: George B. Erwin, II Schmidt, Darling & Erwin, 2300 N. Mayfair Road, Suite 1175, Milwaukee, WI 53226

LEGAL DESCRIPTION

Legal Description of Condominium:

Unit 3 in River Shores Block 2 Condominium being a Condominium created under the Condominium Ownership Act of the State of Wisconsin by a Declaration of Condominium of River Shores Block 2 Condominium dated December 28, 2004, recorded on December 29, 2004 in the Office of the Register of Deeds for Washington County, Wisconsin, as Document No. 1073856 and any amendment and/or correction thereto. Said land being located in the City of West Bend, County of Washington, State of Wisconsin.

Now known as Unit 3-101, 3-102, 3-201, 3-301 – 3-314, 3-401 and 3-414 in The Lofts at River Shores Condominium being a Condominium created under the Condominium Ownership Act of the State of Wisconsin by a Declaration of Condominium of The Lofts at River Shores Condominium dated December 28, 2004, recorded on December 29, 2004 in the Office of the Register of Deeds for Washington County, Wisconsin, as Document No. 1073861 and any amendment and/or correction thereto. Said land being located in the City of West Bend, County of Washington, State of Wisconsin.

DOC# 1159731



Recorded
MAY 04, 2007 AT 02:15PM
SHAWN A MARTIN, REGISTER OF DEEDS
WASHINGTON COUNTY, WISCONSIN

Fee Amount: \$19.00

This instrument was drafted by and should be returned to:
Andre M. Wright
Whyte Hirschboeck Dudek S.C.
555 E. Wells Street, Suite 1900
Milwaukee, WI 53202

**SECOND
AMENDMENT TO
DECLARATION OF
CONDOMINIUM OF
THE LOFTS AT
RIVER SHORES
CONDOMINIUM**

Parcel I.D. No:

19-5

THIS SECOND AMENDMENT TO DECLARATION OF CONDOMINIUM OF THE LOFTS AT RIVER SHORES CONDOMINIUM (this "Amendment") is made this 13th day as of March 2007, by THE LOFTS AT RIVER SHORES, LLC ("Declarant").

RECITALS

A. Declarant executed that certain Declaration of Condominium of The Lofts at River Shores Condominium dated December 28, 2004, recorded on December 29, 2004 in the Office of the Register of Deeds for Washington County, Wisconsin, as Document No. 1073861, as amended by the First Amendment to Declaration of Condominium of The Lofts at River Shores Condominium dated October 1, 2005, recorded on January 26, 2006 in the Office of the Register of Deeds for Washington County, Wisconsin, as Document No. 1116140 (the "Declaration") relating to the real estate located in Washington County, Wisconsin, as further described on Exhibit A attached hereto and incorporated herein (the "Property"). All capitalized terms used but not defined herein will have the meaning set forth in the Declaration.

B. Section 10.1 of the Declaration requires the written consent of 70% of the Owners (as defined in the Declaration) to amend the Declaration.

C. Declarant is the holder of 73.9738% of the Interests in the Condominium, and pursuant to Section 10.1 of the Declaration, Declarant has the authority to amend the Declaration.

D. Declarant wishes to amend the Declaration as provided herein.

NOW, THEREFORE, Declarant, pursuant to Section 10.1 of the Declaration, amends the Declaration as set forth below:

1. Unit Interest. Section 3.1 of the Declaration is amended and restated in its

WHDAS154155.1

entirety as follows:

"Unit Interest. Each Unit shall have in Interest as follows:

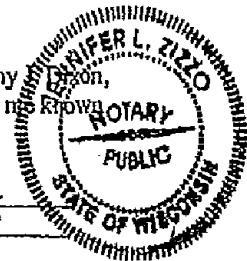
<u>Unit</u>	<u>Unit Interest</u>	<u>Unit</u>	<u>Unit Interest</u>	<u>Unit</u>	<u>Unit Interest</u>
3-101	6.948%	3-309	2.1688%	3-406	2.1688%
3-102	8.8350%	3-310	2.1688%	3-407	2.1688%
3-201	23.49%	3-311	2.1688%	3-408	2.1688%
3-301	2.1688%	3-312	2.1688%	3-409	2.1688%
3-302	2.1688%	3-313	2.1688%	3-410	2.1688%
3-303	2.1688%	3-314	2.1688%	3-411	2.1688%
3-304	2.1688%	3-401	2.1688%	3-412	2.1688%
3-305	2.1688%	3-402	2.1688%	3-413	2.1688%
3-306	2.1688%	3-403	2.1688%	3-414	2.1688%
3-307	2.1688%	3-404	2.1688%		
3-308	2.1688%	3-405	2.1688%		

[Signatures on the Next Page]

STATE OF WISCONSIN)
) SS
Milwaukee COUNTY)

Personally came before me this 13th day of March 2007, the above named Timothy
Member of Riverbend Development, LLC, Member of The Lofts at River Shores, LLC, to me known
to be the person who executed the foregoing instrument and acknowledged the same.

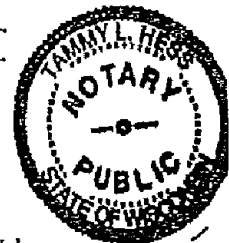
Janifer L. Zizzo
Notary Public, State of Wisconsin
My Commission: 5/30/10



STATE OF WISCONSIN)
) SS
Rock COUNTY)

Personally came before me this 13th day of March 2007, the above named Kenneth A.
Hendricks, Member of Riverbend Development, LLC, Member of The Lofts at River Shores, LLC, to
me known to be the person who executed the foregoing instrument and acknowledged the same.

Tammy L. Hess
Notary Public, State of WI
My Commission: July 18, 2010



STATE OF WISCONSIN)
) SS
Rock COUNTY)

Personally came before me this 13th day of March 2007, the above named Diane Hendricks,
Member of Riverbend Development, LLC, Member of The Lofts at River Shores, LLC, to me known
to be the person who executed the foregoing instrument and acknowledged the same.

Tammy L. Hess
Notary Public, State of WI
My Commission: July 18, 2010



STATE OF WISCONSIN)
) SS
_____ COUNTY)

Personally came before me this _____ day of March 2007, the above named _____
as _____ of M&I Marshall and Ilsley Bank, to me known to be the
person who executed the foregoing instrument and acknowledged the same.

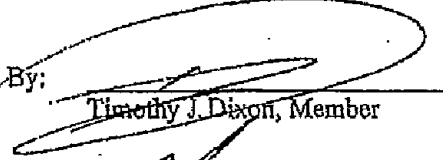
Notary Public, State of _____
My Commission: _____
Exhibit A

[Signature Page for Second Amendment to Declaration
of Condominium of The Lofts at River Shores Condominium]

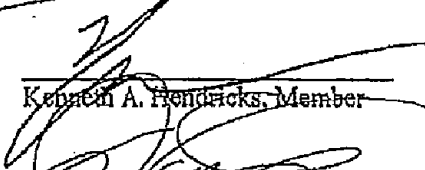
IN WITNESS WHEREOF, the Declarant has caused this Amendment to be executed as
of the day and year first above written.

THE LOFTS AT
RIVER SHORES, LLC

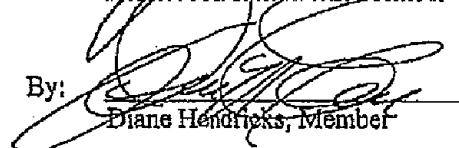
By: Riverbend Development, LLC, Member

By: 

Timothy J. Dixon, Member

By: 

Kenneth A. Hendricks, Member

By: 

Diane Hendricks, Member

M&I MARSHALL AND ISLEY BANK (solely to
indicate its consent to the foregoing Amendment as
mortgagee)

By: _____

DOC# 1159731

Legal Description of the Property

Legal Description of Condominium:

Unit 3 in River Shores Block 2 Condominium being a Condominium created under the Condominium Ownership Act of the State of Wisconsin by a Declaration of Condominium of River Shores Block 2 Condominium dated December 28, 2004, recorded on December 29, 2004 in the Office of the Register of Deeds for Washington County, Wisconsin, as Document No. 1073856.

Now known as The Lofts at River Shores Condominium.

DOC# 1116140



**FIRST AMENDMENT TO
DECLARATION OF
CONDOMINIUM OF THE LOFTS
AT RIVER SHORES
CONDOMINIUM**

Document Title

Document Number

Recorded

JAN. 26, 2006 AT 09:05:00AM
SHARON A MARTIN, REGISTER OF DEEDS
WASHINGTON COUNTY, WISCONSIN

Fee Amount: \$19.00

Recording Area

Name and Return Address:

Pamela L. Gergens, Esq.
Michael Best & Friedrich LLP
100 East Wisconsin Avenue
Suite 3300
Milwaukee, WI 53202

PIN:

19.5

**FIRST AMENDMENT TO
DECLARATION OF CONDOMINIUM OF
THE LOFTS AT RIVER SHORES
CONDOMINIUM**

This First Amendment to Declaration of Condominium of The Lofts at River Shores Condominium ("First Amendment") is made and entered into as of October 1, 2005 by The Lofts at River Shores, LLC (the "Declarant").

Recitals

Declarant executed and recorded the Declaration of Condominium of The Lofts at River Shores Condominium (the "Declaration") on December 29, 2004 in the office of the Register of Deeds for Washington County, Wisconsin as Document No. 1073861. Reference is made to the Declaration for the definition of terms used in this Amendment.

Declarant is the Owner of all of the Units in the Condominium. In accordance with Section 4.3 and Section 10.1 of the Declaration, Declarant desires to amend the Declaration as set forth below.

Declaration

Now, therefore, Declarant hereby amends the Declaration as follows:

1. Maintenance, Repair and Alterations of Roof Items. Section 6.1 of the Declaration is amended to add the following: "In addition, each Owner, at the Owner's cost and expense, and not the Association's, shall maintain, repair and replace the rooftop HVAC equipment servicing such Owner's Unit, provided: (a) the Owner may not alter the roof structure, relocate the HVAC unit, or materially change the weight or site of the HVAC equipment without the express prior written consent of the Association; (b) the Owner may not enter another Unit or any enclosed space in the Common Elements for the purpose of maintaining, repairing or replacing the HVAC service lines connecting the rooftop HVAC equipment to the Unit without the express prior written consent of the Association; (c) the Owner will be financially responsible for any damage to the Common Elements or a Unit caused by the Owner's actions in maintaining, repairing or replacing such equipment or the failure to do so; and (d) such work must be performed in accordance with all Rules."

2. No Implied Changes. Except as amended herein, the terms, provisions and conditions of the Declaration shall remain in full force and effect.

[Signatures to follow on the next page]

THE LOFTS AT RIVER SHORES, LLC
By: RIVERBEND DEVELOPMENT LLC, Member

~~Kenneth A. Hendricks, Member (for himself and for Mike Slavish, Tim Weeden, and Brad Austin pursuant to their January 1, 2005 Voting Agreement)~~

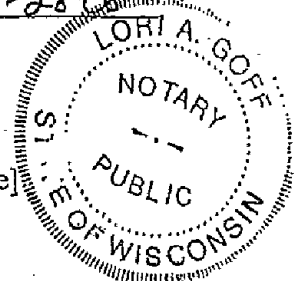
~~Dianne H. Hendricks, Member~~
Diane

~~Timothy J. Dixon, Member~~

STATE OF WISCONSIN)
) SS.
Rock. COUNTY)

 Print Name: LORI A GIFF
 Notary Public, State of Wisconsin
 My commission: 9-28-08

[Additional Acknowledgements on Following Page]



ACKNOWLEDGMENT

STATE OF WISCONSIN)
) SS.
Rock COUNTY)

Personally came before me this 28 day of ^{November}~~August~~, 2005, the above named ~~Dianne~~ Diane Hendricks, who acknowledged herself to be a member of Riverbend Development LLC, and to me known to be the person who executed the foregoing instrument in such capacity and acknowledged the same.



Lori A Goff
Print Name: Lori A Goff
Notary Public, State of Wisconsin
My commission: 9-28-08

ACKNOWLEDGMENT

STATE OF WISCONSIN)
) SS.
MILWAUKEE COUNTY)

Personally came before me this 29 day of ^{November}~~August~~, 2005, the above named Timothy J. Dixon, who acknowledged himself to be a member of Riverbend Development LLC, and to me known to be the person who executed the foregoing instrument in such capacity and acknowledged the same.

Jennifer L. Johnson
Print Name: Jennifer L. Johnson
Notary Public, State of Wisconsin
My commission: 6/11/06

This instrument was drafted by
and should be returned to:

Hal Karas, Esq.
Michael Best & Friedrich LLP
100 East Wisconsin Avenue, Suite 3300
Milwaukee, WI 53202-4108

CONSENT OF MORTGAGEE

The undersigned hereby consents to the foregoing Amendment.

M&I MARSHALL & ILSLEY BANK

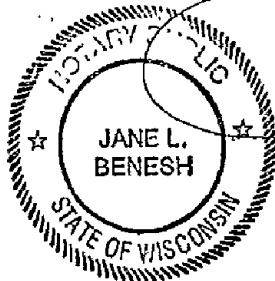
By: Geoffrey R. Nauth
 Name: Geoffrey R. Nauth
 Title: Vice President

By: Michael J. Fruin
 Name: Michael J. Fruin
 Title: Vice President

ACKNOWLEDGMENT

STATE OF WISCONSIN)
) SS.
 MILWAUKEE COUNTY)

Personally came before me this 24th day of January, 2006, the above-named Geoffrey R. Nauth and Michael J. Fruin, as the Vice President and Vice President, respectively, of M&I Marshall & Ilsley Bank, and to me known to be the persons who executed the foregoing instrument and acknowledged the same in such capacity.



[Signature]
 Notary Public, State of Wisconsin

My Commission: 11-26-06

RECEIVED - DEPT OF
FINANCIAL INSTITUTIONS
STATE OF WISCONSIN

2004 DEC 22 PM 12:56 **ARTICLES OF INCORPORATION**

OF

THE LOFTS AT RIVER SHORES CONDOMINIUM ASSOCIATION, INC.

STATE OF WISCONSIN
FILED

DEC 29 2004

DEPARTMENT OF
FINANCIAL INSTITUTIONS

The undersigned, acting as incorporator for the purpose of forming a non-stock, non-profit corporation under the provisions of Chapter 181 of the Wisconsin Statutes (the "Law"), hereby adopts these Articles of Incorporation:

1. Name. The name of the corporation shall be The Lofts at River Shores Condominium Association, Inc. (the "Association").

2. Existence. The Association shall have perpetual existence.

3. Purposes. The Association is organized pursuant to a certain Declaration of Condominium of The Lofts at River Shores Condominium, recorded in the office of the Register of Deeds of Washington County, (the "Declaration"), to which reference is made for the definition of capitalized terms herein, and shall have the following purposes: (a) to serve as an association of owners of Units within The Lofts at River Shores Condominium (the "Condominium"); (b) to provide for the administration, development, maintenance, preservation and control of the Property and Common Elements located therein; (c) to assess the owners of Units for the cost of the foregoing; and (d) to engage in any lawful activity within the purposes for which a non-stock corporation may be organized under the Law, subject, however, to the Declaration.

4. Members. Members shall consist of the Owners, as defined in the Declaration.

5. Principal Office. The location of the initial principal office of the Association shall be 655 Third Street, Suite 301, Beloit, Wisconsin 53511.

6. Registered Agent and Registered Office. The initial registered agent and registered office of the Association shall be Michael F. Slavish, 655 Third Street, Suite 301, Beloit, Wisconsin 53511.

7. Incorporator. The name and address of the incorporator are Hal Karas, 100 East Wisconsin Avenue, Suite 3300, Milwaukee, Wisconsin 53202.

8. Stock and Dividends. The Association shall neither have nor issue shares of stock. No dividend shall ever be paid and no part of the assets or surplus of the Association shall be distributed to its Members, directors or officers. The Association, upon specific resolution by the Members, may pay

WI - DFI CORP
FILE ID# ➔

L038968

compensation in reasonable amounts to Members, directors or officers for services rendered and may confer benefits upon its Members in conformity with its purposes.

9. Dissolution. Upon dissolution, other than incident to a merger or consolidation, all of the assets of the Association, after payment of its liabilities, shall be distributed to one or more non-profit corporations, societies, trusts or other organizations and/or dedicated to an appropriate public agency or agencies; provided, however, that any such non-profit corporation, society, trust, other organization or public agency has purposes deemed by a majority of the directors of the Association to be similar to those of this Association and that if no such entity is deemed to exist, then all of such assets, after payment of such liabilities, shall be distributed to a non-profit corporation, society, association, trust or other organization, or any one or more of the foregoing, devoted to the promotion of aesthetic, cultural or educational purposes.

Executed on this 20th day of December, 2004.



Hal Karas

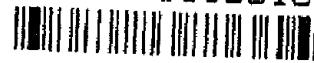
This document was drafted by:
Hal Karas, Esq.
Michael Best & Friedrich LLP
100 East Wisconsin Avenue
Suite 3300
Milwaukee, Wisconsin 53202-4108
(414) 271-6560

X:\client\b\090332\0020\A1019264.1

STATUTORY RESERVE
ACCOUNT STATEMENT

Document Number

DOC#: 1105316



Re: The Lofts at River Shores

Condominium, being a condominium created under the Condominium Ownership Act of the STATE OF WISCONSIN by a "Declaration of Condominium for The Lofts at River Shores

Condominium", dated the 28th day of December, 2004 and recorded the 29th day of December, 2004 in the Office of the Register of Deeds for Washington County, Wisconsin, in (Reel)(Vol.) _____ of Records, at (Images) (Pages) _____ through _____, as Document No. 1073861 and by a Condominium Plat (hereinafter "Condominium").

The Condominium (shall) (shall not) have a Statutory Reserve Account, as described in Wis. Stat. § 703.163, effective _____. This determination is made by the (Declarant) (Association) ~~with the written consent of a majority of the Unit votes.~~

If the Condominium will not have a Statutory Reserve Account, it is anticipated that future expenditures for the repair and replacement of the common elements will be funded by: a nonstatutory reserve account

Recorded
OCT. 12, 2005 AT 12:30:00PM

SHARON A. MARTIN
REGISTER OF DEEDS
WASHINGTON COUNTY, WI
Fee Amount: \$13.00

Recording Area

Name and Return Address

Hal Karas, Esq.
Michael Best & Friedrich LLP
100 East Wisconsin Avenue
Suite 3300
Milwaukee, WI 53202

Parcel Identification Number (PIN)

Witnessed this 3 day of October, 2005.
Verband Development LLC

By:

* Timothy J. Dixon, Member

Title:

AUTHENTICATION

Signature(s) _____

authenticated this _____ day of _____, _____

*
TITLE: MEMBER STATE BAR OF WISCONSIN

(If not, _____
authorized by §706.06, Wis. Stats.)

THIS INSTRUMENT WAS DRAFTED BY

Hal Karas, Esq.

Michael Best & Friedrich LLP

(Signatures may be authenticated or acknowledged. Both are not necessary.)

ACKNOWLEDGMENT

STATE OF WISCONSIN,

Milwaukee County, } ss.

Personally came before me this 3 day of October, 2005, the above named

Timothy J. Dixon

to me known to be the person _____ who executed the foregoing instrument and acknowledged the same.

Jennifer K. Johnson

Notary Public, State of Wisconsin

My Commission is permanent. (If not, state expiration date: 6/11, 2006.)

Names of persons signing in any capacity should be typed or printed below their signature.

Michael Best & Friedrich LLP 100 East Wisconsin Avenue Milwaukee WI 53202-4108

tel: (414) 271-6560

Fax: (414) 277-0656

Michael Best & Friedrich LLP

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Statutory Rese

Legal Description

Units 3-101, 3-102, 3-201, 3-301 through 314 and 3-401 through 3-414, The Lofts at River Shores, being a condominium created under the Condominium Ownership Act of the State of Wisconsin by a Declaration of Condominium of The Lofts at River Shores Condominium recorded December 29, 2004 in the Office of the Register of Deeds for Washington County, Wisconsin as Document No. 1073861, and its Condominium Plat.

STATUTORY RESERVE
ACCOUNT STATEMENT

Document Number

DOC#: 1088333



Recorded
MAY 19, 2005 AT 09:30AM
SHARON A. MARTIN
REGISTER OF DEEDS
WASHINGTON COUNTY, WI
Fee Amount: \$13.00

Re: The Lofts at River Shores

Condominium, being a condominium created under the Condominium Ownership Act of the STATE OF WISCONSIN by a "Declaration of Condominium for The Lofts at River Shores

Condominium", dated the 28th day of December, 2004 and recorded the 29th day of December, 2004 in the Office of the Register of Deeds for Washington County, Wisconsin, in (Reel)(Vol.) _____ of Records, at (Images) (Pages) _____ through _____, as Document No. 1073861 and by a Condominium Plat (hereinafter "Condominium").

The Condominium (shall) (shall not) have a Statutory Reserve Account, as described in Wis. Stat. § 703.163, effective _____, . This determination is made by the (Declarant) (Association) with the written consent of a majority of the Unit votes).

If the Condominium will not have a Statutory Reserve Account, it is anticipated that future expenditures for the repair and replacement of the common elements will be funded by a nonstatutory reserve account.

Recording Area

Name and Return Address

Hal Karas, Esq.
Michael Best & Friedrich LLP
100 East Wisconsin Avenue
Suite 3300
Milwaukee, WI 53202

Parcel Identification Number (PIN)

Dated this 17 day of May, 2005.
RIVERBEND DEVELOPMENT LLC
By: DIXON RIVERBEND, LLC, Member
* By: _____
Title: Timothy J. Dixon, Member

AUTHENTICATION

Signature(s) _____
authenticated this _____ day of _____,

*
TITLE: MEMBER STATE BAR OF WISCONSIN
(If not, _____
authorized by §706.06, Wis. Stats.)

THIS INSTRUMENT WAS DRAFTED BY

Hal Karas, Esq.

(Signatures may be authenticated or acknowledged. Both are not necessary.)

ACKNOWLEDGMENT

STATE OF WISCONSIN,

Milwaukee County,) ss.

Personally came before me this 17 day of May, 2005, the above named Timothy J. Dixon

to me known to be the person _____ who executed the foregoing instrument and acknowledged the same.

Kimberly L. Johnson
Notary Public, State of Wisconsin

My Commission is permanent. (If not, state expiration date: June 13, 2006.)

*Names of persons signing in any capacity should be typed or printed below their signature.

Michael Best & Friedrich LLP 100 East Wisconsin Ave, S, Milwaukee WI 53202
Phone: (414) 271-6560 Fax: (414) 277-0656 test

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Rivershores Co

Legal Description

Units 3-101, 3-102, 3-201, 3-301 through 314 and 4-401 through 414, The Lofts at River Shores, being a condominium created under the Condominium Ownership Act of the State of Wisconsin by a Declaration of Condominium of The Lofts at River Shores Condominium recorded December 29, 2004 in the Office of the Register of Deeds for Washington County, Wisconsin as Document No. 1073861, and its Condominium Plat.

BY-LAWS OF
THE LOFTS AT RIVER SHORES ASSOCIATION, INC.

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ARTICLE 1. APPLICATION AND ORGANIZATION

1.1 Name. The name of the association is The Lofts at River Shores Association, Inc. (the "Association").

1.2 Application. These By-Laws are adopted pursuant to the Declaration of Condominium of The Lofts at River Shores Condominium (the "Declaration"). This Association is organized pursuant to the Act to administer the Condominium. Any and all present or future Owners or Occupants shall be governed by the Declaration, these By-Laws and the Act. Capitalized terms not defined herein have the meanings set forth in the Declaration.

1.3 Members. The Owners are the "Members" of the Association.

1.4 Initial Organization. Declarant shall designate the initial Board, consisting of two (2) persons, none of whom must be Owners. Such Directors, or successors to any of them as designated by Declarant, shall continue to serve until the events specified in Section 4.3 of the Declaration.

1.5 Location. The Association may have offices at such places as the Board may from time to time determine or the Association may from time to time require.

ARTICLE 2. VOTING

2.1 Voting.

(a) Each Unit is vested with a vote equal to the numerical equivalent of its percentage interest, so that the total number of votes is 100, as set forth in the Declaration. There shall be no cumulative voting.

(b) If a Unit is owned by more than one person, the person entitled to cast the vote for the Unit shall be designated by a certificate signed by all of the Owners of the Unit and filed with the Secretary of the Association. If the owners of a Unit cannot agree on how to vote, such Unit shall lose its vote for the particular item to be voted upon.

(c) If a Unit is owned by a legal entity, the person entitled to cast the vote for the Unit shall be designated by a certificate of appointment signed by a duly authorized officer of such entity and filed with the Secretary of the Association. Certificates of appointment shall be valid until revoked or superseded by a subsequent certificate or a change in ownership to the Unit occurs.

2.2 Majority of Owners. A matter shall be deemed approved if approved by those Owners holding more than fifty (50%) percent of the votes to be cast on the particular matter to be voted upon.

2.3 Quorum. Except as otherwise provided in these By-Laws, the presence in person or by proxy of a majority of Owners shall constitute a quorum.

2.4 Proxies. Votes may be cast in person or by proxy. Proxies must be filed with the Secretary before the appointed time of each meeting.

ARTICLE 3. MEETINGS

3.1 Roster of Owners. Each Owner shall furnish the Association with the Owner's name and current mailing address. Until an Owner has furnished such information, the Owner may not vote at meetings of the Association.

3.2 Place of Meetings. Meetings of the Association shall be held at such place as is designated by the Board.

3.3 Annual Meeting. The annual meeting of the Association shall be held on the second Wednesday of January of each year. At the annual meeting, Directors may be elected by the Owners. The Owners may also transact such other business of the Association as may properly come before them.

3.4 Special Meetings. The President shall call a special meeting of the Owners if directed by resolution of the Board or upon a petition signed by the Owners with more than 50% of the Interests and presented to the Secretary. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice unless by consent of four-fifths (4/5) of the Interests represented, either in person or by proxy.

3.5 Notice of Meetings. The Secretary shall deliver or mail a notice of each meeting, stating its purpose and the time and place where it is to be held, to each Owner at the address shown on the roster, at least ten (10) days but not more than thirty (30) days prior to such meeting, unless waivers are duly executed by all Owners. The delivery or mailing of a notice in the manner provided in this Section shall be considered notice served, effective upon the date of delivery or mailing.

3.6 Adjourned Meetings. If a quorum does not attend a meeting, the Owners who are present, either in person or by proxy, may adjourn the meeting to a time not less than forty-eight (48) hours from the time the original meeting was called and no additional notice shall be required.

3.7 Parliamentary Procedure. Except where inconsistent with these By-Laws, meeting of the Association shall be conducted in accordance with a current edition of Roberts Rules of Order.

3.8 Order of Business. The order of business at all meetings of the Members shall be as follows:

- (a) Roll call.
- (b) Proof of Notice of meeting or waiver of notice.
- (c) Reading of minutes of preceding meeting.
- (d) Reports of officers.
- (e) Report of committees.

- (f) Election of directors (when applicable).
- (g) Unfinished business.
- (h) New business.

ARTICLE 4. BOARD OF DIRECTORS

4.1 Number and Qualification. The affairs of the Association shall be governed by a Board composed of two (2) persons until the events specified in Sec. 4.3 of the Declaration occur, when the Board shall increase to three (3) persons. Subject to the provisions of Section 1.4, at least 2 Directors must be Owners (including, for this purpose, officers of Owners that are entities).

4.2 Election and Term of Office. Each Director shall hold office for a term of 2 years, and thereafter until a successor is elected and the successor has attended his or her first meeting of the Board. When more than one Director is to be elected at any meeting, each Unit shall cast votes for candidates equal in number to the Directors to be elected.

4.3 Powers and Duties. The Board shall have the powers necessary to administer the Condominium including, without limitation, the following:

- (a) Making and enforcing Rules and amendments thereto (including enforcement through the establishment of a system of fines).
- (b) Making and collecting assessments from the Owners in accordance with the provisions of the Declaration, and expending assessments for Common Expenses.
- (c) Executing contracts on behalf of the Association, employing necessary personnel, and carrying out all functions and purposes necessary for the operation of the Condominium.
- (d) Satisfying all liens against the Condominium and paying necessary expenses connected therewith.
- (e) Employing a professional property manager, management company or managing agent to perform such duties as the Board shall authorize including the duties listed in this Section.
- (f) Performing such other functions as are required by law.

4.4 Fees. No fee or other compensation shall be paid to any Director at any time except by specific resolution adopted by all of the Owners.

4.5 Reimbursement of Directors. Directors shall be entitled to reimbursement of all reasonable expenses relating to their activities as Directors.

4.6 Vacancies. A vacancy on the Board created by any reason other than removal by a vote of the Owners or the resignation of a Declarant appointed Director shall be filled by vote

of the majority of the remaining Directors, even though they constitute less than a majority. Each person so elected shall be a Director until a successor is elected at the next annual meeting of the Association.

4.7 Removal of Directors. At any regular or special meeting duly called, any one or more of the Directors elected by the Owners may be removed with or without cause by a majority of the Owners and a successor elected by the Owners to fill the vacancy thus created. Any Director whose removal has been proposed by the Owners shall be given an opportunity to be heard at the meeting.

4.8 Organization Meeting. The first meeting of a Board, after one or more Directors is newly elected, shall be held within ten (10) days of such election at such place as determined by the Board at the meeting at which such Directors were newly elected. No notice shall be necessary in order to legally constitute such meeting if a majority of the whole Board is present.

4.9 Regular Meetings. Regular meetings of the Board may be held at such time and place as is designated by a majority of the Directors, but at least one such meeting shall be held during each fiscal year. Notice of regular meetings of the Board shall be given to each director, personally or by mail, telephone or telegraph, at least three (3) days prior to the day named for each meeting.

4.10 Special Meetings. A special meeting of the Board may be called by the President on three (3) days notice to each Director, given personally or by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board shall be called by the President or Secretary in like manner on the written request of at least two (2) Directors.

4.11 Waiver of Notice. Before or at any meeting of the Board, any Director may waive notice of such meeting in writing and such waiver shall be deemed the equivalent of notice duly given. Attendance by a Director at any meeting of the Board shall be deemed a waiver of notice. If all Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

4.12 Board Quorum. A majority of the Directors shall constitute a quorum for the transaction of business at all Board meetings. If, at any meeting of the Board, less than a quorum is present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any business which might have been transacted at the original meeting may be transacted without further notice.

4.13 Fidelity Bonds. The Board may require that all officers and employees of the Association responsible for Association funds shall furnish adequate fidelity bonds. The premiums on such bonds shall be paid by the Association.

4.14 Liability of Directors and Officers. No person shall be liable to the Association or Owners for any loss or damage suffered by it or them on account of any action taken or omitted to be taken as a Director or officer of the Association if such person exercised and used the same degree of care and skill as a prudent individual would exercise under the circumstances in the conduct of such individual's own affairs, or for any action or non-action based upon advice of

counsel for the Association or upon statements made or information furnished by officers or employees of the Association which was reasonably believed to be true. The foregoing shall not be exclusive of any other right or defense.

4.15. Indemnity of Directors and Officers.

(a) Every person who is or was a Director or officer of the Association (together with the personal representatives and heirs of such person) shall be indemnified by the Association against all loss, costs, damages and expenses, including reasonable attorneys' fees, asserted against, incurred by or imposed in connection with or resulting from any claim, action, suit or proceeding, including criminal proceedings, to which such person is made or threatened to be made a party by reason of service as a Director or officer, except as to matters resulting in a final determination of gross negligence or willful misconduct on the part of such Director or officer. In event of settlement, indemnification shall be provided only in connection with such matters covered by the settlement as to which the Association is advised by counsel that the person to be indemnified has not been guilty of gross negligence or willful misconduct in the performance of such person as a Director or officer in relation to the matter involved. The Association, by its Board, may indemnify in like manner, or with any limitations, any employee or former employee of the Association, with respect to any action taken or not taken as an employee. This right of indemnification shall be in addition to all other rights and defenses.

(b) All liability, loss, damage, costs and expense incurred or suffered by the Association in connection with the foregoing indemnification shall be a Common Expense; provided, however, that nothing in this Section shall be deemed to obligate the Association to indemnify any Owner who is or has been an employee, Director or officer of the Association with respect to duties or obligations imposed by the Declaration, Articles or these By-Laws due to such person's status as an Owner.

ARTICLE 5. OFFICERS

5.1 Designation. The principal officers of the Association shall be a President, Vice-President, Secretary and Treasurer, all of whom shall be elected by the Board and serve one year terms. The Directors may appoint an assistant treasurer and an assistant secretary, and such other officers as in their judgment may be necessary.

5.2 Election of Officers. The officers of the Association shall be elected annually by the Board. Officers shall hold office at the pleasure of the Board.

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

5.4 President. The President shall be the chief executive officer of the Association and shall preside at all meetings of the Association and of the Board. The President shall have all the general corporate powers and duties which are usually vested in the office of president of a non-profit corporation, including, but not limited to, the power to appoint committees from

among the Members from time to time as appropriate to assist in the conduct of the affairs of the Association.

5.5 Vice President. The Vice President shall take the place of the President whenever the President is absent or unable to act. If neither the President nor the Vice President is able to act, the Board shall appoint a Director to serve in such capacity on an interim basis. The Vice President shall also perform such other duties as imposed by the Board from time to time.

5.6 Secretary. The Secretary shall keep the minutes of all meetings of the Board and the Association. The Secretary shall have the charge of such books and papers as the Board directs and in general, perform all duties incident to the office of Secretary. The Secretary shall count the votes cast at any annual or special meeting of the Association or the Board of Directors.

5.7 Treasurer. The Treasurer shall have responsibility for Association funds and securities and shall be responsible for keeping full and accurate accounts of all Association receipts and disbursements. The Treasurer shall be responsible for the deposit of all monies and other valuable effects in the name and to the credit of the Association, in such depositories as designated by the Board.

5.8 Compensation. No officer shall receive compensation for services rendered the Association unless authorized by a resolution of the Owners, but may be reimbursed for actual out of pocket expenditures.

ARTICLE 6. FISCAL MATTERS

6.1 Budget. The Board shall annually adopt a budget of Common Expenses and other items as provided in the Declaration.

6.2 Assessments.

(a) The estimate of Common Expenses shall be assessed against each Unit on an annual basis and paid in monthly installments as provided in Article 5 of the Declaration. Assessments shall be levied uniformly among the Units except (1) special assessments, fines, fees or charges, and (2) when the Declaration requires or permits that assessments be levied on fewer than all Units. If the annual assessment based on the budget proves inadequate, or if special circumstances arise, the Board at any time may levy a special assessment for any purpose for which a general assessment may be levied which special assessment shall be payable in such reasonable manner as the Board directs.

(b) Assessments and installments of assessments shall be paid on or before ten (10) days after the date when such assessments and installments are due. Any assessment or installment not paid within ten (10) days of its due date shall be delinquent and the Owner shall be charged interest at the rate of twelve (12%) percent per annum on the unpaid assessment or installment of such assessment. Interest shall accrue from the date when the assessment or installment was first due until paid. All payments upon account shall be first applied to interest, if any, and then to the assessment payment first due.

6.3 Unpaid Assessment Could Cause Loss of Vote or Lien on Unit. No Owner who is more than ten (10) days delinquent in the payment of an assessment or installment on an assessment shall be entitled to vote at any regular or special meeting of the Owners. If a Owner fails to timely pay an assessment or installment such failure shall be in default and the Board shall take appropriate measures as allowed by the Declaration or at law, including, but not limited to, the filing of a statement of lien in accordance with the Declaration, which statement shall be signed and verified by the Secretary of the Association or any other officer authorized by the Board.

6.4 Depositories. The funds of the Association shall be deposited in such bank(s) or other depositories designated by the Board and shall be withdrawn therefrom only upon check or order signed by the officers who shall from time to time be designated by the Board for the purpose. The Board may elect to require Owners to pay assessments imposed by the Board directly to a designated depository. The Board may elect to direct that checks of less than \$500 for payment of Association obligations bear only one (1) signature of a designated officer and that checks for a greater amount bear a signature and counter-signature of designated officers.

6.5 Fiscal Year. The fiscal year of the corporation shall begin on January 1 and end on December 31 of each year.

ARTICLE 7. OBLIGATIONS OF VARIOUS PERSONS

7.1 Owner Responsibility. Each Owner, at the Owner's own cost, shall:

(a) perform routine maintenance, repair and replacement of all components or installations of the Unit;

(b) pay for the repair and replacement of any portion of the Common Elements damaged through the fault or negligence of such Owner or such Owner's family, guests, invitees or tenants or any other Occupants of the Owner's Unit;

(c) be responsible for the reasonable security and safety of such Unit and shall be liable to damages caused to any other Unit(s), or the Common Elements, to the extent not covered by insurance, as a result of a breach of such security; and

(d) maintain, repair and replace the Limited Common Elements appurtenant to the Unit.

7.2 Association Responsibility. The Association shall maintain in good condition and repair, replace and operate all of the Common Elements, except as expressly provided at Section 7.1.

ARTICLE 8. AMENDMENTS

8.1 Amendments. These By-Laws may be amended by the Owners of Units representing at least 67% of the total Interests. No amendment shall limit any right herein granted to or reserved by Declarant or its successors and assigns.

ARTICLE 9. MORTGAGES, STATEMENT OF UNPAID ASSESSMENTS

9.1 Notice to Association. Any Member who mortgages a Unit shall notify the Secretary of the Association of such mortgage or mortgages and the name and address of the mortgage or mortgagee(s). The Secretary of the Association shall maintain a record of the names and addresses of all mortgagees of which the Secretary is given notice.

9.2 Notice of Unpaid Assessments. Upon twenty (20) days request by a mortgagee, proposed mortgagee or purchaser who has a contractual right to purchase a Unit, the Association shall furnish a statement setting forth the amount of the then unpaid assessments pertaining to such Unit. If any mortgagee, proposed mortgagee or purchaser of such Unit, in reliance upon such statement disburses mortgage loan proceeds or expends the purchase price, such mortgagee, proposed mortgagee or purchaser shall not be liable for, nor shall such Unit be subject to a lien which is not properly filed in accordance with law prior to the date of the statement, for any unpaid assessments in excess of the amount set forth in the statement. If the Association does not provide such a statement within twenty (20) business days after such request, then the Association is barred from making claim for any delinquent assessments other than against any such mortgagee, proposed mortgagee or purchaser under a lien properly filed in accordance with law prior to the request for the statement.

9.3 Notice to Mortgagee. Any notice required or permitted to be given to any mortgagee pursuant to these By-Laws shall be deemed given if mailed or delivered to such mortgagee at the address shown in such record and shall be deemed effective as of the date of mailing or delivery.

ARTICLE 10. CONFLICTS

10.1 Conflicts. If any provision of these By-Laws conflicts with the Declaration, the Declaration will control.

**AMENDMENT #1 TO
BYLAWS OF THE LOFTS AT RIVER SHORES CONDOMINIUM ASSOCIATION, INC.
Effective September 15, 2015**

Section 1.5 of the Bylaws of The Lofts at River Shores Condominium Association, Inc. ("Bylaws") is hereby restated as follows:

1.5 Location. The Association may have offices at such places as the Board may from time to time determine or the Association may from time to time require. The address of the Association is: 525 Third Street, Suite 300, Beloit, WI 53511

Section 3.3 of the Bylaws is hereby restated as follows:

3.3 Annual Meeting. The annual meeting of the Association shall be held the second Tuesday of December of each year. At the annual meeting, Directors may be elected by the Owners. The Owners may also transact such other business of the Association as may properly come before them.

Section 4.2 of the Bylaws is hereby restated as follows:

4.2 Election and Term of Office. Each Director shall hold office for a term of 1 year, and thereafter until a successor is elected and the successor has attended his or her first meeting of the Board. When more than one Director is to be elected at any meeting, each Unit shall cast votes for candidates equal in number to the Directors to be elected.