

**ARTICLES OF INCORPORATION
OF
CARRIAGE HILLS CONDOMINIUM ASSOCIATION, INC.
A Non-Stock, Non-Profit Corporation**

The undersigned, a natural person over the age of twenty-one years, acting as incorporator under the Wisconsin Non-Stock Corporation Law, adopts the following Articles of Incorporation for such corporation.

ARTICLE I

The name of the corporation shall be:
CARRIAGE HILLS CONDOMINIUM ASSOCIATION, INC.

ARTICLE II

The period of existence shall be perpetual.

ARTICLE III

The purposes of the corporation are to take the following action with regard to the land described in "Exhibit A" attached hereto.

- (a) To serve as an association of Unit Owners who own real estate and improvements under the condominium form of use and ownership (such as real estate and improvements hereinafter sometimes referred to as "condominium property"), as provided in the "Unit Ownership Act" under the laws of the State of Wisconsin and subject to the terms and conditions of the Condominium Declaration for CARRIAGE HILLS, as recorded in the office of the Register of Deeds for Waukesha County, Wisconsin.
- (b) To landscape, keep in repair, and maintain the areas (hereinafter called "common areas" and "limited common areas"), as shown on the plat of CARRIAGE HILLS, and to maintain such additional common areas and limited common areas as the corporation shall deem desirable, all toward the object of preserving for

condominium owners in CARRIAGE HILLS the general appearance and character of the buildings.

- (c) To establish and maintain such recreational facilities as are deemed desirable and necessary by the Association.
- (d) To care for vacant areas within the land herein described and to remove grass, weeds, or any other unsightly growths, structures or objects therefrom, and to do any other things necessary or desirable, in the opinion of the Board of Directors of this corporation, to keep the open areas, trees, shrubs, other vegetation or any other things erected or placed in or upon the land neat and in good order.
- (e) To make determinations, and to carry out the decisions, with respect to repairs or improvements or decorating of the common areas and limited common areas.
- (f) To determine the annual charges and assessments to which each unit shall be subject; to levy and collect such annual charges and assessments and such special assessments as the corporation may deem necessary to carry out the purposes of the corporation.
- (g) To make such rules and regulations and do and perform such acts as may be necessary or incidental to the health, comfort, safety or general welfare of the persons residing in the property as they may be affected by the environmental character of CARRIAGE HILLS.
- (h) To do any and all things in furtherance of its work and which may be necessary, proper, or convenient for the carrying on of the purposes of said corporation.
- (i) To engage in any lawful activity within the purposes for which a Non-Stock, Non-Profit Corporation may be organized under Wisconsin Non-Stock Corporation Law, Chapter 181 of the Wisconsin Statutes, subject to the Unit Ownership Act and the Declaration for CARRIAGE HILLS, as recorded in the office of the Register of Deeds for Waukesha County, Wisconsin.

ARTICLE IV – MEMBERSHIP

Each owner of a unit shall be a member of the Association. The respective rights and qualifications of the members are set forth in the Bylaws of the Corporation.

“Owner” shall include:

- (A) The holder of record title to a Unit, unless such holder is vender under a recorded land contract.
- (B) The vendee under a recorded land contract.

Where two or more persons are co-owners of a unit, the membership shall be joint and the right to vote may be exercised by one co-owner by filing with the Association a designation that such co-owner may vote on behalf of the co-owners.

Members who are delinquent in the payment to the Association of the charges, assessments, and special assessments charged to or levied against the Units shall not be entitled to vote until all such charges, assessments and special assessments, together with such reasonable penalties which the Board of Directors may impose, have been paid.

ARTICLE V

The number of directors of the corporation shall be fixed by the Bylaws and in no event shall be less than three (3). The number of directors constituting the initial Board of Directors are three (3) and the names and addresses of the directors are:

- * Douglas F. Dowd, 15050 Watertown Plank Road, Elm Grove, Wisconsin 53122
- * Jill S. Dowd, 15050 Watertown Plank Road, Elm Grove, Wisconsin 53122
- * Eli C. Frank, 9041 N. Rexleigh Drive, Bayside, Wisconsin 53217

The manner in which directors shall be elected or appointed shall be provided and governed by the Bylaws.

ARTICLE VI - BYLAWS

The Board of Directors shall adopt the initial Bylaws. The Bylaws may be amended for the first three (3) years following their adoption by the votes of three-quarters (3/4) of all of the votes eligible to be cast by members of the corporation, and thereafter by a majority of such votes.

No amendments to the Bylaws shall be effective until approved by the village of Elm Grove, provided, however, that the Village shall be deemed to have approved of any and all amendments to the Bylaws, written copies of which are mailed to it by certified mail, if after twenty (20) business days after the mailing thereof, the Village does not send notice of disapproval to the Board of Directors by certified mail.

ARTICLE VII - PRINCIPAL OFFICE

The location of the principal office of the corporation shall be 945 Elm Grove Road, Elm Grove, Waukesha County, Wisconsin 53122.

ARTICLE VIII - REGISTERED AGENT

The name and address of the initial registered agent is:

Douglas F. Dowd
545 Elm Grove Road
Elm Grove, Wisconsin 53122

ARTICLE IX - INCORPORATOR

The name and address of the incorporator of this corporation is:

Eli C. Frank
Suite 200
111 East Wisconsin Avenue
Milwaukee, Wisconsin 53202

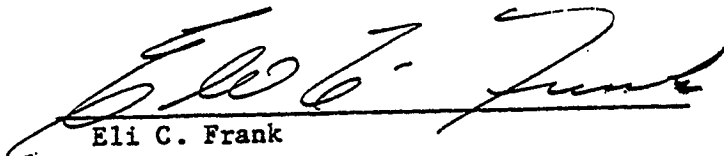
ARTICLE X - STOCK, DIVIDENDS, DISSOLUTION

The corporation shall not be operated for profit, nor shall it have or issue shares of stock. No dividend shall be paid and no part of the assets of the corporation shall be distributed to its members, directors, or officers. The corporation may pay compensation in a reasonable amount to members, directors, or officers for services rendered, and may confer benefits upon its members in conformity with its purposes.

In the event of dissolution of the corporation, all of its assets, after payment of its liabilities, shall be distributed to such one or more non-profit corporations, societies, or organizations having among its purposes those substantially similar to those of this corporation, as the members of this corporation, or its legal administrators, after its dissolution, shall direct.

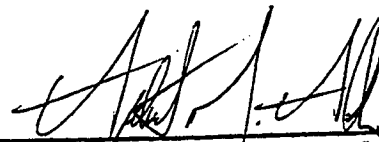
Executed in duplicate at Milwaukee, Wisconsin, on the 14th day of June, 1976.

STATE OF WISCONSIN
DEPARTMENT OF STATE
FILED
JUN 16 1976
DOUGLAS LAFOLLETTE
SECRETARY OF STATE

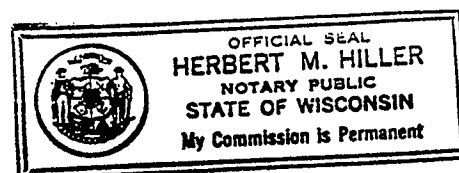

Eli C. Frank

STATE OF WISCONSIN)
COUNTY OF MILWAUKEE)

On this 14th day of June, 1976, Eli C. Frank personally appeared before me, known to be the person who executed the foregoing Articles of Incorporation, and acknowledged that he executed the same for the purposes herein contained.


Notary Public, State of Wisconsin
My Commission is Permanent.

This instrument was drafted by:
Eli C. Frank, Attorney.



Eli C. Frank
Attorney at Law
Suite 1200, 1200 Marine Plaza
111 East Wisconsin Avenue
Milwaukee, Wisconsin 53202

United States of America

STATE OF WISCONSIN
Office of Secretary of State

To All to Whom These Presents Shall Come:

The undersigned, as Secretary of State of the State of Wisconsin, hereby certifies that on
June 16, 1976 Articles of Incorporation were filed in my office under the provisions
of Chapter 181 of the Wisconsin Statutes, for the following corporation formed

WITHOUT STOCK AND NOT FOR PROFIT:

Name: CARRIAGE HILLS CONDOMINIUM ASSOCIATION, INC.

Principal Office: 945 Elm Grove Rd., Elm Grove, Wi. 53122

Purposes for which organized: to serve as an Association of Unit Owners who own real
estate and improvements under the condominium . . .

I further certify that a certificate has been filed in my office to the effect that a duplicate of said Articles,
bearing my certificate, was recorded in the office of the Register of Deeds of Waukesha
County, Wisconsin, on June 29, 1976

THEREFORE, The State of Wisconsin does hereby grant unto the said corporation the powers and privileges
conferred by the Wisconsin Statutes for the purposes stated and in accordance with said Articles.

In Witness Whereof, I have hereunto set my hand
and affixed my official seal, at the Capitol, in the
City of Madison, on July 14, 1976



Douglas LaFollette
DOUGLAS LAFOLLETTE
Secretary of State

SEE REVERSE FOR MORE INFORMATION

United States of America

REEL 185 IMAGE 060

956621

State of Wisconsin—Department of State

To All to Whom These Presents Shall Come, Greeting:

he undersigned, as Secretary of State of the State of Wisconsin, certifies that

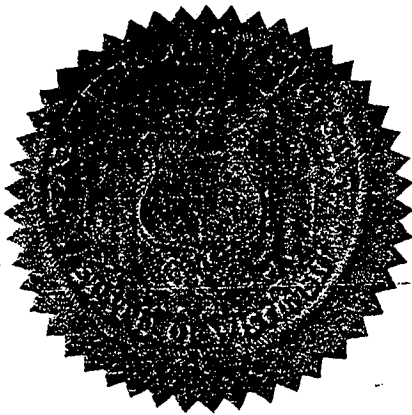
- ☒ Articles of Incorporation ☐ Amendment to Articles of Incorporation ☐ Statement of Intent to Dissolve
☐ Articles of Dissolution ☐ Articles of Merger ☐ Name Reservation
☐ Articles of Consolidation ☐ Restated Articles ☐ Change of Registered Office and/or Agent

CARRIAGE HILLS CONDOMINIUM ASSOCIATION, INC.

of which the attached is a duplicate, was on the date hereof, accepted and filed in my office.

In Testimony Whereof, I have hereunto set my hand and
affixed my official seal at the Capitol, in the City of Madison,
on

JUN 16 1976



DOUGLAS LAFOLLETTE
Secretary of State

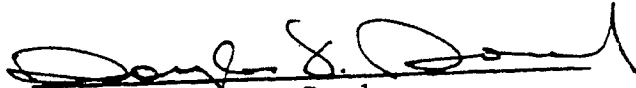
THIS MUST BE RECORDED WITH THE REGISTER OF DEEDS

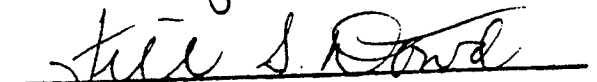
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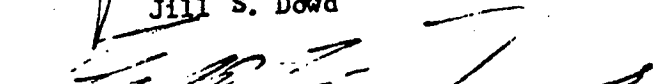
**MINUTES OF FIRST MEETING
OF
INITIAL DIRECTORS NAMED IN ARTICLES OF INCORPORATION**

Minutes of the first meeting of Directors named as initial Directors in the Articles of Incorporation of CARRIAGE HILLS CONDOMINIUM ASSOCIATION, INC., held at the office of the corporation at Elm Grove, Wisconsin, this 1st day of July, 1976, at 5:00 p.m., pursuant to the following waiver of notice and consent to the holding of such meeting, signed by all of the Directors of this corporation on the records of said meeting, to-wit:

We, the undersigned, being all of the Directors of Carriage Hills Condominium Association, Inc., do hereby severally waive notice of the time, place and purpose of the first meeting of said Board of Directors and do hereby call said meeting and consent to the holding thereof at this time and place, to-wit: At the office of said corporation in the Village of Elm Grove, Wisconsin, on the 1st day of July, 1976, at the hour of 5:00 p.m. of said day; and we do hereby severally consent to the transaction of any and all business that may come before the meeting.


Douglas F. Dowd


Jill S. Dowd


Eli C. Frank

The meeting was called to order by Douglas F. Dowd, one of the Directors.

Thereupon, on motion duly made, seconded and unanimously carried, Douglas F. Dowd was elected temporary chairman of the meeting, and thereafter acted as such.

Thereupon, upon motion duly made, seconded and unanimously carried, Jill F. Dowd was elected temporary secretary of the meeting, and thereafter acted as such.

It was reported that the Articles of Incorporation of this corporation, of which a true and correct copy appears on the preceding pages of this record, have been prepared and filed in the office of the Secretary of State and the correct filing fee to the Secretary of State having been paid; and that a copy of such Articles duly certified by the Secretary of State, have been filed in the office of the Register of Deeds of the County of Waukesha, State of Wisconsin. After fully examination of

the Articles, upon motion duly made and seconded, the following resolution was unanimously adopted and ordered spread at length upon the records of this meeting.

“BE IT RESOLVED: That the Articles of Incorporation of this corporation be, and the same are hereby, approved and ordered made a part of the records of this corporation and that all action taken by the incorporators in connection therewith be, and the same is ratified, approved and confirmed.”

Thereupon, the meeting proceeded to consider Bylaws. The secretary presented a full set of Bylaws, which after a thorough consideration and full and complete discussion thereof, and of all those present being fully conversant therewith, the following Bylaws were, on motion duly made and seconded and unanimously adopted as and for the Bylaws of this corporation, to-wit:

CARRIAGE HILLS
BY-LAW CHANGE
SECTION 9, LETTER C

NOW READS:

"All second floor units are required to have wall to wall carpeting in all rooms except the bathrooms. However in the case of kitchens and dining rooms a sound-proof wooden laminate or cork flooring; with acoustic insulation may be used subject to approval by the "Board of Directors"

This By-Law has been changed by the membership as of February of 2013.

**AMENDED BYLAWS
OF
CARRIAGE HILLS CONDOMINIUM ASSOCIATION, INC.
A WISCONSIN NON-STOCK, NON-PROFIT CORPORATION**

ARTICLE I

Plan of Apartment Unit Ownership

Section 1. Apartment Unit Ownership. The property located in the Village of Elm Grove, Waukesha County, Wisconsin (hereinafter called the "Property"), known as CARRIAGE HILLS, has been submitted to the provisions of the Wisconsin Unit Ownership Act by the Declaration recorded in the office of the Register of Deeds for Waukesha County, Wisconsin on the 15th day of June, 1976, as Document No. 954543.

Section 2. Applicability of Bylaws and Definitions. The provisions of these Bylaws are applicable to the Property and to the use and occupancy thereof. The term "Property" and other terms used herein shall, unless the context requires otherwise, have the same meaning as the definitions contained in Section 703.02 of the Wisconsin Unit Ownership Act.

ARTICLE II

Board of Directors

Section 1. Number and Qualification. The affairs of the Property shall be governed by a Board of Directors. The Board of Directors shall be composed of at least three (3) persons, all but one (1) of whom shall be owners or spouses of owners or mortgagees of units, or, in the case of partnership owners or mortgagees, shall be members or employees of such partnership, or in the case of corporate owners or mortgagees, shall be officers, stockholders, or employees of such corporations, or in the case of fiduciary owners or mortgagees shall be the fiduciaries, or officers or employees of such fiduciaries. In any event, there shall never be more than three (3) owners, mortgagees or fiduciaries or members, employees, officers, stockholders, or fiduciaries of an owner or mortgagee in any one building on the Board of Directors at any one time.

Section 2. Powers and Duties. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Property, except such powers and duties as by law or by the Declaration, or by these Bylaws, may not be delegated to the Board of Directors by the unit owners. The Board of Directors shall have full powers and authority necessary for or desirable for the complete enforcement and administration of the Property and the provisions of the Wisconsin Unit Ownership Act, the Declaration, these Bylaws, and Rules and Regulations hereunder, including but not limited to the following:

- (a) Operation, care, upkeep, and maintenance of the common areas, limited common areas and facilities;
- (b) Determination of the amounts required for operation, maintenance, and other affairs of the property;
- (c) Collection of the common charges from the unit owners;
- (d) Employment and dismissal of the personnel, as necessary for the efficient maintenance and operation of the Property;
- (e) Adoption and amendment of rules and regulations covering the details of the operation and use of the property;
- (f) Opening of bank accounts on behalf of the Property and designating the signatories required therefor;
- (g) Purchasing, leasing, or otherwise acquiring in the name of the Board of Directors, or its designee, corporate or otherwise, on behalf of all unit owners, units offered for sale or lease or surrendered by their owners to the Board of Directors;
- (h) Purchasing units at foreclosure or other judicial sales in the name of the Board of Directors, or its designee, corporate or otherwise, on behalf of all unit owners;
- (i) Selling, leasing, mortgaging, voting the votes appurtenant to (other than for the election of members of the Board of Directors), or otherwise dealing with units acquired by and subleasing units leased by the Board of Directors or its designee, corporate or otherwise, on behalf of all unit owners;
- (j) Organizing corporations to act as designees of the Board of Directors in acquiring title to or leasing of units on behalf of all unit owners;
- (k) Granting licenses for vending machines;
- (l) Obtaining insurance for the Property, including the units, pursuant to the provisions of Article V, Section 2, hereof; and
- (m) Making repairs, additions, and improvements to, or alterations of, the Property, and repairs to and restoration of the Property in accordance with the other provisions of these Bylaws, after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings.

Section 3. Election and Term of Office. Members of the Board of Directors are elected for terms of three (3) years at the annual meeting of the unit owners. The terms of office shall be adjusted, as nearly as possible, so that in any one given year, the term of no more than one-third (1/3) of the members of the Board of Directors expires. The members of the Board of Directors shall hold office until their respective successors shall have been elected by the unit owners.

Section 4. Removal of Members of the Board of Directors. At any regular or special meeting of unit owners, any one or more of the members of the Board of Directors may be removed with or without cause by a majority of the unit owners, and a successor may then and there or thereafter be elected to fill the vacancy thus created. Any member of the Board of Directors whose removal has been proposed by the unit owners shall be given an opportunity to be heard at the meeting.

Section 5. Vacancies. Vacancies in the Board of Directors caused by any reason other than the removal of a member thereof by a vote of the unit owners, shall be filled by vote of a majority of the remaining members at a special meeting of the Board of Directors held for that purpose promptly after the occurrence of any such vacancy, even though the members present at such meeting may constitute less than a quorum, and each person so elected shall be a member of the Board of Directors for the remainder of the term of the member so removed, and until a successor shall be elected at the next annual meeting of the unit owners.

Section 6. Organization Meeting. The first meeting of the members of the Board of Directors following each annual meeting of the unit owners shall be held within ten (10) days thereafter, at such time and place within the Village of Elm Grove as shall be fixed by the unit owners at which such Board of Directors shall have been elected, and no notice shall be necessary to the newly elected members of the Board of Directors in order to legally constitute such meeting, providing a majority of the Board of Directors shall be present thereat.

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

Section 8. Special Meetings. Special meetings of the Board of Directors may be called by the President on three (3) business days' notice to each member of the Board of Directors, given by mail, which notice shall state the time, place, and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice on the written request of at least three members of the Board of Directors. Such meetings shall be held within the Village of Elm Grove.

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

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

Section 11. Fidelity Bonds. The Board of Directors shall maintain adequate fidelity bonds for all officers and employees of the property who handle or are responsible for funds. The premiums for such bonds shall constitute a common expense.

Section 12. Compensation. No member of the Board of Directors shall receive any compensation from the Property for acting as such.

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

ARTICLE III

Unit Owners

Section 1. Annual Meetings. Annual meetings of the unit owners shall be held sometime during the third week of January of each year, as established by the Board of Directors. At such meetings, the Board of Directors shall be elected by ballot of the unit owners in accordance with the requirements of Section 3 of Article II of these Bylaws.

Section 2. Place of Meetings. Meetings of the unit owners shall be held at such place convenient to the owners as may be designated by the Board of Directors, within the County of Waukesha.

Section 3. Special Meetings. It shall be the duty of the President to call a special meeting of the unit owners if so directed by resolution of the Board of Directors or upon a petition signed and presented to the Secretary by unit owners owning a total of at least 25% of the common interest. The notice of any special meeting shall state the time, place, and purpose of the meeting. No business shall be transacted at a special meeting except as stated in the notice.

Section 4. Notice of Meetings. The secretary shall mail to each unit owner of record, or cause to be delivered to each unit, a notice of annual or special meeting of the unit owners, at least ten (10) but not more than twenty (20) days prior to such meeting, stating the purpose thereof as well as the time and place where the meeting is to be held, at the building or at such other address as such unit owners shall have designated by notice in writing to the Secretary. The mailing or delivery of a notice of meeting in the manner provided in this section shall be considered service of notice.

Section 5. Adjournment of Meetings. If any meeting of unit owners cannot be held because a quorum has not attended, a majority in common interest of the unit owners who are present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than 48 hours from the time the original meeting was called.

Section 6. Title to Units. Title to units may be taken in the name of an individual or in the names of two or more persons, as tenants in common or as joint tenants, in the name of a corporation or partnership, or in the name of a fiduciary.

Section 7. Voting. The owner or owners of each unit, or some person designated by such owner or owners to act as proxy on his/her or their behalf and who need not be an owner, shall be entitled to cast the votes appurtenant to such unit at all meetings of unit owners. The designation of any such proxy shall be made in writing to the Secretary, and shall be revocable at any time by written notice to the Secretary by the owner or owners so designating. The vote of all unit owners shall be 100% and each unit owner shall be entitled to cast at all meetings of the unit owners a vote equal to the percentage of interest in the common elements applicable to his/her or its unit.

Section 8. Majority of Unit Owners. As used in these Bylaws, the term "majority of unit owners" shall mean those unit owners having more than 50% of the total authorized votes of all unit owners present in person or by proxy and voting at any meeting of the unit owners, determined in accordance with the provisions of Section 7 of this Article III.

Section 9. Quorum. Except as otherwise provided in these Bylaws, the presence in person or by proxy of unit owners having one-third of the total authorized votes of all unit owners shall constitute a quorum at all meetings of the unit owners.

Section 10. Majority Vote. The vote of a majority of unit owners at a meeting at which a quorum shall be present shall be binding upon all unit owners for all purposes except where a higher percentage vote is required by law, by the Declaration, or by these Bylaws.

ARTICLE IV

Officers

Section 1. Designation. The principal officers of the Property shall be the President, the Vice President, the Secretary, and the Treasurer, all of whom shall be elected by the Board of Directors. The Board of Directors may appoint an Assistant Treasurer, an Assistant Secretary, and such other officers as in its judgment may be necessary. The President and Vice President must be members of the Board of Directors.

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

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

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

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

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

Section 7. Treasurer. The Treasurer shall have the responsibility for Property funds and securities and shall be responsible for keeping full and accurate financial records and books of account, showing all receipts and disbursements, and for the preparation of all required financial statements. He/she shall be responsible for the deposit of all money and all other valuable effects in the name of the Board of Directors, or the managing agent, in such depositories as may from time to time be designated by the Board of Directors, and he/she shall, in general, perform all the

duties incident to the Office of Treasurer of a stock corporation organized under the Wisconsin Business Corporation Law.

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

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

ARTICLE V

Operation of the Property

Section 1. Determination of Common Expenses and Common Charges. The Board of Directors shall from time to time, and at least annually, prepare a budget for the Property, determine the amount of the common charges required to meet the common expenses of the Property, and allocate and assess such common charges against the unit owners according to their respective common interests. The common expenses shall include, among other things, the cost of all insurance premiums on all policies of insurance required to be or which have been obtained by the Board of Directors pursuant to the provisions of Section 2 of this Article V. The common expenses may also include such amounts as the Board of Directors may deem proper for the operation and maintenance of the Property, including with limitation an amount for working capital, for a general operating reserve, for a reserve fund for replacements and to make up any deficit in the common expenses for any prior year. The common expenses may also include such amounts as may be required for the purchase of or lease by the Board of Directors or its designee, corporate or otherwise, on behalf of all unit owners, of any unit whose owner has elected to sell or lease such unit or of any unit which is to be sold at a foreclosure or other judicial sale. The Board of Directors shall advise each unit owner in writing of the amount of common charges payable by him/her, and shall furnish copies of each budget on which the common charges are based to all unit owners and to their mortgagees. The amount of common expenses and common charges for specific items shall be limited by the terms of Section 11 of this Article V. Any assessments in excess of actual annual expenses for each fiscal period shall be applied to the following year's assessment.

Section 2. Insurance. The Board of Directors shall be required to maintain the following insurance:

- (a) **Fire insurance**, with extended coverage, vandalism, and malicious mischief endorsements, insuring all eight (8) buildings (including all of the units and the bathroom and kitchen fixtures, but not including furniture, furnishings, or other personal property supplied or installed by unit owners), together with all air

conditioning equipment, and other service machinery contained therein. Such insurance shall cover the Property, and shall insure the Board of Directors, its manager if any, the owners, and any mortgagees, as their respective interests may appear, against loss due to fire and other casualty customarily insured against by homeowners, which policy or policies shall provide for separate protection for each condominium unit to the full insurable replacement cost thereof, without deduction for depreciation, and coverage for all other areas of the Property to the full replacement cost thereof, without deduction for depreciation, and shall provide a separate loss payable endorsement in favor of any and all mortgagees thereof. Each policy shall provide that proceeds shall be payable to the Board of Directors or the insurance Trustee as provided herein as trustee for all unit owners and their mortgagees as their interests may appear;

- (b) **Workmen's Compensation Insurance;**
- (c) **Boiler and Machinery Insurance;**
- (d) **Plate Glass Insurance;**
- (e) **Water Damage Insurance; and**
- (f) **Such other insurance as the Board of Directors may determine.**

All such policies shall provide that adjustment of loss shall be made by the Board of Directors with the approval of the insurance trustee, and that the net proceeds thereof, if \$10,000 or less, shall be payable to the Board of Directors, and if more than \$10,000, shall be payable to the insurance trustee.

All policies of physical damage insurance shall contain waivers of subrogation and waivers of any defense based on co-insurance or of invalidity arising from any acts of the insured, and shall provide that such policies may not be cancelled or substantially modified without at least ten (10) days prior written notice to all of the insured, including all mortgagees of units. Duplicate originals of all policies of physical damage insurance and of all renewals thereof, together with proof of payment of premiums, shall be delivered to all mortgagees of units at least ten (10) days prior to expiration of the then current policies. Prior to obtaining any policy of fire insurance or any renewal thereof, the Board of Directors shall obtain an appraisal from a fire insurance company or otherwise of the full replacement value of the buildings, including all of the units and all of the common areas, limited common areas and facilities, without deduction for depreciation, for the purpose of determining the amount of fire insurance to be effected pursuant to this section.

The Board of Directors shall also be required to maintain public liability insurance in such limits as the Board of Directors may from time to time determine, covering each member of the Board of Directors, the managing agent, the manager, and each unit owner. Such public liability

coverage shall also cover cross liability claims of one insured against another. The Board of Directors shall review such limits once each year.

Unit owners or their mortgagees shall not be prohibited from carrying other insurance for their own benefit, provided that all policies shall contain waivers of subrogation, and further provided that the liability of the carriers issuing insurance obtained by the Board of Directors shall not be affected or diminished by reason of any such additional insurance carried by any unit owner.

Section 3. Repair or Reconstruction After Damage. In the event of any damage to or destruction of the Property as a result of fire or other casualty (unless 80% or more of the number of units of the Property are destroyed or substantially damaged and the Association of Unit Owners, by vote of owners of 75% of the common interests, do not resolve within 90 days after such damage or destruction to proceed with repair or restoration), the Board of Directors shall arrange for the prompt repair and restoration (including any damaged units, and any kitchen or bathroom fixtures initially installed therein by the Declarants, but not including any wall, ceiling or floor decorations or coverings or other furniture, furnishings, fixtures or equipment installed by unit owners in the units), and the Board of Directors or the insurance trustee, as the case may be, shall disburse the proceeds of all insurance policies to the contractors engaged in such repair and restoration in appropriate progress payments. Any cost of such shall constitute a common expense and the Board of Directors may assess all of the unit owners for such deficit as part of the common shares.

If 80% or more of the number of units of the Property are destroyed or substantially damaged and the Association of Unit Ownership, by vote of owners of 75% or more of the common interests, does not resolve within 90 days after such damage or destruction to proceed with repair or restoration, the Property shall be subject to an action for partition at the suit of any unit owner or lienor, as if owned in common, in which event the net proceeds of sale, together with the net proceeds of insurance policies, shall be divided by the Board of Directors or the insurance trustee, as the case may be, among all the unit owners in proportion to their respective common interest, after first paying out of the priority of such liens.

Section 4. Payment of Common Charges. All unit owners shall be obligated to pay the common charges assessed by the Board of Directors pursuant to the provisions of Section 1 of this Article at such time or times as the Board of Directors shall determine.

No unit owner shall be liable for the payment of any part of the common charges assessed against his/her unit subsequent to a sale, transfer or other conveyance by him/her thereof (made in accordance with the provisions of Section I of Article VII of these Bylaws). A unit owner may, subject to the conditions specified in these Bylaws, and provided that his/her unit is free and clear of liens and encumbrances other than a permissible first mortgage and the statutory lien for unpaid common charges, convey his/her unit to the Board of Directors, or its designee, corporate or otherwise, on behalf of all other unit owners, and in such event be exempt from common charges thereafter assessed. A purchaser of a unit shall be liable for the payment of common charges

assessed against such unit prior to the acquisition by him/her of such unit, except for the amount of unpaid assessments prior to acquisition in excess of the amount set forth in a statement from the Board of Directors or the manager furnished pursuant to Section 703.24 of the Wisconsin Unit Ownership Act, and except that a mortgagee or other purchaser of a unit at a foreclosure sale of such unit shall not be liable for, and such unit shall not be subject to, a lien for the payment of common charges assessed prior to the foreclosure sale.

Section 5. Collection of Assessments. The Board of Directors shall assess common charges against the unit owners from time to time, and at least annually, and shall take prompt action to collect from a unit owner any common charge due which remains unpaid by him/her for more than 15 days from the due date of its payment. The common charges are due by the first day of each month.

Section 6. Default in Payment of Common Charges. In the event of default by any unit owner in paying to the Board of Directors the assessed common charges, such unit owner shall be obligated to pay a liquidated damage assessment of an amount to be determined by the Board of Directors, not to exceed \$25.00, after the 15th day, together with all expenses, including attorney fees, incurred by the Board of Directors in any proceeding brought to collect such unpaid common charges. The Board of Directors shall have the right and duty to attempt to recover such common charges, together with the liquidated damage assessments, and the expenses of the proceeding, including attorneys' fees, in an action brought against such unit owner, or by foreclosure of the lien on such unit granted by Section 703.23 of the Wisconsin Unit Ownership Act.

Any payment received by coupon or otherwise shall be applied against the oldest outstanding common charge or liquidated damage assessment. Therefore, any amount less than full payment, including the liquidated damage assessment, will necessitate another penalty.

Section 7. Foreclosure of Liens for Unpaid Common Charges. In any action brought by the Board of Directors to foreclose a lien on a unit because of unpaid common charges, the unit owner shall be required to pay a reasonable rental for the use of his/her unit and the plaintiff in such foreclosure action shall be entitled to the appointment of a receiver to collect such rental. The Board of Directors, acting on behalf of all unit owners, shall have the power to purchase such unit at the foreclosure sale and to acquire, hold, lease, mortgage, and/or vote the votes appurtenant, to convey or otherwise deal with the same. A suit to recover a money judgment for unpaid common charges shall be maintainable without foreclosing or waiving the lien securing the same.

Section 8. Abatement and Enjoining of Violations. The violation of any rule or regulation adopted by the Board of Directors, or the breach of any Bylaw contained herein, or the breach of any provision of the Declaration, shall give the Board of Directors the right, in addition to any other rights set forth in these Bylaws, to (a) enter the unit in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting unit owner, any structure, thing or condition that may exist therein contrary to the intent and meaning

SECTION 9, LETTER C

NOW READS

Section 9. Maintenance and Repair.

- (a) All maintenance of and repairs to any unit, structural or non-structural, ordinary or extraordinary (other than maintenance of and repairs to any common area or facility contained therein not necessitated by the negligence, misuse or neglect of the owner of such unit) shall be made by the owner of such unit. Each unit owner shall be responsible for all damages to any other unit and to the common areas and facilities resulting from his/her failure to effect such maintenance and repairs.
- (b) All maintenance, repairs, and replacements to the common areas, limited common areas and facilities, whether located inside or outside of the units (unless necessitated by the negligence, misuse or neglect of a unit owner, in which case such expense shall be charged to such unit owner), shall be made by the Board of Directors and be charged to all of the unit owners as a common expense.
- (c) All second floor units are required to have wall-to-wall carpeting in all rooms except the bathrooms.

PROPOSED ADDENDUM TO SECTION 9, LETTER C

“All second floor units are required to have wall to wall carpeting in all rooms except the bathrooms. However in the case of kitchens; an alternate flooring with the necessary acoustic insulation may be used, subject to approval by the “Board of Directors””

of the provisions hereof, and the Board of Directors shall not thereby be deemed guilty in any manner of trespass; or to (b) enjoin, abate, or remedy such thing or condition by appropriate legal proceedings.

Section 9. Maintenance and Repair.

(a) All maintenance of and repairs to any unit, structural or non-structural, ordinary or extraordinary (other than maintenance of and repairs to any common area or facility contained therein not necessitated by the negligence, misuse or neglect of the owner of such unit) shall be made by the owner of such unit. Each unit owner shall be responsible for all damages to any other unit and to the common areas and facilities resulting from his/her failure to effect such maintenance and repairs.

(b) All maintenance, repairs and replacements to the common areas, limited common areas and facilities, whether located inside or outside of the units (unless necessitated by the negligence, misuse or neglect of a unit owner, in which case such expense shall be charged to such unit owner), shall be made by the Board of Directors and be charged to all of the unit owners as a common expense.

(c) All second floor units are required to have wall-to-wall carpeting in all rooms except the bathrooms.

Section 10. Use of Units. In order to provide for congenial occupancy of the Property and for the protection of the values of the units, the use of the Property shall be subject to the following limitations:

(a) The units shall be used for residences only.

(b) The common areas and limited common areas shall be used for the furnishing of the services and facilities for which they are reasonably suited and which are incidental to the use and occupancy of the units.

(c) No nuisances shall be allowed on the Property, nor shall any use or practice be allowed which is a source of annoyance to its residents or which interferes with the peaceful possession or proper use of the Property by its residents.

(d) No immoral, improper, offensive or unlawful use shall be made of the Property or any part thereof, and all valid laws, zoning ordinances and regulations or all governmental bodies having jurisdiction thereof shall be complied with. Such compliance shall be accomplished at the sole expense of the unit owners or the Board of Directors, whichever shall have the obligation to maintain or repair such portion of the Property.

(e) No portion of a unit, other than the entire unit, may be rented and no transient tenants may be accommodated therein.

Section 11. Additions, Alterations or Improvements and Purchase or Lease of Units by Board of Directors.

(a) Whenever, in the judgment of the Board of Directors, the common areas and limited common areas and facilities shall require additions, alterations or improvements costing in excess of \$10,000, and the making of such additions, alterations or improvements shall have been approved by a majority of the unit owners and by those mortgagees holding mortgages constituting first liens upon two or more units, the Board of Directors shall proceed with such additions, alterations or improvements and shall assess all unit owners thereof as a common charge. Any additions, alterations or improvements costing \$10,000 or less may be made by the Board of Directors without approval of the unit owners or any mortgagees or units and the cost thereof shall constitute a common charge.

(b) The purchase or lease by the Board of Directors or its designee, corporate or otherwise, on behalf of all unit owners, of any unit whose owner has elected to sell or lease such unit, or any unit which is sold at foreclosure or any other judicial sale, shall not be made without first obtaining the approval of a majority of the unit owners, and those mortgagees holding mortgages constituting first liens upon two or more units.

Section 12. Additions, Alterations or Improvements by Unit Owners. No unit owner shall make any structural addition, alteration or improvement in or to his/her unit which would affect any other unit, without the prior written consent thereto of the Board of Directors. The Board of Directors shall have the obligation to answer any written request by a unit owner for approval of a proposed structural addition, alteration or improvement in such unit owner's unit, within 30 days after such request, and failure to do so within the stipulated time shall constitute consent by the Board of Directors to the proposed addition, alteration or improvement. Any application to any governmental authority for a permit to make an addition, alteration or improvement in or to any unit shall be executed by the Board of Directors. The Board of Directors shall not be liable to any contractor, subcontractor, or materialman, or to any person sustaining personal injury or property damage for any claim arising in connection with such addition, alteration or improvement.

Section 13. Right of Access. A unit owner shall grant a right of access to his/her unit to the manager, the managing agent, and any other person authorized by the Board of Directors, the manager or the managing agent to make inspections; to correct any condition originating in his/her unit and threatening another unit or a common or limited common area or facility; to install, alter or repair mechanical or electrical services or other common areas or limited common areas or facilities in his/her unit or elsewhere in the building; and to correct any condition which violates the provisions of any mortgage covering any unit. Requests for such entry shall be made in advance and such entry shall be scheduled for a time reasonably convenient to the unit owner. However, in case of an emergency, such right of entry shall be immediate, whether or not the unit owner is present at the time.

Section 14. Rules of Conduct. Rules and regulations concerning the use of the units and the common and limited common areas or facilities may be promulgated and amended by the Board of Directors with the approval of a majority of the unit owners. Copies of such rules and regulations shall be furnished by the Board of Directors to each unit owner prior to their effective date.

Section 15. Utility Services.

(a) Gas and electricity shall be supplied by the public utility companies serving the area directly to each unit through separate meters, and each unit owner shall be required to pay the bills for gas and electricity consumed or used in his/her unit.

(b) Gas and electricity serving or supplied to the common areas and limited common areas and facilities shall be separately metered, and the Board of Directors shall pay all bills for gas and electricity consumed or used in such areas and facilities as a common expense.

ARTICLE VI

Mortgages

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

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

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

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

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

ARTICLE VII

Sales and Leases of Units

Section 1. Sales and Leases. No unit owner may sell or lease his/her unit or any interest therein, except by complying with the provisions of this Section. A unit owner's sale of his/her unit shall include the sale of (a) the undivided interest in the common areas and limited common areas and facilities appurtenant thereto; (b) the interest of such unit owner in any units theretofore acquired by the Board of Directors, or its designee, on behalf of all unit owners, or the proceeds of the sale or lease thereof, if any; and (c) the interest of such unit owner in any other assets of the property, hereinafter collectively called the "appurtenant interests".

Any unit owner who receives a bonafide offer for the sale or lease of his/her unit, hereinafter called an "outside offer", which he/she intends to accept, shall give notice to the Board of Directors of such offer and of such intention, the name and address of the proposed purchaser or lessee, the terms of the proposed transaction and offer to sell or to lease such unit, to the Board of Directors, or its designee, corporate or otherwise, on behalf of the owners of all other units, on the same terms and conditions as contained in such outside offer. The giving of such notice shall constitute a warranty and representation by the unit owner who has received such offer, to the Board of Directors on behalf of the other unit owners, that such unit owner believes the outside offer to be bonafide in all respects. Within ten (10) days after receipt of such notice, the Board of Directors may elect, by notice to such unit owner, to purchase or to lease such unit, as the case may be (or to cause the same to be purchased or leased by its designee, corporate or otherwise), on behalf of all other unit owners, on the same terms and conditions as contained in the outside offer and as stated in the notice from the unit owner. In the event the Board of Directors shall elect to purchase or to lease such unit or to cause the same to be purchased or leased by its designee, corporate or otherwise, title shall close at the office of the attorneys for the Property 45 days after the giving of notice by the Board of Directors of its election to accept such offer. At the closing, the unit owner, if such unit is to be sold, shall convey the same to the Board of Directors, or to its designee, on behalf of all other unit owners, by deed in the form for such unit upon original conveyance by Declarant, and shall pay all transfer taxes. In the event such unit is to be leased, the offering unit owner shall execute and deliver to the Board of Directors, or to its designee, a lease between the unit owner, as landlord, and the Board of Directors, or its designee, as tenant, covering such unit, on the terms and conditions contained in such outside offer. In the event the Board of Directors or its designee shall fail to accept such offer within ten (10) days, the unit owner shall be free to contract to sell or to lease such unit, as the case may be, to the outside offerer within 60 days after the expiration of the period in which the Board of Directors or its designee might have accepted such offer, on the terms and conditions set forth in the notice from the unit owner to the Board of Directors of such outside offer. Any deed to an outside offerer shall provide that the acceptance thereof by the grantee shall constitute an assumption of the provisions of the Declaration, the Bylaws, and the Rules and Regulations, as the same may be amended from time to time. Any lease to an outside offerer shall be consistent with these Bylaws and shall provide that it may not be modified, amended, extended

or assigned, without the prior consent, in writing, of the Board of Directors, and that the Board of Directors shall have power to terminate such lease and to bring summary proceedings to evict the tenant in the name of the landlord thereunder, in the event of default by the tenant in the performance of such lease. Except as hereinbefore set forth, the form of any such lease shall be the then current form of apartment lease recommended by the Wisconsin Real Estate Board, with such modifications as shall be approved in writing by the Board of Directors. In the event the offering unit owner shall not, within such 60-day period, contract to sell or to lease such unit, as the case may be, to the outside offerer on the terms and conditions contained in the outside offer, or if such contract is entered into but not fulfilled, then the unit owner shall be required to again comply with all of the terms and provisions of this Section in order to sell or to lease the unit.

Any purported sale or lease of a unit in violation of this Section shall be voidable at the election of the Board of Directors.

When a unit owner leases or rents his/her unit, he/she relinquishes to the lessee, for the term of the lease agreement, the privileges normally exercised with respect to the parking areas and facilities of the Carriage Hills Condominium Association.

Any owner who wishes to lease his/her unit must file a written request for approval to lease the unit, with the Association Board of Directors.

The unit owner must submit the names of all occupants of the unit, the telephone numbers, the owner's new mailing address and telephone number, a copy of the lease agreement signed by the lessee, which evidences acceptance of all rules, regulations and policies of the Carriage Hills Condominium Association, and a deposit in an amount equal to six (6) months' current maintenance fees, prior to the occupancy of the unit by the tenants. If all lease agreement stipulations have been complied with and there are no liens, unpaid liquidated damages, assessment fees, or unpaid maintenance fees, the deposit will be refunded upon termination of the lease agreement.

The Association Declaration and Bylaws, Rules, Regulations and Policies shall govern the actions of the lessee(s) and members of their households. Copies of the Association rules, regulations, and policies shall be available from the professional management company, and must be accepted by the lessee. Compliance with all rules, regulations, policies, and bylaws by owners and lessees, their families and/or members of their households, the guests and employees of owners or lessees, is the responsibility of the owners. If any conduct or action is deemed to be in violation and does not cease upon notification, then the Board of Directors shall have the right to enforce the rules, regulations and policies in the manner described in the Declaration and Bylaws. Any attorney's fees, filing fees, and other expenses incidental to the enforcement of the rules by the institution of legal proceedings shall be paid by the owner of the condominium unit deemed to have violated these rules.

In addition, the rental security deposit shall be submitted to the association account within thirty (30) days after the date the rental lease becomes effective. If not received within this time,

the amount of fifty dollars (\$50.00) shall be assessed to the unit owner for each month that the security deposit remains unpaid.

Prior to each owner, lessee, or renter move-in or move-out, the owner shall notify the Association of the date of move. Failure of the owner to notify the Association not less than 24 hours prior to the move shall result in a \$50.00 penalty levied against the owner.

An inspection will be made before and after a unit owner or tenant moves out or moves in, to determine whether any damage has been done to the common area. The inspection sheet will be signed by all persons concerned.

Failure of owners to pay for damages within 30 days of billing shall result in a \$20.00 penalty, which shall be levied each month the bill remains unpaid.

Owners who are selling their unit will, at the time of closing the sale, place \$300.00 in escrow with the Association, to be retained until seller or their lessee has moved out, and to be applied toward any damage to common areas or equipment caused by the owner, their lessee, or movers, and to be returned if no damage has occurred.

Section 2. No Severance of Ownership. No unit owner shall execute any deed, mortgage or other instrument conveying or mortgaging title to his/her unit without including therein the appurtenant interests, it being the intention hereof to prevent any severance of such combined ownership. Any such deed, mortgage or other instrument purporting to affect one or more of such interests, without including all such interests, shall be deemed and taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described therein. No part of the appurtenant interests of any unit may be sold, transferred, or otherwise disposed of, except as a part of a sale, transfer or other disposition of the unit to which such interests are appurtenant, or as part of a sale, transfer or other disposition of such part of the appurtenant interests of all units.

Section 3. Release by Board of Directors of Right of First Refusal. The right of first refusal contained in Section 1 of this Article may be released or waived by the Board of Directors, in which event the unit may be sold, conveyed or leased, free and clear of the provisions of such section.

Section 4. Certificate of Termination of Right of First Refusal. A certificate, executed and acknowledged by the Secretary of the Property, stating that the provisions of Section 1 of this Article have been met by a unit owner, or have been duly waived by the Board of Directors, and that the rights of the Board of Directors thereunder have terminated, shall be conclusive upon the Board of Directors and the unit owners in favor of all persons who rely thereon in good faith. Such certificate shall be furnished to any unit owner who has in fact complied with the provisions of Section 1 of this Article, or in respect to whom the provisions of such section have been waived, upon request, at a reasonable fee not to exceed \$10.00.

Section 5. Financing of Purchase of Units by Board of Directors. Acquisition of units by the Board of Directors, or its designee, on behalf of all unit owners, may be made from the working capital and common charges in the hands of the Board of Directors, or if such funds are insufficient, the Board of Directors may levy an assessment against each unit owner in proportion to this ownership in the common areas, limited common areas and facilities, as a common charge, which assessment shall be enforceable in the same manner as provided in Sections 6 and 7 of Article V. Alternatively, the Board of Directors may borrow money to finance the acquisition of such unit, provided, however, that no financing may be secured by an encumbrance or hypothecation of any property other than the unit so to be acquired by the Board of Directors.

Section 6. Exceptions. The provisions of Section 1 of this Article shall not apply with respect to any sale, lease, or other conveyance by unit owner of his/her unit to his/her spouse or any of his/her children, or to his/her parent or parents, or to his/her brothers or sisters, or to any one or more of them or to the acquisition or sale of the unit by mortgagee herein authorized who shall acquire title to such unit by foreclosure or by deed in lieu of foreclosure. However, the provision of this Section shall apply with respect to any purchaser of such unit from such mortgagee.

Section 7. Gifts and Devises, Etc. Any unit owner shall be free to convey or transfer his/her unit by gift, or to devise his/her unit by will, or to pass the same by intestacy, without restriction.

Section 8. Waiver of Right of Partition with Respect to Units Acquired by Board of Directors. In the event that a unit shall be acquired by the Board of Directors or its designee, on behalf of all unit owners as tenants in common, all such unit owners shall be deemed to have waived all rights of partition with respect to such unit.

Section 9. Payment of Assessments. No unit owner shall be permitted to convey, mortgage, pledge, hypothecate, sell or lease his/her unit unless and until he./she shall have paid in full to the Board of Directors all unpaid common charges theretofore assessed by the Board of Directors against his/her unit, and until he/she shall have satisfied all unpaid liens against such unit, except permitted mortgages.

ARTICLE VIII

Condemnation

Section 1. Condemnation. In the event of a taking in condemnation or by eminent domain of part or all of the common areas or facilities, the award made for such taking shall be payable to the Board of Directors if such award amounts to \$10,000.00 or less, or does not relate to any building or a swimming pool; otherwise it shall be paid to the insurance trustee. If payable to the insurance trustee, then if the Association of Unit Owners by majority vote approve the repair and restoration within 90 days of payment of the award (or other payment if conveyed in

lieu of such taking), the Board of Directors shall arrange for the repair and restoration and the insurance trustee shall disburse the proceeds to the contractors engaged in such repair and restoration in appropriate progress payments. In the event the Association, if so required, does not duly and promptly approve the repair and restoration, the insurance trustee shall disburse the net proceeds in the same manner as it is required to distribute insurance proceeds where there is no repair or restoration of the damage, as provided in Section 3 of Article V of these Bylaws.

ARTICLE IX

Records

Section 1. Records and Audits. The Board of Directors or the managing agent shall keep detailed records of the actions of the Board of Directors and the managing agent, minutes of the meetings of the Board of Directors, minutes of the meetings of the unit owners, and financial records and books of account of the Property, including a chronological listing of receipts and expenditures, as well as a separate account of each unit which, among other things, shall contain the amount of each assessment of common charges against such unit, the date when due, the amounts paid thereon, and the balance remaining unpaid. A written report summarizing all receipts and expenditures of the Property shall be rendered by the Board of Directors to all unit owners at least quarter-annually. In addition, an annual report of the receipts and expenditures of the Property, certified by an independent certified public accountant, shall be rendered by the Board of Directors to all unit owners and to all mortgagees of units who have requested the same, promptly after the end of each fiscal year.

ARTICLE X

Miscellaneous

Section 1. Notices. All notices and mailings to the Board of Directors shall be sent by mail to the managing agent, or if there is no managing agent, to such other address as the Board of Directors may hereafter designate from time to time. All notices and mailings to any unit owner shall be sent by mail to the building or to such other address as may have been designated by him/her from time to time, in writing, to the Board of Directors. All notices to mortgagees of units shall be sent by mail to their respective addresses, as designated by them from time to time, in writing, to the Board of Directors. All notices shall be deemed to have been given when mailed, except notices of change of address which shall be deemed to have been given when received.

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

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

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

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

Section 6. Insurance Trustee. The insurance trustee shall be Heritage Bank-Mayfair of Milwaukee, Wisconsin. In the event that the insurance trustee shall resign, the new insurance trustee shall be a bank or trust company in the County of Milwaukee or Waukesha, Wisconsin, designated by the Board of Directors and having a capital surplus and undivided profits of \$10,000.00 or more. The Board of Directors shall pay the fees and disbursements of any insurance trustee and such fees and disbursements shall constitute a common expense.

ARTICLE XI

Amendments to Bylaws

Except as hereinafter provided otherwise, these Bylaws may be modified or amended by the vote of 66-2/3% in number and in common interest of all unit owners at a meeting of the unit owners duly held for such purpose, but only with the written approval of those mortgagees holding mortgages constituting first liens upon 15 or more units.

ARTICLE XII

Professional Management

Section 1. Professional Real Property Manager. The Board of Directors shall retain the services of a Professional Real Property Manager. Such Professional Real Property Manager may be an individual, partnership, or corporation.

Section 2. Duties. The Professional Real Property Manager shall, under the direction of the Board of Directors, perform the duties set out in Article II, Section 2(a), (c), (k), (l) and (m), and Article V, Sections 2, 3 and 4, or any other function which the Board of Directors shall assign, except that the Board of Directors shall not delegate to such Professional Real Property Manager the duties set forth in Article II, Section 2(b), (e), (f), (g), (h), (i), or (j), or Article V, Section 1, or any power and duty as by law or by the Declaration or by these Bylaws may not be delegated by the Board of Directors.

ARTICLE XIII

Conflicts

Section 1. Conflicts. These Bylaws are set forth to comply with the requirements of Section 703.19 of the Wisconsin Unit Ownership Act. In case any of these Bylaws conflict with the provisions of such Act or Declaration, the provisions of such Act or Declaration, as the case may be, shall control; and in case of any conflict between the provisions of such Act and the Declaration as related to these Bylaws or otherwise, the provisions of the statute shall control.

NOTE:

These amended bylaws, which were approved and adopted by a majority vote of the homeowners on January 21, 1999, are a revision of the original bylaws for the association, which were developed in 1976. Original bylaws may be reviewed, upon prior request, at the offices of the association's Professional Real Property Manager.

EXECUTIVE SUMMARY

This Executive Summary highlights some of the information that prospective condominium buyers are most interested in learning, as well as some of the information that they should consider when contemplating the purchase of a condominium unit. The following sections either briefly summarize pertinent information by answering the questions asked, direct prospective buyers to specific sections of the condominium disclosure materials that discuss each topic in detail (at the ♦ icon), or may be completed to both summarize the information and refer to the condominium documents. *This summary, however, is not intended to replace the buyer's review of the condominium declaration, bylaws and other condominium disclosure material. It is not a substitute for a professional review of the condominium documents.*

Condominium Name: The Carriage Hills Condominiums.

How is the condominium association managed?

- What is the name of the condominium association? The Carriage Hills Condominiums
- What is the association's mailing address? 16535 W. Bluemound Rd., Ste. 120, Brookfield, WI 53005.
- How is the association managed? ☐ By the unit owners (self-managed) ☒ By a management agent or company ☐ By the declarant (developer) or the declarant's management company
- Whom should I contact for more information about the condominium and the association? Camco Management, Inc. (Management agent/company or other available contact person)
- What is the address, phone number, fax number, web site & e-mail address for association management or the contact person? URBAN LAND & PROPERTY MANAGEMENT, LLC
12247 FAIRVIEW AVENUE
MILWAUKEE, WI 53226

♦ For specific information about the management of this association, see Board of Directors or Kate or Brian Cameron, Managing Agent.

What are the parking arrangements at this condominium?

- Number of parking spaces assigned to each unit: 1-2 How many Outside? 0 How many Inside? 1-2 ☐ Common element ☐ Limited common element ☒ Included as part of the unit ☐ Separate non-voting units ☐ Depends on individual transaction (check all that apply)
- Do I have to pay any extra parking fees (including separate maintenance charges, if any)? ☒ No ☐ Yes, in the amount of \$_____ per _____ ☐ Other (specify): _____
- Are parking assignments reserved or designated on the plat or in the condominium documents? ☐ No ☒ Yes – Where? Plat Map.
Are parking spaces assigned to a unit by deed? ☐ No ☒ Yes Can parking spaces be transferred between unit owners? ☒ No ☐ Yes
*What parking is available for visitors? Outside designated areas.
*What are the parking restrictions at this condominium? All vehicles must be parked in the garage and cannot be displaced by other item's.

♦ For specific information about parking at this condominium, see Declaration, Article IX, Section 4, Rules and Regulations.

May I have any pets at this condominium?

- ☒ No ☐ Yes What kinds of pets are allowed? None.
What are some of the major restrictions and limitations on pets? _____

♦ For specific information about the condominium pet rules, see Declaration, Article IX, Section 3, of the Rules and Regulations.

May I rent my condominium unit?

☐ No ☒ Yes What are the major limitations and restrictions on rental unit? Cannot be leased for less than six months.

♦ For specific information about renting units at this condominium, see Declaration, Article IX, section 2.

Does this condominium have any special amenities and features?

- ☒ No ☐ Yes - What are the major amenities and features? None. Are unit owners obligated to join or make additional payments for any amenity associated with the condominium, such as an athletic club or golf course? ☒ No ☐ Yes
- What is the cost? \$

♦ For specific information about special amenities, see N/A.

What are my maintenance and repair responsibilities for my unit?

- A Unit Owner must maintain and repair Utility lines, heating and A/C, garage door and opener, fixtures, appliances, water heater, window frame and doors, door frames, glass and locks in windows and doors, keep porch and balcony clean.

♦ For specific information about unit maintenance and repairs, see Declaration, Article VII, Section 1, 4, 6 and By-Laws, Article VII, Section 1.

Who is responsible for maintaining, repairing and replacing the common elements and limited common elements?

- Common element maintenance, repair and replacement is performed as follows: Upon inspection or written form to the Board of Directors or the managing agent.
- How are repairs and replacement of the common elements funded? ☐ Unit owner assessments ☒ Reserve funds ☐ Both ☐ Other (specify):
- Limited common element maintenance, repairs, and replacement is performed as follows: Upon inspection or written form to the Board of Directors or the Managing Agent.
- How are repairs and replacements of the limited common elements funded? ☐ Unit Owner assessment ☒ Reserve Funds ☐ Both ☐ Other (specify): Budget.

♦ For specific information about this condominium's common element maintenance, repairs and replacements, see Declaration, Article VIII, Section 1, 2 & 5, By-laws, article VIII, Section 1-3.

Does the condominium association maintain reserve funds for the repair and replacement of the common elements? ☒ Yes ☐ No

Is there a Statutory Reserve Account (*see note on page 3*)? ☐ Yes ☒ No

♦ For specific information about this condominium's reserve funds for repairs and replacements, see Declaration, Article VIII, Section 1, 2 & 5, By-laws, Article VIII, Section 1-3.

How are condominium fees paid for on the developer's new units that have not yet been sold to a purchaser?

- Is the developer's obligation to pay fees for unsold units different that the obligation of new unit purchasers to pay fees on their units? ☒ Not applicable (no developer-owner units) ☐ No ☐ Yes - In what way?
- Are there any special provisions for the payment of assessment fees that apply only during the developer control period? ☒ No ☐ Yes - Describe these provisions: N/A.

♦ For specific information about condominium fees during the developer control period, see N/A.

Has the declarant (developer) reserved the right to expand this condominium in the future?

- ☒ No ☐ Yes How many additional units may be added through expansion? units
- When does the expansion period end? N/A.
- Who will manage the condominium during the expansion period? N/A.

♦ For specific information about condominium fees during the developer control period, see N/A.

May I alter my unit or enclose any limited common elements?

- Describe the rules, restrictions and procedures for altering a unit: Applying in writing to the Board of Directors.
- Describe the rules, restrictions and procedures for enclosing limited common elements: Limited common elements may not be enclosed.

♦ For specific information about unit alterations and limited common elements enclosures, see Declaration, Article VII, Section 3, 4, 6, Article IX, Section 11 & 12, By-laws, Article VIII, Section 4.

Can any of the condominium materials be amended in a way that might affect my rights and responsibilities?

- Yes, Wisconsin law allows the unit owners to amend the condominium declaration, bylaws and other condominium documents if the required votes are obtained. Some of these changes may alter your legal rights and responsibilities with regard to your condominium unit.

♦For specific information about condominium document amendment procedures and requirements, Declaration, Article XV, Section 1-3, By-laws, Article IX, Section 1.

Other restrictions of features (optional): _____

This Executive Summary was prepared on April 1st, 2005 (insert date) by Board of Directors and Virginia Cameron, Managing Agent.

_____ President

_____ Vice President

_____ Secretary or Treasurer

*Note: A "Statutory Reserve Account" is a specific type of reserve account established under Wis. Stat. § 703.163 to be used for the repair and replacement of the common elements in a residential condominium (optional for a small condominium with less than 13 units or a mixed-use condominium with residential and non-residential units.) In a new condominium, the developer initially decides whether to have a statutory reserve account, but after the declarant control period ends, the association may opt-in or opt-out of a statutory reserve account with the written consent of a majority of the unit votes. Existing condominiums must establish a statutory reserve account by May 1, 2006 unless the association elects to not establish the account by the written consent of a majority of the unit votes. Condominiums may also have other reserve fund accounts used for the repair and replacement of the common elements that operate apart from § 703.165.