Tab 4- Articles of Incorporation

The operation of a condominium is governed by the association, of which each unit owner is a member. The powers, duties, and operation of an association are specified in its articles of incorporation. In addition to the association that governs the condominium, a separate association has been created for the purpose of administering, managing, operating, and maintaining certain "shared elements," (*e.g.* storm water facilities; a beach, park and related improvements; a sewer lift station; etc.) pursuant to the Declaration of Easements and Covenant to Share Costs for Park Shore, which may be found at Tab 2. Park Shore Condominium Association, Inc. is a member of this association. This section of the disclosure materials contains the following documents:

- Articles of Incorporation of Park Shore Condominium Association, Inc., filed February 17, 2004.
- Articles of Incorporation of Park Shore Waterfront Association, Inc., filed February 17, 2004.

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DEPARTMENT OF FINANCIAL INSTITUTIONS

ARTICLES OF INCORPORATION
OF
PARK SHORE CONDOMINIUM ASSOCIATION, INC.

Article 1. Name. The name of the corporation is Park Shore Condominium Association, Inc. (the "**Association**").

Article 2. Applicable Statute. The Association is organized as a nonstock corporation under Chapter 181 of the Wisconsin Statutes and does not contemplate pecuniary gain or profit, direct or indirect, to its members.

Article 3. Initial Registered Agent. The initial registered agent of the Association in Wisconsin is C T Corporation.

Article 4. Initial Registered Office. The street address of the initial registered office of the Association is 8025 Excelsior Drive, Suite 200, Madison, Wisconsin 53717.

Article 5. Principal Office. The mailing address of the initial principal office of the Association is 3842 South Lake Drive, St. Francis, Wisconsin 53235.

Article 6. Members. The Association will have members, with membership determined as provided in Article 9.

Article 7. Purposes. By way of explanation and not of limitation, the Association is formed for the following purposes:

(a) to be and constitute the condominium association to which reference is made in the Declaration of Park Shore Condominium ("**Declaration**"), executed or to be executed by Kimball Hill Homes Wisconsin, Inc. and Park Shore, L.L.C., as "**Declarant**," and recorded or to be recorded in the office of the Register of Deeds for Milwaukee County, Wisconsin, to perform all obligations and duties of the Association, and to exercise all rights and powers of the Association, as specified in the Declaration, in the By-Laws of Park Shore Condominium Association, Inc., as they may be amended ("**By-Laws**"), and in the Wisconsin Condominium Ownership Act, Chapter 703 of the Wisconsin Statutes, as it may be amended (the "**Act**"); and

(b) to provide an entity for the furtherance of the interests of the Owners of Units in the Condominium (as such capitalized terms are defined in the Declaration).

Article 8. Powers. In furtherance of its purposes, the Association shall have the following powers, which, unless the Declaration, By-Laws, or the Wisconsin law provide otherwise, may be exercised by the Association's board of directors ("**Board**"):

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(a) all of the powers conferred upon nonstock corporations by common law and the Wisconsin statutes in effect from time to time and all of the powers conferred upon condominium associations pursuant to the Act;

(b) all of the powers necessary or desirable to perform the obligations and duties and to exercise the rights and powers set out in these Articles, the By-Laws, or the Declaration, including, without limitation, the following:

(1) to fix, levy, and collect assessments and other charges authorized by the Declaration and By-Laws;

(2) to manage, control, operate, maintain, repair, and improve property subjected to the Declaration or any other property for which the Association by rule, regulation, declaration, or contract has a right or duty to provide such services;

(3) to enforce covenants, conditions, or restrictions affecting any property to the extent the Association may be authorized to do so under the Declaration or By-Laws;

(4) to engage in activities which will actively foster, promote, and advance the common interests of all owners of property subject to the Declaration;

(5) to buy or otherwise acquire, sell or otherwise dispose of, mortgage or otherwise encumber, exchange, lease, hold, use, operate, and otherwise deal in and with real, personal, and mixed property of all kinds and any right or interest therein for any purpose of the Association;

(6) to borrow money;

(7) to enter into, make, perform, or enforce contracts of every kind and description, and to do all other acts necessary, appropriate, or advisable in carrying out any purpose of the Association, with or in association with any other association, corporation, or other entity or agency, public or private;

(8) to act as agent, trustee, or other representative of other corporations, firms, or individuals, and as such to advance the business or ownership interests in such corporations, firms, or individuals;

(9) to adopt, alter, and amend or repeal such By-Laws as may be necessary or desirable for the proper management of the affairs of the Association and not inconsistent with the Declaration; and

(10) to provide any and all supplemental services of a municipal nature as the Board may determine necessary or desirable.

The foregoing enumeration of powers shall not limit or restrict in any manner the exercise of other and further rights and powers which may now or hereafter be allowed or permitted by law. Each of the powers specified above are independent powers, not to be restricted by reference to or inference from the terms of any other provision of this Article 8.

Article 9. Membership and Voting. Each Person who is the Owner of a Unit in the Condominium (as such capitalized terms are defined in the Declaration) is a member and shall be entitled to vote as set forth in the Declaration and the By-Laws.

Article 10. Board of Directors. The business and affairs of the Association shall be conducted, managed, and controlled by its Board. The initial Board shall be appointed by the Declarant pursuant to the Declaration and the By-Laws. The number, qualification, and term of office of directors and the method of selection, removal and filling of vacancies on the Board shall be as set forth in the By-Laws. The Board may delegate its operating authority to such companies, individuals, or committees as it may determine appropriate.

Article 11. Liability and Indemnification of Directors. The liability of directors to the Association or its members for monetary damages for breach of duty of care or other duty as a director shall be eliminated or limited to the fullest extent allowed under Wisconsin law. Such limitation of liability shall not limit the personal liability of a director of the Association:

(a) for any acts or omissions not in good faith or which involve intentional misconduct or knowing violations of the law; or

(b) for any transaction from which the director received an improper personal benefit.

Any repeal or modification of this Article 11 by the Association's members shall not adversely affect any right or protection of a director or the Association existing at the time of such repeal or modification.

To the extent consistent with the Wisconsin law, as it exists now exists or as it may hereafter be amended, the Association shall indemnify its officers and directors as required by the By-Laws.

Article 12. Duration. The Association is intended to have perpetual duration.

Article 13. Dissolution. The Association may be dissolved only upon a resolution duly adopted by the Board, the affirmative vote of persons entitled to cast at least sixty-seven percent (67%) of the total votes in the Association, the written consent of Eligible Mortgage holders representing at least fifty-one percent (51%) of the Units subject to an Eligible Mortgage (as defined in the Declaration), and the consent of the Declarant so long as the Declarant is the owner of any Unit in the Condominium or has the authority unilaterally to expand the Condominium.

Article 14. Amendments. The Board may amend these Articles for the purpose of conforming them to applicable law, correcting technical errors, satisfying the requirements of any institutional lender, insurer, or guarantor of mortgage loans on Units, or making other nonmaterial changes, and no vote or approval of the members shall be required for such amendments. Otherwise, these Articles may be amended only upon a resolution duly adopted by the Board, the affirmative vote or written consent, or any combination thereof, of persons entitled to cast at least sixty-seven percent (67%) of the total votes in the Association, the written consent of Eligible Mortgage holders representing at least fifty-one percent (51%) of the Units subject to an Eligible Mortgage. In either case, the written consent of the Declarant shall be required to amend so long as the Declarant is the owner of any Unit in the Condominium or has the authority unilaterally to expand the Condominium.

Article 15. Incorporator. The name and address of the incorporator are Jo Anne P. Stubblefield, 1200 Peachtree Center South Tower, 225 Peachtree Street, N.E., Atlanta, Georgia 30303.

IN WITNESS WHEREOF, the undersigned incorporator has executed these Articles of Incorporation.

Jo Anne P. Stubblefield, Incorporator

This document was not executed in Wisconsin.

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ARTICLES OF INCORPORATION
OF
PARK SHORE WATERFRONT ASSOCIATION, INC.

Article 1. Name. The name of the corporation is Park Shore Waterfront Association, Inc. (the "**Association**").

Article 2. Applicable Statute. The Association is organized as a nonstock corporation under Chapter 181 of the Wisconsin Statutes and does not contemplate pecuniary gain or profit, direct or indirect, to its members.

Article 3. Initial Registered Agent. The initial registered agent of the Association in Wisconsin is C T Corporation.

Article 4. Initial Registered Office. The street address of the initial registered office of the Association is 8025 Excelsior Drive, Suite 200, Madison, Wisconsin 53717.

Article 5. Principal Office. The mailing address of the initial principal office of the Association is 3862 South Lake Drive, St. Francis, Wisconsin 53235.

Article 6. Members. The Association will have members, with membership determined as provided in Article 9.

Article 7. Purposes. By way of explanation and not of limitation, the Association is formed for the following purposes:

(a) to be and constitute the association to which reference is made in the Declaration of Easements and Covenant to Share Costs for Park Shore ("**Declaration**"), executed or to be executed by Park Shore, L.L.C., a Wisconsin limited liability company, among others, and recorded or to be recorded in the office of the Register of Deeds for Milwaukee County, Wisconsin, to perform all obligations and duties of the Association, and to exercise all rights and powers of the Association as specified in the Declaration and the By-Laws of Park Shore Waterfront Association, Inc., as they may be amended ("**By-Laws**"); and

(b) to provide an entity for the furtherance of the interests of the owners of property subject to the Declaration.

Article 8. Powers. In furtherance of its purposes, the Association shall have the following powers, which, unless the Declaration, By-Laws, or the Wisconsin law provide otherwise, may be exercised by the Association's board of directors ("**Board**"):

(a) all of the powers conferred upon nonstock corporations by common law and

(b) all of the powers necessary or desirable to perform the obligations and duties and to exercise the rights and powers set out in these Articles, the By-Laws, or the Declaration, including, without limitation, the following:

(1) to fix, levy, and collect assessments and other charges authorized by the Declaration and By-Laws;

(2) to own, manage, control, operate, maintain, repair, and improve the Shared Properties, as defined in the Declaration, and any other property for which the Association is responsible pursuant to the Declaration, any contract, agreement, or covenant;

(3) to enforce covenants, conditions, or restrictions affecting any property to the extent the Association may be authorized to do so under the Declaration or By-Laws;

(4) to engage in activities which will actively foster, promote, and advance the common interests of the Parcel Owners, as described in the Declaration;

(5) to buy or otherwise acquire, sell or otherwise dispose of, mortgage or otherwise encumber, exchange, lease, hold, use, operate, and otherwise deal in and with real, personal, and mixed property of all kinds and any right or interest therein for any purpose of the Association;

(6) to borrow money;

(7) to enter into, make, perform, or enforce contracts of every kind and description, and to do all other acts necessary, appropriate, or advisable in carrying out any purpose of the Association, with or in association with any other association, corporation, or other entity or agency, public or private;

(8) to act as agent, trustee, or other representative of other corporations, firms, or individuals, and as such to advance the business or ownership interests in such corporations, firms, or individuals;

(9) to adopt, alter, and amend or repeal such By-Laws as may be necessary or desirable for the proper management of the affairs of the Association and not inconsistent with the Declaration; and

(10) to provide any and all supplemental services of a municipal nature as the Board may determine necessary or desirable.

The foregoing enumeration of powers shall not limit or restrict in any manner the exercise of other and further rights and powers that may now or hereafter be allowed or permitted by law. Each of the powers specified above are independent powers, not to be restricted by reference to or inference from the terms of any other provision of this Article 8.

Article 9. Membership and Voting. Each Person who is a Parcel Owner as defined in the Declaration is a member and shall be entitled to a vote in the Association as set forth in the Declaration and the By-Laws.

Article 10. Board of Directors. The business and affairs of the Association shall be conducted, managed, and controlled by its Board. The initial Board shall be appointed by the Declarant pursuant to the Declaration and the By-Laws. The number, qualification, and term of office of directors and the method of selection, removal and filling of vacancies on the Board shall be as set forth in the By-Laws. The Board may delegate its operating authority to such companies, individuals, or committees as it may determine appropriate.

Article 11. Liability and Indemnification of Directors. The liability of directors to the Association or its members for monetary damages for breach of duty of care or other duty as a director shall be eliminated or limited to the fullest extent allowed under Wisconsin law. Such limitation of liability shall not limit the personal liability of a director of the Association:

(a) for any acts or omissions not in good faith or which involve intentional misconduct or knowing violations of the law; or

(b) for any transaction from which the director received an improper personal benefit.

Any repeal or modification of this Article 11 by the Association's members shall not adversely affect any right or protection of a director or the Association existing at the time of such repeal or modification.

To the extent consistent with the Wisconsin law, as it now exists or as it may hereafter be amended, the Association shall indemnify its officers and directors as required by the By-Laws.

Article 12. Duration. The Association is intended to have perpetual duration.

Article 13. Dissolution. The Association may be dissolved only upon a resolution duly adopted by the Board, the affirmative vote of persons entitled to cast at least sixty-seven percent (67%) of the total votes in the Association and the consent of Park Shore, L.L.C. as long as it has any rights under the Declaration.

Article 14. Amendments. The Board may amend these Articles for the purpose of conforming them to applicable law, correcting technical errors, satisfying the requirements of any institutional lender, insurer, or guarantor of mortgage loans, or making nonmaterial changes, and no vote or approval of the members shall be required for such amendments. Otherwise, these Articles may be amended only upon a resolution duly adopted by the Board, the affirmative vote or written consent, or any combination thereof, of persons entitled to cast at least sixty-

seven percent (67%) of the total votes in the Association, and the consent of Park Shore, L.L.C. as long as it has any rights under the Declaration.

Article 15. Incorporator. The name and address of the incorporator are Jo Anne P. Stubblefield, 1200 Peachtree Center South Tower, 225 Peachtree Street, N.E., Atlanta, Georgia 30303.

IN WITNESS WHEREOF, the undersigned incorporator has executed these Articles of Incorporation.

Jo Anne P. Stubblefield, Incorporator

This document was not executed in Wisconsin.

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