BY-LAWS OF

THE LEGEND AT MERRILL HILLS CONDOMINIUM ASSOCIATION, INC.

ARTICLE I

Plan of Unit Ownership

Section 1. Condominium Unit Ownership. The property located in the Village of Waukesha, Waukesha County, State of Wisconsin (the "Property") known as The Legend at Merrill Hills Condominium, has been submitted to the provisions of the Wisconsin Condominium Ownership Act by a Declaration of Condominium (the "Declaration") recorded in the office of the Register of Deeds for Waukesha County on _____, 2020 as Document No. _____.

Section 2. Applicability of By-Laws and Definitions. These By-Laws are adopted as the By-Laws of The Legend at Merrill Hills Condominium Association, Inc. (the "Association"), a Wisconsin corporation organized under the Wisconsin Nonstock Corporation Law to serve as an association of unit owners under the Wisconsin Condominium Ownership Act. The provisions of these By-Laws are applicable to the Property and to the use and occupancy thereof. The term "Property" and other terms used herein shall, unless the context or the Declaration requires otherwise, have the same meaning as used or defined in the Wisconsin Condominium Ownership Act.

Section 3. Office and Mailing Address. The office and mailing address of the Association and of the Board of Directors of the Association (the "Board of Directors") shall be located at c/o The Legend at Merrill Hills, LLC at 1325 E. Bristlecone Drive, Hartland, WI 53029.

ARTICLE II

Board of Directors

Section 1. Number and Qualification. The affairs of the Association and of the Property shall be governed by the Board of Directors. Until election of a new Board of Directors by the unit owners pursuant to Article III, Section 1(c) of these By-Laws, the Board of Directors shall consist of such three persons as shall have been designated by The Legend at Merrill Hills, LLC, a Wisconsin limited liability company ("Declarant"), or as shall have been elected by the unit owners pursuant to Article III, Section 1(b) of these By-Laws. Thereafter the Board of Directors shall be composed of three persons, all of whom shall be owners of units.

Section 2. Powers and Duties. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association and of the Property, except such powers and duties as by law or by the Declaration or by these By-Laws may not be delegated to the Board of Directors by the unit owners or have been specifically reserved by or to 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

Condominium Ownership Act, the Declaration, these By-Laws and rules and regulations hereunder.

Section 3. Managing Agent and Manager. The Board of Directors may employ for the Property a managing agent and/or a manager, which may be the Declarant or a related party, at a compensation established by the Board of Directors to perform such duties and services as the Board of Directors shall authorize.

Section 4. Election and Term of Office. At the first annual meeting of the unit owners, the term of office of two members of the Board of Directors shall be fixed at two years and the term of office of one member of the Board shall be fixed at one year. At the expiration of the initial term of office of each member of the Board of Directors, its successor shall be elected to serve for a term of two years. The members of the Board of Directors shall hold office until their respective successors shall have been elected by the unit owners.

Section 5. Removal of Members of the Board of Directors. At any regular or special meeting of unit owners, any one or more of the members of the Board of Directors may be removed with or without cause by a majority of the authorized votes of all 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 6. Vacancies. Vacancies in the Board of Directors caused by any reason other than the removal of a member thereof by a vote of the unit owners, shall be filled by 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 or until a successor shall be elected at the next annual meeting of the unit owners.

Section 7. Organization Meeting. The first meeting of the members of the Board of Directors shall be held within ten (10) days following the first annual meeting of the unit owners at such time and place as shall be fixed by the unit owners at the meeting 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 legally to constitute such meeting, providing a majority of the whole Board of Directors shall be present.

Section 8. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority of the members of the Board of Directors. Notice of regular meetings of the Board of Directors shall be given to each member of the Board of Directors, by mail, email or facsimile, at least 48 hours prior to the time of such meeting.

Section 9. Special Meetings. Special meetings of the Board of Directors may be called by the President of the Board of Directors on 48 hours' notice to each member of the Board of Directors, given by mail, email or facsimile, 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 one member of the Board of Directors.

Section 10. Waiver of Notice. Any member of the Board of Directors may, at any time, waive notice of any meeting of the Board of Directors in writing, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of the Board of Directors at any meeting of the Board shall constitute a waiver of notice by him of the time and place of the meeting. If all the members of the Board of Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 11. Quorum of Board of Directors. At all meetings of the Board of Directors, a majority of the directors shall constitute a quorum for the transaction of business, and the votes of a majority of the 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 12. Fidelity Bonds. The Board of Directors may obtain or require fidelity bond coverage for all officers, directors, trustees and employees of the Association handling or responsible for funds of the Association, including officers, employees and agents of professional managers. The premiums on such bonds shall constitute a common expense, if paid for by the Board of Directors. The bonds shall name the Association as obligee, contain waivers of the issuers of all defenses based upon the exclusion of persons serving without compensation from the definition of "employees", and shall provide that they may not be canceled or substantially modified (including cancellation for nonpayment of premium) without at least ten (10) days' prior written notice to the Association and each mortgagee or land contract vendor.

Section 13. Compensation. No member of the Board of Directors shall receive any compensation from the Association for acting in such capacity.

Section 14. Liability of the Board of Directors. The members of the Board of Directors shall not be liable to the unit owners for any mistake of judgment, failure to adhere to the provisions of the Declaration or these By-Laws, negligence or otherwise, except for their own individual willful misconduct or bad faith. The unit owners shall indemnify and hold harmless each member of the Board of Directors against all contractual liability to others arising out of contracts made by the Board of Directors on behalf of the Association unless any such contract shall have been made in bad faith. It is intended that the members of the Board of Directors shall have no personal liability with respect to any contract made by them on behalf of the Association. It is also intended that the liability of the unit owners arising out of any contract made by the Board of Directors or out of the indemnity in favor of the members of the Board of Directors shall be shared by all of the unit owners in accordance with their undivided percentage interests in common elements, and the liability of any single unit owner shall be limited to such proportionate share of the total liability. At the option of the Board of Directors, directors' liability insurance may be obtained and shall be paid for as a common expense.

Section 15. 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.

Section 16. Meetings by Telephone or Other Communication Equipment. Regular and special meetings may be held by telephonic conference or other communication equipment in accordance with Wisconsin Statutes section 181.24(3)(a).

ARTICLE III

Unit Owners

Section 1. Annual Meetings.

(a) Until the first annual meeting of the unit owners as described below, until the Declarant designates otherwise, or until the unit owners elect a member of the Board of Directors pursuant to this Section prior to the first annual meeting of the unit owners, the initial Board of Directors designated by the Declarant shall serve as the Board of Directors.

(b) Prior to the conveyance of 25% of the undivided percentage interest in the common elements, the Declarant shall call a meeting of the unit owners. At such meeting one of the designees of the Declarant on the Board of Directors shall resign and the unit owners other than the Declarant shall elect a successor by vote of a majority of those unit owners. Such successor shall serve until the first annual meeting of the unit owners. If such successor shall resign prior to the first annual meeting of the unit owners, a successor to him shall be elected in the same manner.

(c) Upon the earlier of thirty (30) days after 75% of the undivided percentage interest in the common elements shall have been sold and conveyed by the Declarant or ten (10) years after the date of the first conveyance of a unit by the Declarant, or at such earlier time as determined by the Declarant, the Declarant shall call the first annual meeting of the unit owners. At such meeting the designees of the Declarant and any other members of the Board of Directors elected by the unit owners shall resign as members of the Board of Directors, and all the unit owners, including the Declarant, shall elect a new Board of Directors. Thereafter, the annual meetings of the unit owners shall be held on the first day of October of each succeeding year or such other date as may be 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 Article II, Section 4 of these By-Laws. The unit owners may transact such other business at such meetings as may properly come before them.

Section 2. Place of Meeting. Any meetings of the unit owners shall be held at the principal office of the Association or at such other suitable place convenient to the unit owners as may be designated by the Board of Directors.

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 having 25% of the total authorized votes of all unit owners. 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 owner a notice of each annual or special meeting of the unit owners, at least 10 but not more than 20 days prior to such meeting, stating the purpose thereof as well as the time and place where it is to be held, at the address of its unit or at such other address as such unit owner shall have designated by notice in writing to the Secretary.

Section 5. Adjournment of Meetings. Any meeting of unit owners at which a quorum has or has not attended may be adjourned at the option of the unit owners by vote of a majority of the authorized votes of the unit owners who are present, either in person or by proxy, at such meeting. Any meeting which has been adjourned by the unit owners because of the lack of a quorum may be reconvened at such time as a quorum is obtained, without further notice. At such reconvened meeting at which a quorum is present, either in person or by proxy, any business may be transacted which might have been transacted at the meeting as originally notified.

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, partnership, limited liability company, or in the name of a fiduciary. Title to units shall not be divided into or held in time-shares, as defined by Wisconsin Statutes Section 707.02(24) or any other interest based upon a time interval of less than one year.

Section 7. Voting. There shall be one vote in the Association appurtenant to each unit. Each unit owner shall furnish the Association with its name and current mailing address. No unit owner may vote at meetings of the Association until this information is furnished. The owner or owners of each unit, or some person designated by such owner or owners to act as proxy on its behalf and who need not be an owner, shall be entitled to cast the vote 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. Any such proxy shall be effective only for a maximum period of 180 days following its issuance unless granted to a mortgagee, land contract vendor or lessee of a unit. Each unit owner (including the Declarant and the Board of Directors, if the Declarant or the Board of Directors or its designee shall then hold title to one or more units) shall be entitled to cast at all meetings of the unit owners the vote appurtenant to each unit owned. Where ownership is in the name of two persons, the vote appurtenant to their unit may be cast by any one joint owner; provided, however, that if any joint owner protests promptly the casting of such vote to the person presiding over the meeting or files a written statement with the Secretary stating that thereafter the vote must be cast pro rata in accordance with each joint owner's interest in the unit, then such vote shall thereafter be cast pro rata by the joint owners in accordance with their interests in the unit. Where an entire unit is leased the lessor shall be entitled to vote the vote appurtenant to said unit (where there are two lessors, they shall be considered joint owners) unless a lease of one year or

longer provides that the lessee shall be entitled to the vote. Where the unit is sold under a land contract, the land contract vendee shall be entitled to vote the vote appurtenant to said unit (where there are two vendees, they shall be considered joint owners). Notwithstanding the provisions of this Section, if the Association has recorded a statement of condominium lien on a unit and the amount necessary to release the lien has not been paid at the time of the meeting, the owner(s) of such unit may not vote at any meeting of the Association.

Section 8. Majority of Unit Owners. As used in these By-Laws, the term "majority of unit owners" shall mean those unit owners having more than 50% of the 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 By-Laws, the presence in person or by proxy of unit owners having 51% 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 By-Laws.

Section 11. Action by Unanimous Consent. Any action required to be taken or which may be taken at a meeting of unit owners may be taken without a meeting if a consent in writing setting forth the action so taken shall be signed by all unit owners entitled to vote thereon. The signature required in each instance shall be that person who is then entitled to cast the vote for a unit. Any such consent action shall have the same force and effect as a unanimous vote.

Section 12. Membership.

(a) All unit owners shall be members of the Association. The foregoing is not intended to include persons who hold an interest in a unit merely as security for the performance of an obligation. Land contract vendors shall not be members; land contract vendees shall be members. Membership shall be appurtenant to and may not be separated from ownership of any unit.

(b) Initial membership in the Association shall be established by the recording of the Declaration in the office of the Register of Deeds for Waukesha County, Wisconsin. Transfer of membership in the Association shall be established by the recording in the office of the Register of Deeds for Waukesha County of a deed or other instrument establishing a change of record title to a unit or the recording in said office of a land contract. A certified copy of such instrument or land contract shall be delivered to the Association by the transferee or vendee. The transferee designated by such instrument or the vendee shall thereby become a member of the Association and the membership of the prior owner or vendor shall thereby be terminated. Until such delivery the transferee or vendee shall not be entitled to vote as a member of the Association and shall not be entitled to notice of meetings of unit owners. The Association shall maintain a current roster of names and addresses of every unit owner to whom notice of meetings of the Association must be sent.

ARTICLE IV

Officers

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

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 its successor may be elected at any regular meeting of the Board of Directors, or at any special meeting of the Board of Directors called for such purpose.

Section 4. President. The President shall be the chief executive officer of the Association. He or she shall preside at all meetings of the unit owners and of the Board of Directors. He or 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 or she decides is appropriate to assist in the conduct of the affairs of the Association.

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

Section 6. Secretary. The Secretary shall keep the minutes of all meetings of the unit owners and of the Board of Directors; he or she shall have charge of such books and papers as the Board of Directors may direct; and he or 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. The Secretary shall count the votes at meetings of the Association.

Section 7. Treasurer. The Treasurer shall have the responsibility for Association 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 or she shall be responsible for the deposit of all moneys and other valuable effects in the name of the Association in such depositories as may from time to time be designated

by the Board of Directors, and he or 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 Association may be executed by the President of the Association or by such other person or persons as may be designated by the Board of Directors.

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

ARTICLE V

Operation of the Property

Section l. Determination of Common Expenses.

(a) 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 expenses for the forthcoming fiscal year of the Association and allocate and assess such common expenses against the unit owners as provided in Section 4 of the Declaration. The Association's fiscal year shall be the calendar year, or such other 12-month period as determined by the Board of Directors. The assessment for common expenses for the entire year shall be effective as of January 1 of each year and shall be payable in annual installments in advance. 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 shall also include such amounts as the Board of Directors may deem proper for the operation and maintenance of the Property, including without limitation an amount for working capital, for a reserve fund for the periodic maintenance, repair and replacement of common elements based upon the estimated remaining useful life of such elements, for a reserve for contingencies, and for making 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 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 expenses payable by him, and shall furnish copies to all unit owners of each budget on which such common expenses are based. If the actual expenses of the Association exceed the budgeted expenses, or in the event of special circumstances requiring additional funds with respect to one or more units, the Board of Directors shall be empowered to meet whenever necessary and to assess additional common expenses or special assessments against one or more of the unit owners which shall be payable as the Board of Directors directs.

(b) A working capital fund shall be established for the initial months of operation of the Property equal to $500.00 for each unit. The payment towards this fund allocable to each unit shall be made by each unit owner upon the closing of the purchase of each unit from

Declarant; provided, however, that no later than 60 days after the first conveyance of a unit by Declarant, Declarant shall make such payments for each unit in the Condominium which has not been conveyed to a purchaser. Subsequent purchasers of such units from Declarant shall reimburse Declarant for such payments upon the closing of the purchase of their units.

Section 2. Insurance.

(a) The Association shall be required to obtain and maintain, to the extent obtainable, casualty insurance with extended coverage, vandalism and malicious mischief endorsements, insuring the private roadways and any other improvements located on the common elements; such insurance shall cover the Property and shall name as insureds the Association, and all unit owners and their mortgagees and land contract vendors, as their interests may appear, in an amount equal to not less than the replacement value of the roadways and other improvements, without deduction for depreciation, with inflation guard endorsement, if available or such greater or lesser coverage as determined by the Board of Directors. Each policy shall provide that proceeds shall be payable to the Association or the insurance trustee as provided herein as trustee for all unit owners and their mortgagees or land contract vendors as their interests may appear. All such policies shall provide that adjustment of loss shall be made by the Association, and that the net proceeds thereof shall be payable to the Association.

(b) All policies of physical damage insurance shall contain waivers of subrogation and waivers of any defense based on coinsurance or of invalidity arising from any acts of the insured, and shall provide that such policies may not be canceled or substantially modified without at least ten days' prior written notice to the Association and to each first mortgagee and land contract vendor named as an insured in such policies. Prior to obtaining any policy of casualty insurance or any renewal thereof, the Board of Directors may elect to obtain an appraisal from a fire insurance company or otherwise of the full replacement value of the private roadways and other improvements located on the common elements without deduction for depreciation, for the purpose of determining the amount of casualty insurance to be effected pursuant to this Section.

(c) The Association shall also be required to obtain and maintain, to the extent obtainable, public liability insurance in such limits as the Association may from time to time determine (provided that such limits shall at all times equal or exceed the limit established by Declarant set forth below), covering each member of the Board of Directors, the managing agent or manager (if any), and each unit owner. Such public liability coverage shall also cover cross liability claims of one insured against another. The Board of Directors shall review such limits once each year. Until the first meeting of the Board of Directors following the first annual meeting of the unit owners, such public liability insurance shall be in a single limit of at least $1 million covering all claims for bodily injury or property damage arising out of one occurrence. Such liability insurance shall provide that the policy may not be canceled or substantially modified without at least ten days' prior written notice to the Association and to each other holder of a first mortgage or land contract vendor listed as a scheduled holder of a first lien in the policy. The Association shall obtain and maintain workmen's compensation insurance to the extent necessary to comply with any applicable laws.

(d) By acceptance of the deed to its unit, each unit owner shall be deemed to have appointed the Association as its attorney-in-fact for the purpose of purchasing and maintaining the above-described policies of insurance, including, where applicable, the collection and appropriate disposition of the proceeds thereof, the negotiation of losses and execution of releases of liability, the execution of all documents and the performance of all other acts necessary to accomplish such purpose.

(e) Unit owners or their mortgagees or land contract vendors shall not be prohibited from carrying other insurance for their own benefit provided that all policies shall contain waivers of subrogation, that the liability of the carriers issuing insurance obtained by the Association shall not be affected or diminished by reason of any such additional insurance, and that all reasonable efforts shall be made to place such additional insurance with the carrier issuing insurance obtained by the Association. The insurance obtained by the Association will not cover any improvements constructed by unit owners on or within their units or public liability claims arising out of occurrences happening within the boundaries of the units.

Section 3. Repair and Reconstruction After Damage.

(a) In the event of any damage to or destruction of the private roadway or damage or destruction to any other common element improvements in an amount less than 20% of the replacement cost of such improvements, whether or not the insurance proceeds, if any, are sufficient to complete repair or reconstruction, the Board of Directors is authorized to and shall arrange for the prompt repair and reconstruction of such damaged portion of the private roadway substantially in accordance with the original plans and specifications of such portion, and the Board of Directors shall disburse any insurance proceeds to the contractors engaged in such repair and reconstruction in appropriate progress payments. Any cost of such repair and reconstruction in excess of the insurance proceeds shall be a common expense and the Board of Directors may assess the appropriate unit owners for such deficit as part of the common expenses. By acceptance of the deed to its unit, each unit owner shall be deemed to have consented to the foregoing authorization and direction for repair and reconstruction. Such authorization and direction shall be deemed continuous action by the Association by unanimous consent pursuant to Article III, Section 11 of these By-Laws and shall constitute the determination by the unit owners and the Association to repair or reconstruct as required by the Wisconsin Condominium Ownership Act. If, notwithstanding the foregoing provisions, such a determination is submitted to the vote of the unit owners, then the affirmative vote of one unit owner shall be sufficient to determine to repair or reconstruct.

(b) In the event improvements installed or constructed by the Declarant or the Association and located in the common elements, other than the private roadway, are destroyed or damaged in an amount in excess of 20% of the replacement cost of such improvements, and insurance proceeds, if any, constitute less than 80% of the cost of completing repair or reconstruction, the Association by vote of at least 75% of all unit owners may determine within 90 days after such damage or destruction not to proceed with repair or reconstruction. If the Association determines to repair or reconstruct, or if the Association fails to vote within 90 days after such damage or destruction as to whether to repair or reconstruct, the Board of Directors shall arrange for such repair or reconstruction in accordance with the preceding paragraph of this

Section. If the Association determines not to repair or reconstruct, the improvements that are damaged or destroyed shall be deemed to be owned by the Association, and the net insurance proceeds shall be paid to the Association and placed in the accounts and reserves of the Association in such proportion as determined by the Board of Directors.

(c) In the event improvements located in the common elements, other than the private roadway, are destroyed or damaged in an amount in excess of 20% of the replacement cost of the entire Condominium, and insurance proceeds are equal to or greater than 80% of the cost of completing repair or reconstruction, the Board of Directors is authorized and shall arrange for such repair or reconstruction in accordance with Article V, Section 3(a). By acceptance of the deed to its unit, each unit owner shall be deemed to have consented to the foregoing authorization and direction for repair and reconstruction. Such authorization and direction shall be deemed continuous action by the Association by unanimous consent pursuant to Article III, Section 11 of these By-Laws and shall constitute the determination by the unit owners and the Association to repair or reconstruct as required by the Wisconsin Condominium Ownership Act. If, notwithstanding the foregoing provisions, such a determination is submitted to the vote of the unit owners, then the affirmative vote of one unit owner shall be sufficient to determine to repair or reconstruct.

Section 4. Payment of Common Expenses.

(a) All unit owners shall be obligated to pay the common expenses assessed by the Board of Directors pursuant to the provisions of Section 1 of this Article at such time or times and in such manner as the Board of Directors shall determine. A late charge of up to 5% of the amount outstanding may be imposed by the Board of Directors against a unit owner if any balance in common expenses remains unpaid more than five (5) days after payment is due.

(b) No unit owner shall be liable for the payment of any part of the common expenses assessed against its unit subsequent to a sale, transfer or other conveyance by him or her thereof (made in accordance with the provisions of Article VII, Section 1 of these By-Laws). A purchaser of a unit shall be liable for the payment of common expenses assessed against such unit prior to the acquisition by him of such unit except that if the Association or Board of Directors furnishes a statement pursuant to section 703.165 of the Wisconsin Condominium Ownership Act, such liability shall be limited to the amount set forth therein.

(c) Each unit owner shall be obligated to pay common expenses hereunder notwithstanding the fact that he may have a pending dispute with the Association or the Board of Directors on any matter.

Section 5. Collection of Assessments. The Board of Directors shall take prompt action to collect from a unit owner any assessment due which remains unpaid by him for more than 30 days from the due date for its payment.

Section 6. Default in Payment of Common Expenses. In the event of default by any unit owner in paying to the Board of Directors the assessed common expenses, such unit owner shall be obligated to pay interest at the highest annual rate permitted by law or at 18% per annum,

whichever is less, on such common expenses from the due date thereof, together with all expenses, including attorneys' fees, incurred by the Board of Directors in any proceeding brought to collect such unpaid common expenses. The Board of Directors shall have the right and duty to attempt to recover such common expenses, together with interest thereon, and the expenses of the proceedings, including attorneys' fees, in an action brought against such unit owner, or by foreclosure of the lien on such unit granted by section 703.165 of the Wisconsin Condominium Ownership Act. The Board of Directors shall also have the right to prohibit such unit owner from voting at a meeting of the Association if the Association has recorded a statement of condominium lien on such unit and the amount necessary to release the lien has not been paid at the time of the meeting.

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

Section 8. Statement of Common Expenses. The Board of Directors shall promptly provide any unit owner, who makes a request in writing, with a written statement of its unpaid common expenses.

Section 9. Abatement and Enjoining of Violations. The violation of the Wisconsin Condominium Ownership Act, the Declaration, these By-Laws or any rules and regulations promulgated by the Board of Directors as permitted by these By-Laws, shall give the Board of Directors the right, in addition to any other rights set forth in these By-Laws: (a) to enter the unit in which, or as to which, such violation exists and to summarily abate and remove, at the expense of the defaulting unit owner, any thing or condition that may exist therein contrary to the intent and meaning of the provisions hereof (provided, however, that the Board of Directors shall not have the right to alter or demolish items of construction), and the Board of Directors shall not thereby be deemed guilty in any manner of trespass; or (b) to enjoin, abate or remedy such thing or condition by appropriate legal proceedings.

Section 10. Maintenance and Repair.

(a) All maintenance of and repairs to any unit and to any limited common element appertaining to such unit shall be made by the owner of such unit. Each unit owner shall be responsible for maintaining all improvements located within its or her unit. Each unit owner shall be responsible for all damages to any other unit or common or limited common element resulting from its negligence, misuse, misconduct or neglect, except to the extent such damages may be caused by a peril for which insurance coverage is maintained by the Association. If a unit owner fails to maintain its unit or the limited common elements appertaining to its unit in a manner consistent with the standards of maintenance of the Condominium, the Association may,

upon 30 days' written notice to such unit owner, proceed to arrange for the necessary maintenance or repair of the unit or limited common elements. All costs so incurred by the Association shall constitute a common expense which shall be specially assessed solely against the affected unit and the Association shall take such steps as are permitted or required by these By-Laws to enforce payment of such special assessment.

(b) All maintenance, repairs and replacements to the common elements (unless necessitated by the negligence, misuse, misconduct 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 the unit owners as a common expense. The Association shall be responsible for snow removal from the private roadways as necessary.

Section 11. Use of Property. In order to provide for congenial occupancy of the Property and for the protection of the values of the units, the use of the Property shall be subject to the following limitations:

(a) The units shall be restricted to single family residential purposes and related uses.

(b) The common elements shall be used only for the purposes for which they are reasonably suited and which are incidental to the use and occupancy of units.

(c) No nuisances or noxious odors 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 unlawful use shall be made of the Property or any part thereof, and all laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be complied with. Such compliance shall be accomplished at the sole expense of the unit owner(s) concerned or the Association, whichever shall have the obligation to maintain or repair such portion of the Property.

(e) No tree or bush or other vegetation (whether planted by Declarant or naturally located) shall be removed from a common area without the prior written approval of the Board of Directors. The removal of logs or wood from any portion of the common elements is prohibited.

(f) Except with the prior permission of the Board of Directors, no trailer, tent, shack, or other living quarters of a temporary character, shall be permitted on any part of the Property at any time. There shall be no camping on the Property at any time.

(g) Except with the prior permission of the Board of Directors, no trucks, buses, trailers, campers, snowmobiles, boats or vehicles (other than private passenger cars, SUVs or similar private vehicles) shall be parked on the Property (other than inside garages) for purposes other than in the normal course of construction or for services rendered to a unit.

(h) No animals, livestock, or poultry of any kind shall be raised, bred or kept on the Property, except that each unit owner may keep a combination of dogs and cats which totals four (4) animals, as household pets. All pets shall be kept on a leash and accompanied by its owner when in any portion of the common elements of the Condominium. No pet shall be permitted which causes an unreasonable disturbance. Any pet excrement in common areas shall be removed immediately by the owner of the unit in which the pet resides. Outdoor dog kennels are not permitted on any unit.

(i) No outside lighting shall be permitted other than a porch light, a garage light, an outdoor electric lamppost (as required by the Declaration), and a single backyard light. No outside lights shall use sodium vapor or other high intensity bulbs or fixtures.

(j) Garage doors shall be kept closed at all times. Garages and driveways shall not be used for vehicle repairs, painting or similar activities.

(k) Parking on the roads on the Property is not permitted at any time. The roads shall be kept clear at all times for emergency traffic such as ambulances and fire trucks. Guests may park only within the boundaries of a unit.

(l) The Association is responsible for all snow removal on the private roadway. Unit owners shall not use any rock salt or other melting chemicals on the private roadway.

Section 12. Additions, Alterations or Improvements by Board of Directors. Whenever in the judgment of the Board of Directors the common elements shall require additions, alterations or improvements costing in excess of 10% of the annual operating budget, and the making of such additions, alterations or improvements shall have been approved by a majority of unit owners, the Board of Directors shall proceed with such additions, alterations or improvements and shall assess all unit owners for the cost thereof as a common expense. Any additions, alterations or improvements costing 10% of the annual operating budget or less may be made by the Board of Directors without approval of the unit owners and the cost thereof shall constitute a common expense.

Section 13. Architectural and Design Control. The plans and specifications for any improvement to be constructed within a unit shall be submitted to the Board of Directors for approval prior to the commencement of construction. No construction shall be permitted within any unit until the Board of Directors has determined that the proposed improvements comply with the building standards and restrictions set forth in Section 6 of the Declaration and in these By-Laws. All plans and specifications approved by the Board of Directors hereunder, including without limitation the unit's landscaping plan, shall be kept on file by the Assoication and replaced as necessary when such plans are amended or revised.

Section 14. Water and Sanitary Facilities. Water and sewer required to service the units shall be supplied by private wells and private sanitary systems or holding tanks installed by each unit owner. Any mound type private sanitary system installed within a unit and its limited common elements shall be screened from view of the private roadways and other units by

landscaping approved by the Board of Directors. Expenses for water used in or in connection with the common elements shall be paid as a common expense.

Section 15. Electricity and Gas. Electricity required to service the units and the common elements shall be supplied by the public utility companies serving the area, and shall be separately metered for each unit. Each unit owner shall be responsible for electricity consumed or used in or in connection with its unit. Expenses for electricity consumed or used in or in connection with the common elements shall be paid as a common expense.

Section 16. Rules of Conduct. Rules and regulations concerning the use of the units and the common elements may be promulgated and amended by the Board of Directors. Copies of such rules and regulations shall be furnished by the Board of Directors to each unit owner prior to their effective date.

ARTICLE VI

Mortgages

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

Section 2. Notice to Board of Directors. A unit owner who mortgages its unit shall immediately notify the Board of Directors of the name and address of its mortgagee. The Board of Directors shall maintain such information in a book entitled "Mortgages of Units."

Section 3. Rights of Mortgagees. As to any mortgagee of a unit or insurer or guarantor of any unit mortgagee (referred to below, collectively, as the "mortgagee") which has notified the Association in writing delivered or mailed by certified mail to the place of service of process stated in Section 7 of the Declaration that it desires to receive notice of the following matters:

(a) The Board of Directors shall give the mortgagee written notice by mail of the call of any meeting of the membership or the Board of Directors of the Association to be held for the purpose of considering any proposed amendment to the Declaration, the Articles or the By-Laws;

(b) The Board of Directors shall give the mortgagee by mail a copy of the notice of default which is given to any unit owner on any failure to comply with or violation of any of the provisions of this Declaration, the Articles, the By-Laws and rules and regulations promulgated thereunder, and any amendments thereto, simultaneously with the giving of required notice to any unit owner which shall be not later than 30 days after such failure;

(c) The Board of Directors shall notify the mortgagee of any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association;

(d) The Board of Directors shall permit the mortgagee to examine during normal business hours books and records of the Association (including current copies of the Declaration, these By-Laws and all rules and regulations promulgated thereunder) and upon request shall furnish the mortgagee annual reports and such other financial data (including audited financial statements) as it sends to unit owners.

Section 4. Land Contracts. For purposes of this Article VI and elsewhere in these By-Laws, land contract vendors and vendees shall have the same rights as mortgagees and mortgagors, respectively.

ARTICLE VII

Sales and Leases of Units

Section 1. Sales and Leases. Unit owners may sell or lease their units or any interest therein provided the provisions of this Article are complied with. A unit owner shall notify the Association of the pending sale or lease of its unit prior to the date of the closing of such sale or commencement of such lease, and shall supply the Association with the names of the prospective purchasers or lessees. A unit owner's sale of its unit shall include the sale of (a) the undivided percentage interest in the common and limited common elements appurtenant thereto; (b) the interest of such unit owner in any units theretofore acquired by the Association, 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 Association ((a), (b) and (c) hereinafter collectively called the "appurtenant interests").

Section 2. No Severance of Ownership. No unit owner shall execute any deed, mortgage or other instrument conveying or mortgaging title to its 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. Financing of Purchase of Units by Association. Acquisition of units by the Association or its designee, on behalf of all unit owners, may be made from the working capital and assessments for common expenses in the hands of the Board of Directors, or if such funds are insufficient, the Association 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 Association. Title to any real or personal property acquired by the Association shall be taken in the name of the Association. The Association shall act to borrow money, and acquire and convey property in the same manner as a corporation organized under the Wisconsin Nonstock Corporation Law.

Section 4. Waiver of Right of Partition With Respect to Units Acquired by Association. In the event that a unit shall be acquired by the Association 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 5. Rental. Unit owners may rent the residential dwellings located within their units by written lease to whomever and on whatever terms and conditions as they so desire; provided, however, that except for one rental of not less than two weeks each calendar year, no unit may be leased or rented for a period of less than four weeks, and further provided that the Association is given notice of the names and permanent address of the tenants at least 10 days prior to the commencement of their tenancy. All leases shall specifically obligate the tenants to abide by the Declaration, these By-Laws and rules and regulations promulgated thereunder. The Board of Director may elect to recind a unit owner's right to rent its unit in response to any tenant violations of the Declaration, these By-Laws and/or the rules and regulations.

Section 6. Payment of Assessments. No unit owner shall be permitted to convey, mortgage, pledge, hypothecate, sell or lease its unit unless and until he shall have paid in full to the Association all unpaid common expenses theretofore assessed by the Board of Directors against its unit.

ARTICLE VIII

Condemnation

Section 1. Common Elements. In the event of a taking in condemnation or by eminent domain of part or all of the common elements of the Property exclusive of any of the units, the award made for such taking shall be payable to the Association. The Association shall promptly undertake to restore the common elements. The proceeds of the award shall be disbursed to effect such restoration and any costs in excess of the award shall be a common expense. The Board of Directors shall effect such restoration in accordance with Article V, Section 3(a) of these By-Laws. If restoration is not undertaken, the proceeds of the award shall be disbursed to the unit owners in proportion to their respective undivided percentage interests in the common elements and placed into the Association's reserves, as determined by the Board of Directors.

Section 2. Units. In the event of a taking in condemnation or by eminent domain of any of the units exclusive of the common elements, the entire net proceeds shall be disbursed to those unit owners whose units have been taken in proportion to their respective undivided percentage interests in the common elements. If any such unit owner is in default in paying common expenses, the amount of said common expenses shall be deducted from its share of the proceeds. If more than 50% of the land area within a unit and its limited common elements is taken, upon receipt of its share of the proceeds, each unit owner shall execute a release, in form satisfactory to the Association, of its undivided percentage interest in the common elements and shall thereafter no longer be considered a unit owner. The interests of the remaining unit owners in the common elements shall be recomputed by the Board of Directors, whose decision shall be final, to reflect said releases.

ARTICLE IX

Records

Section 1. Records and Reports. The Board of Directors or the managing agent shall keep detailed records of the actions of the Association and the Board of Directors, minutes of the meetings of the Board of Directors, minutes of the meetings of the unit owners, and financial records and books of account of the Association, 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 expenses 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 Association shall be rendered by the Board of Directors to all unit owners at least semiannually. In addition, an annual report of the receipts and expenditures of the Association, prepared by an independent certified public accountant which report need not be certified, 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. The Association shall maintain current disclosure materials and provide the disclosure materials to unit owners desiring to sell their units for a charge not to exceed the cost of copying.

ARTICLE X

Miscellaneous

Section 1. Notices. All notices to the Board of Directors or the Association shall be sent by registered or certified mail, c/o the managing agent, or if there is no managing agent, to the office of the Association or to such other address as the Board of Directors may hereafter designate from time to time. Except when delivered in person, all notices to any unit owner shall be mailed or hand delivered to its unit or to such other address as may have been designated by him from time to time, in writing, to the Board of Directors. All notices to mortgagees of units shall be mailed or hand delivered to their respective addresses, as designated by the unit owners 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. Notices to the unit owners or their mortgagees need not be mailed by registered or certified mail, except as otherwise provided in these By-Laws.

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

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

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

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

Section 6. Conflicts. These By-Laws are set forth to comply with the requirements of the Wisconsin Condominium Ownership Act. In case any of these By-Laws conflict with the provisions of such Act, the provisions of such Act shall control. In case any of these By-Laws conflict with the provisions of the Declaration, the Declaration shall control.

ARTICLE XI

Amendments to By-Laws

Section 1. Amendments to By-Laws. These By-Laws may be modified or amended by vote of at least 67% of the authorized votes of all unit owners, such vote to be taken at a meeting of unit owners duly held for such purposes.