BY-LAWS
OF
LINDALE VILLAS CONDOMINIUMS

ARTICLE I

Name and Purpose

Pursuant to the Articles of Incorporation of Lindale Villas Condominiums, Inc. and the Declaration for Lindale Villas Condominiums recorded in the Office of the Register of Deeds for Waukesha County, Wisconsin (hereinafter the "Declaration"), the following are adopted as the By-Laws of Lindale Villas Condominiums. (Hereinafter sometimes referred to as the "Association"), which is a non-profit, non-stock corporation formed and organized to serve as an association of unit owners who own real estate and improvements (hereinafter the "Property") under the condominium form of ownership, as provided in the Condominium Ownership Act under the laws of the State of Wisconsin and subject to the terms and conditions of the Declaration.

These By-Laws shall be deemed covenants running with the land and shall be binding on the unit owners, their heirs, administrators, personal representatives, successors and assigns.

ARTICLE II

Members, Voting and Meetings

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

a. Defined. Members of the Association shall be all unit owners as the term "unit" is defined in Section 5 of the Declaration. Every unit owner upon acquiring title to a unit under the terms of the Declaration shall automatically become a member of the Association and shall remain a member until such time as his ownership of such unit ceases for any reason, at which time his membership in the Association shall automatically cease.

b. One Membership and Vote Per Unit. One membership and one vote shall exist for each unit. If title to a unit is held by more than one person, the membership related to that unit shall be shared by such unit owners in the same proportionate interests and by the same type of tenancy in which the title to the unit is held. Voting rights may not be split, and shared membership interests with regard to a single unit must be voted by one person pursuant to the designation of that person contained in the Membership List. If a unit is sold under a land contract, the land contract vendee shall be entitled to cast the vote appurtenant to the unit. Notwithstanding the provisions of this section, if the Association has filed a statement of condominium lien against a unit and the amount necessary to release such lien has not been paid at the time of an Association meeting, the owners of such unit shall not be entitled to vote at such meeting.

c. Membership List. The Association shall maintain a current Membership List showing the membership pertaining to each unit, the address to which notice of meetings of the Association shall be sent, the mortgagee of the unit, if any, and the person designated to cast the vote pertaining to such unit. Only the person so designated shall be entitled to cast a vote in person or by proxy. A designation may be limited in time or may be changed by notice in writing to the Secretary of the Association signed by a majority of the persons having an ownership interest in the unit.

d. Transfer of Membership. Each membership shall be appurtenant to the unit upon which it is based and shall be transferred automatically upon conveyance of that unit. Upon transfer of a unit, the Association shall, as soon as possible thereafter, be given written notice of such transfer, including the name and address of the new owner, identification of unit, date of transfer, name of the person designated to vote, the mortgagee of the unit, if any, and any other information about the transfer which the Association may deem pertinent, and the Association shall make appropriate changes to the Membership List effective as of the date of transfer. The Association may provide Membership Certificates to its members.

2.2 QUORUM AND PROXIES FOR MEMBERS' MEETINGS. A quorum for members meetings shall consist of 33% of the votes in the Association. Votes may be cast in person or by proxy in accordance with designations in the Membership List. Proxies shall be valid only for the particular meeting(s) or time period designated therein, up to a maximum of 180 days, unless sooner revoked, and must be filed with the Secretary before the appointed time of the meeting. If any meeting of members cannot be organized because a quorum is not present, a majority of the members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present, without further notice. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting as originally noticed.

2.3 ACT BY MAJORITY. The act of a majority of votes of the Association present in person or by proxy at any meeting at which a quorum is present shall be the act of the Association, unless provided otherwise under the Condominium Ownership Act of Wisconsin.

2.4 TIME, PLACE, NOTICE AND CALLING OF MEMBERS' MEETINGS. Written notice of all meetings stating the time and the place and the purposes for which the meeting is called shall be given by the President or Secretary, unless waived in writing by all unit owners, to each member at his address as it appears on the books of the Association and shall be mailed or personally delivered not less than ten (10) days nor more than ninety (90) days prior to the date of the meeting. Meetings shall be held at such time and place as may be designated by the Board of Directors.

2.5 ANNUAL AND SPECIAL MEETINGS. The annual meeting shall be held on the second Tuesday in November of each year for the purpose of electing directors and of transacting any other business authorized to be transacted by the Members. Special meetings of the members shall be held whenever called by the President or any two members of the Board of Directors and must be called by such officers upon receipt of a written request signed by members with no less than *75%* of the votes in the Association.

ARTICLE III

Board of Directors

3.1 POWERS AND DUTIES OF THE BOARD OF DIRECTORS. The affairs of the Association, including management and operation of the condominium property, shall be governed by the Board of Directors. All powers and duties as shall be necessary for the administration of the affairs of the Association shall be exercised by the Board of Directors. Such powers and duties shall be exercised in accordance with the provisions of the Declaration, the Articles of Incorporation, and these By-Laws.

3.2 INITIAL BOARD OF DIRECTORS. The initial Board of Directors shall consist of three (3) persons, appointed by Declarant, who need not be members of the Association, to serve until control of the Association passes to the unit owners pursuant to terms of the Declaration. Notwithstanding the foregoing, prior to the conveyance of 25% of the common element interests in Lindale Villas Condominiums to purchasers, an Association meeting shall be held and unit owners other than Declarant shall elect at least 25% of the Board of Directors. Prior to the conveyance of 50% of the common element interests by Declarant to purchasers, an Association meeting shall be held and the unit owners other than Declarant shall elect at least one-third *(1/3)* of the Board of Directors.

3.3 NUMBER AND QUALIFICATIONS OF DIRECTORS. After control of the Association passes to the unit owners pursuant to terms of the Declaration, the Board of Directors shall consist of three (3) persons, to be classified with respect to the terms for which they severally hold office as set forth in Paragraph 3.4 below. Each member of the Board of Directors shall be a member of the Association or, in the event that such member of the Association is not a natural person, the appointee of such member of the Association.

3.4 ELECTION *AND* TERM OF DIRECTORS. At the first annual meeting of the Association after Association control passes to the unit owners, the members shall elect three (3) directors to be classified with respect to the terms for which they hold office by dividing them into two (2) classes as follows:

a. Two (2) directors whose terms will expire after one (1) year, at the next annual meeting of the Association (Class "A" Directors).

b. One (1) director whose terms will expire after two (2) years, at the second annual meeting of the Association after their election (Class "B" Directors).

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

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

3.6 REMOVAL OF DIRECTORS. At any regular or special meeting duly called, any one or more of the directors may be removed with or without cause by a majority of the votes of the membership present or represented at such meeting, providing a quorum is in attendance, and a successor may then and there be elected to fill the vacancy thus created.

3.7 ANNUAL MEETING AND NOTICE. An annual meeting of the Board of Directors maybe held immediately after, and at the same place as, the annual meeting of the members, for the purpose of transacting such business as may come before the meeting. Notice of the regular annual meeting of the Board of Directors shall not be required.

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

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

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

3.11 QUORUM OF DIRECTORS/ADJOURNMENTS. At all meetings of the Board of Directors, a majority of the directors shall constitute a quorum for the transaction of business, and the majority of the directors present at a meeting at which quorum is present shall be the act of the Board of Directors. If, at any meeting of the Board of Directors, there shall be less than a quorum present, the majority of those present may adjourn the meeting from time to time without further notice. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting as originally called at be transacted.

3.12 FIDELITY INSURANCE. The Board of Directors shall require that officers and/or employees of the Association handling or responsible for Association funds shall purchase adequate fidelity insurance. The premiums on any such bonds shall be paid for by the Association.

ARTICLE IV

Officers

4.1 DESIGNATION, ELECTION AND REMOVAL. The principal officers of the Association shall be a President, Vice-President, Secretary and Treasurer, to be elected biennially by the Membership. Upon the affirmative vote of the majority of the members of the Board of Directors, any officer may be removed, either with or without cause, and his successor shall be elected at a regular meeting of the Board of Directors, or at any special meeting called for that purpose. Any two or more offices, except a combination of the offices of the President and Vice-President, or a combination of the offices of President and Secretary, may be held by the same person.

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

4.3 VICE-PRESIDENT. The Vice-President shall be elected by the Membership and shall take the place of the President and perform those duties whenever the President shall be absent or unable to act. If both the President and the Vice-President are unable to act, the Board of Directors shall appoint some other member of the Board to act on an interim basis. The Vice-President shall also perform such other duties as shall from time to time be imposed upon him by the Board of Directors.

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

4.5 TREASURER. The Treasurer shall be elected by the Membership and shall have responsibility for the Association's funds and shall be responsible for keeping full and accurate accounts of all receipt and disbursements and financial records and books of account on behalf of the Association. The Treasurer shall be responsible for the deposit of all monies and all valuable effects in the name, and to the credit, of the Association in such depositories as may from time to time be designated by the Board of Directors. The Treasurer shall also be

responsible for the billing and collection of all common and special charges and assessments made by the Association. The Treasurer shall count votes at meetings of the Association.

4.6 LIABILITY OF DIRECTORS AND OFFICERS. No person shall be liable to the Association for any loss or damage suffered by it on account of any action taken or admitted to be taken by them as a director or officer of the Association, if such person (a) exercised and used the same degree of care and skill as a prudent person would have exercised or used under the circumstances in the conduct of his or her own affairs, or (b) took or omitted to take such action in reliance upon advise of counsel for the Association or upon statements made or information furnished by officers or employees of the Association which he had reasonable grounds to believe to be true. The foregoing shall not be exclusive of other rights and defenses to which they may be entitled as a matter of law. The Board of Directors may provide directors' and officers' liability insurance in such amounts and with such coverage as may be determined by the Board of Directors to be necessary or advisable from time to time.

4.7 INDEMNIFICATION OF OFFICERS AND DIRECTORS. The corporation shall, to the fullest extent permitted or required by Sections 181.041 to 181.053, inclusive, of the Wisconsin Non-stock Corporation Law ("Statute"), including any amendments thereto (but in the case of any such amendment, only to the extent such amendment permits or requires the corporation to provide broader indemnification rights than prior to such amendment), indemnify its Directors and Officers against any and all Liabilities, and advance any and all reasonable Expenses, incurred thereby in any Proceeding to which any Director or Officer is a party because such Director or Officer is a Director of the corporation. The corporation may indemnify its employees and authorized agents, acting within the scope of their duties as such, to the same extent as Directors or Officers hereunder. The rights to indemnification granted hereunder shall not be deemed exclusive of any other rights to indemnification against Liabilities or the advancement of Expenses which such Director or Officer may be entitled under any written agreement, board resolution, vote of the Members, the Statute or otherwise. All capitalized terms used in the Section 11.4 and not otherwise defined herein shall have the meaning set forth in Section 181.041 of the Statute.

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

4.8 COMPENSATION. No director or officer of the corporation shall receive any fee or other compensation for services rendered to the Association except by specific resolution of the membership.

4.9 NOTIFICATION OF ELECTIONS FOR BOARD POSITIONS AND NOMINATIONS. Notification of board positions that are to be voted on will be mailed to unit owners at least 60 days prior to the annual owner's meeting that is held in November. Unit owners will have 30 days (from post marked mailing of notice) to submit nominations for positions that are up for election to the Secretary of the Association Board. The deadline for submitting nominations will be posted on the nomination form. Late nominations and/or nominations

from the floor of the annual meeting will not be accepted. Once the deadline for nominations has passed, the Secretary will contact nominated individuals for acceptance or non-acceptance of their nomination. Ballots will then be created, listing the nominated individuals for the appropriate position that they are nominated for. The election for board positions will be held at the annual meeting by ballot vote. The individual obtaining a simple majority of votes cast will be declared the winner of any contested positions.

ARTICLE V

Operation of the Property

5.1 THE ASSOCIATION. The Association, acting through the Board of Directors, shall be responsible for the administration, maintenance, management and operation of the condominium property, in accordance with the Condominium Ownership Act, the Declaration, the Articles of Incorporation, and these By-Laws. The Association, by resolution of the Board of Directors, shall have full power and authority to borrow money and acquire and convey property on behalf of the Association, provided that any single Association loan, acquisition, conveyance, or mortgage involving the sum of $1000.00 or more, shall first be approved by the membership at an annual or special meeting called for such purpose. The Association shall contract for management services or a managing agent with respect to the administration and operation of the condominium.

5.2 RULES AND REGULATIONS. The Association, through the Board of Directors, shall from time to time adopt rules and regulations governing the operation, maintenance and use of the units and the common elements and facilities by the unit owners and occupants. Such rules and regulations of the Associations shall not be inconsistent with the terms of the Declaration or the contracts, documents, and easements referred to in the Declaration, and shall be designated to prevent unreasonable interference with the use of the respective units and the common elements and facilities by persons entitled thereto. The Association members, their lessees or guests, and any occupants of the units, shall conform to and abide by all such rules and regulations. The Association through its Board of Directors shall designate such means of enforcement thereof as it deems necessary and appropriate. The rules and regulations may be adopted, altered, and amended or repealed by either the members of the Association or the Board of Directors, in each case by an affirmative vote of 80% or more of the votes present or represented at a meeting at which a quorum is in attendance, provided such action has been included in the notice of meeting, and provided that no rule or regulation adopted by the members shall be amended or repealed by the Board of Directors if the rule or regulation so adopted so provides.

5.3 COMMON EXPENSES. The Board of Directors shall determine the common expenses of the Association, and shall prepare an annual operating budget for the Association in order to determine the amount of the assessments payable by each unit to meet the estimated common expenses of the Association for the ensuing year. The amounts required by such budget shall be assessed against the units and allocated among the members of the Association according to their respective percentages of ownership in the common elements and facilities of the

Condominium as set forth in the Declaration. The assessments shall be made on an annual basis and shall be prorated and due and payable in installments. If not paid on or before the due date, the assessment shall bear interest at the prevailing prime rate of interest as specified in the Wall Street Journal (or a comparable publication if the Wall Street Journal is no longer published), determined as of the first day of each month, until paid in full. If delinquent for more than thirty (30) days, the Association may accelerate the annual assessment remaining unpaid with respect to such delinquent unit for purposes of collection or foreclosure action by the Association. In the event the annual budget and assessments are not determined prior to the beginning of a fiscal year of the Association, the assessment for the prior year shall remain in effect until revised by the Board of Directors.

5.4 OPERATING BUDGET. The annual operating budget shall provide for two funds, one of which shall be designated the "operating fund" and the other the "reserve fund." The operating fund shall be used for all common expenses which occur annually or more frequently, such as amounts required for the cost of services, snow and lawn maintenance, insurance on the common elements, administration, materials and supplies. The reserve fund shall be used for contingencies and periodic expenses such as driveway repair, paving, repair and renovation of the building common elements. In the event the Association incurs extraordinary expenditures not originally included in the annual budget, then such sums as may be required in addition to the operating fund may be charged against the reserve fund up to a maximum of 10% of the reserve fund. In the event that such funds prove inadequate to meet the necessary common expenses, or at the discretion of the Board of Directors, the directors may levy further assessment(s) against the unit owners. The reserve fund shall not be implemented unless approval from the majority of those present at a duly noticed owner's meeting.

The reserve fund may also be used to discharge mechanic's liens or other encumbrances levied against the entire property, or against each unit, if resulting from action by the Association. The unit owner or owners responsible for any lien which is paid by the Association but not the obligation of the Association shall be specially assessed for the full amount thereof. The directors may also use the reserve fund for the maintenance and repair of any unit it such maintenance and repair, although the obligation of the unit owner, is necessary to protect the common property. The full amount of the cost of any such maintenance or repair shall be specially assessed to the unit owner responsible therefore. Any charges against the reserve fund in accordance with the foregoing paragraphs which are not otherwise repaid to the fund shall be replenished by additional assessments against the unit owners in subsequent years. The annual budget shall be prepared and determined by November 1st of each calendar year. The Board of Directors shall advise all members of the Association in writing of the amount of common assessments payable on behalf of each unit by the date of the annual membership meeting and shall furnish copies of the budget on which such common assessments are based to each member.

If within fifteen (15) days after the annual membership meeting a petition is presented to the Board of Directors protesting such assessments or the budget upon which they are based, and the petition is signed by members representing more than eighty percent (80%) of the Association votes, then the directors shall notify all members of a meeting called for the sole purpose of reviewing such assessments or budget. At such meeting, the vote of more than eighty percent (80%) of the Association votes may revise the budget and assessments, and such

revised budget and corresponding assessments shall replace for all purposes the ones previously established; provided, however, that the annual budget and assessments may not be revised downward to a point lower than the average total budget for the preceding two years and provided further, that if a budget and assessments have not been established and made for any two preceding years, then the budget and assessments may not be revised downward until two years of experience exist.

5.5 WORKING CAPITAL FUND. A working capitol fund shall be established equal to two months' initial estimated common expenses for each unit in Lindale Villas Condominiums. The working capital fund shall be used to meet unforeseen expenditures or to purchase additional equipment or services, and any amount paid into the working capital fund shall not be considered as advance payments of regular assessments. Each unit's share of the working capital fund shall be collected at the time the first sale of the unit is closed and title to the unit is conveyed by the Declarant. While Declarant is in control of the Association, Declarant shall not use any part of the working capital fund to defray its expenses or construction costs or to make up any budget deficits. When control is transferred to the Association, the working capital fund shall be transferred to the Association for deposit into the reserve fund.

5.6 COMMENCEMENT OF PAYMENT. Each unit in the condominium shall begin paying monthly payments of common expenses to the Association as of the date of the first transfer of title to such unit by the Declarant. Such monthly payments of common expenses shall be in accordance with the proposed annual budget prepared by Declarant for the Association. Until such time as a unit in the condominium has been sold by Declarant, or until 6 months after the date construction of a unit is completed, whichever shall first occur, Declarant shall not be required to pay monthly common expenses or reserve funds to the Association with regard to unsold units. However, during such time Declarant shall be responsible for paying any deficiency in operating expenses of the Association which are not covered by the assessments paid by unit owners pursuant to the annual budget. Declarant shall make customary payments of monthly assessments as to unsold units owned by Declarant beginning no later than 6 months after the date construction of a unit is completed, evidenced by issuance of an occupancy permit for such unit. At such time as Declarant is making customary payments of assessments pursuant to the annual budget as to all units owned by Declarant, whether or not Declarant is required to do so, Declarant shall no longer be responsible for paying any deficiency in operating expenses of the Association.

5.7 DEFAULT AND LIENS. All assessments, until paid, together with interest at the prime rate (as described in Section 6.3) and actual costs of collections, constitute a lien on the units on which they are assessed and on the undivided interest in the common elements appurtenant thereto. If a member of the Association is in default in payment of any charges or assessments for a period of more than thirty (30) days, the Board of Directors, in the name of the Association, may file liens therefore and bring suit for and on behalf of the Association, as representative of all members, to enforce collection of such delinquencies or to foreclose the lien therefore, as provided by law, and there shall be signed and verified on behalf of the Association by any officer or agent of the Association. The owners of a unit against which a lien has been filed shall not be entitled to vote at Association

meetings until the lien has been paid in full.

ARTICLE VI

Repair and Maintenance

6.1 INDIVIDUAL UNITS. Each unit owner, at their sole expense, shall be responsible for keeping the interior of their unit and all of its equipment, fixtures and appurtenances in good order, pristine condition and repair and in a clean and sanitary condition. Each unit owner must perform properly or cause to be performed all maintenance and repair work to or within their own unit which if omitted would affect the project in its entirety or in a portion belonging to other owners. Upon failure of the unit owner to maintain their unit, the Association may accomplish necessary repairs and maintenance and assess the respective unit owner for the costs and expenses thereof, after thirty (30) days written notice to the unit owner giving the owner opportunity to perform the needed maintenance or repair within such thirty (30) day period.

Without in any way limiting the foregoing, each unit owner shall be responsible for the following:

* All painting, repairing, restoration, maintenance, and decorating of unit interiors, windows and walkway landscaping area leading to unit's main entrance.

- Decorating and keeping the interior of the unit in good repair;

- Maintenance and repair of lighting fixtures, refrigerators, ranges, heating and air-conditioning equipment (including appurtenant compressor and equipment), plumbing fixtures, dishwashers, disposals, laundry equipment such as washers and dryers, water heaters, and water softeners.

Upon failure of the unit owner to do so, the Association may accomplish repairs and maintenance to the unit, as determined to be necessary by the Association, and assess the respective owner for the costs and expenses thereof, after thirty (30) day written notice to the unit owner giving the owner opportunity to perform the needed maintenance or repair within such thirty (30) day period.

For purposes of uniformity of external appearance and quality, the Association may specify the type, color and quality of materials to be used in replacing, repairing, painting or maintaining external fixtures such as entry doors, garage doors, windows, lighting fixtures and other items which may be determined from time to time by the Board of Directors of the Association.

6.2 COMMON ELEMENTS AND FACILITIES. The Association shall be responsible for the management and control of the common elements and facilities and limited common elements, and shall cause the same to be maintained, repaired and kept in good, clean, attractive and sanitary condition, order and repair, except to the extent individual unit owners are responsible therefore as provided hereinafter with respect to limited common elements. The Association shall be responsible, at Association expense unless necessitated by the negligence or

misuse of a unit owner, or the tenant, guest or agent of a unit owner, in which case such expense shall be charged and specially assessed to such unit owner), for accomplishment of the following specific items of maintenance and repair with respect to the common elements:

- All cleaning, painting, repair, restoration and general maintenance of the common property;
- All maintenance, repair and restoration of driveways, walkways and storm water management basins;
- Snow and ice removal from driveways and walkways;
- Lawn care, landscaping, tree cutting, erosion control, and general care and maintenance of any plantings and shrubberies which may from time to time be located within the common elements;
- Necessary care and maintenance of utility services and line within the common elements, including master television and communication cables, lines or antennae, and utility connection to mains;

6.3 LIMITED COMMON ELEMENTS. The maintenance and repair of the limited common areas shall be the sole responsibility of the Association.

6.4 ASSOCIATION SERVICES. The Association may provide any service or maintenance requested by a unit owner or owners with respect to individual units or limited common elements that the Association is able and willing to provide or perform, and shall specify assess such requesting owner or owners therefore.

ARTICLE VII

Duties and Obligations of Unit Owners

7.1 RULES AND REGULATIONS. The units and the common elements and facilities and limited common elements (herein sometimes called the "commons") shall be occupied and used in accordance with the Declaration, the Articles of Incorporation, these By-Laws, and the rules and regulations adopted by the Association from time to time, , including the following:

(a) Apartments. No unit owner, lessee or occupant shall occupy or use an apartment, as that term is defined in Section *5.2.3* of the Declaration, or the common elements, or permit the same or any part thereof to be occupied or used, for any purpose other than residential purposes. No trade or business shall be conducted on the condominium property or from any unit, except that up to two condo units may be used as models for purposes of selling additional units.

(b) Occupancy. Individual units of Lindale Villas Condominiums shall not be used or occupied by any person or persons for a period of less than *365* consecutive days, except with prior written approval of the Association. The intent of this provision is to prohibit business, transient or similar uses of the units which would involve multiple occupancies by different persons or groups or persons.

(c) The unit owner needs to get permission (in writing) from the Board of Lindale Villas Condominium Association before entering into any lease agreement of the Unit that is to be leased as a rental property;

- The lease must be in writing, signed by the owner and the tenant and a photocopy of the properly completed and executed lease must be provided to the Board before occupancy;
- That at no time can there be more than five (5) units within the entire 48 unit complex being "leased" as rental properties;
- The lease must be for a period of not less than One (1) year;
- That if the lessee desires to extend the lease agreement after the first year of occupancy, the owner of the unit must provide a photocopy of the renewed lease agreement to the Board after it has been properly executed and dated; that if the terms of the renewed lease is for a period of less than a one year term that the owner will notify the Board regarding the new terms of the lease agreement;
- The owner of the unit must provide a signed statement that copies of the Lindale Villas Declarations and Bylaws have been provided to the lessee(s), including the date on which they were provided;
- The lessees must provide a signed statement that copies of the Lindale Villas Declarations and Bylaws have been received and have been read, including the date on which they were received and read;
- The lease must specifically obligate the tenant to abide by the terms and conditions of the Declaration, these By-Laws, and all rules and regulations of the Association.

- The unit owner of a rented unit is responsible for association fees paid to Lindale Villas Condo Association - on time and to be maintained current. Any violations on behalf of the renter or owner that incur a violation fine or penalty shall be assessed against the unit owner. The responsible party for payment shall be the unit owner, not the renter. Unpaid association fees, by-law fines or penalties shall result in a lien filed against the property or collected via other means legally available to Lindale Villas Condo Association.
- Unit owner of a rented unit is allowed and recommended to attend Lindale Villas Condo Association meetings for voting purposes. Renter is allowed and recommended to attend meetings and vote via proxy on behalf of the owner, but is not allowed to vote as a resident or as a representative of the unit owner.
- An owner of rental units may not rent more than two units at any time within Lindale Villas Condo Association; however, this does not preclude an owner from owning and

occupying more than one unit as their private residence or as investment property for resale purposes.

- That if the Association determines that a violation or series of violations warrant termination of the lease, the Association may take whatever action or actions are necessary to terminate the lease; that any and all expenses incurred by the Association in connection with any violations shall be assessed to the account of the unit owner and the owner will be responsible for payment.

(d) Parking. Each unit in Lindale Villas Condominiums includes a two car attached garage as set forth in the Condominium Plat. It is understood that each unit owner will keep their parking garage in a neat condition.

(e) Animals. It is understood that there will not be any vicious or attack animal of any type, whether trained or not, allowed on the premises of Lindale Villas Condos. Common house pets such as cats and dogs shall be allowed**. Limits on dogs: Dogs weighing no more than a maximum of 20 pounds are allowed.** All pets must be registered by the Condominium Association. Unit owners must provide the type and name of any pet living in any condo unit to the association.

(f) Pet Restrictions. A pet shall not be allowed at large within the commons, and shall always be leashed and within the immediate control of a person when outside of any condo unit. All droppings must be picked up immediately and disposed of by the person in control of a pet. Owners of pets shall take responsible precautions and efforts to prevent their pets from being a nuisance or annoyance to other unit owners. Any violation of the pet restrictions will result in fines in accordance to the Lindale Villas Association rules enforcement and grievance procedure resolution (Attachment A).

(g) Antennas and Fences. Unit owners may not place any antenna or fence of any kind within the common elements adjacent to any unit. Satellite Dishes are allowed but their size and location must be approved by the condominium association in writing. Absolutely no exceptions.

(h) Obstructions. There shall be no obstruction of the commons.

(i) Increase of Insurance Rates. Nothing shall be done or kept in any unit or in the commons which will increase the rate of insurance on the commons, without the prior consent of the Association. No unit owner shall permit anything to be done or kept in their unit or in the commons which will result in the cancellation of insurance on any unit or any part of the commons, or which would be in violation of any law or ordinance. No waste will be committed in the commons.

(j) Signs. No signs of any kind shall be displayed to the public view on or from any unit or the commons.

(k) Noxious Activity. No noxious or offensive activity shall be carries on in any units or in the commons, nor shall anything be done therein which may be or become an annoyance or nuisance to others.

(1) Alteration, Construction or Removal. Nothing shall be altered or constructed in or removed from the common elements and facilities, except upon the written consent of the Association.

(m) Conflict. The above rules and regulations, and those which may be hereafter adopted by the Associations, are in addition to the Declaration, and the documents, contracts, declarations, and easements set forth in the Declaration, and in the event of a conflict, the Declaration and contract, declarations, and easements set forth and referenced therein shall govern.

(n) Enforcement. The foregoing rules and regulations and other rules and regulations adopted by the Association shall be enforced by such means as the Association deems necessary and appropriate, including but not limited to recourse to civil action, court action if necessary, and monetary fines of not less than $50.00 per violation to be charged and assessed by the Association uniformly against the owners of units who violate or unit occupants violate such rules and regulations. Unit owners will be responsible to pay for any legal fees incurred by the association to enforce this condominium declaration and bylaws should it be determined that a violation has occurred. See Appendix "A".

(o) Decks and Patios. Tenants shall keep their patios and decks in a clean and neat state. Patios and decks are not to be used for storage including, but not limited to, motorcycles, toys, baby carriages, wagons.

(p) Paper Boxes and Decorations. Unit owners or tenants shall not place newspaper boxes or decorations within the common areas or attach to any buildings.

(q) Parking and Storage of Vehicles. No tenant shall cause or permit the common areas to be used in such a way as to deny others the full use of these common areas. Accordingly, there shall be no obstruction of any common areas other than temporary parking of motor vehicles in the outdoor parking spaces (temporary parking is defined as a maximum of seven days in one spot without being moved). Junked, inoperative or unlicensed vehicles shall not be permitted anywhere in the condominium complex. Trailers, campers, house trailers, boats, boat trailers, motorcycles, snowmobiles, or large construction type vehicles shall not be stored, parked or placed outside.

(r) Mutual Quiet Enjoyment for Other Tenants. Each unit owner shall have the right to use their unit in accordance with these rules and regulations, applicable by law, free from unreasonable interference, with the peaceful possession and operation thereof conduct of each unit owner or their tenants therein should be free from immoral, improper, unreasonably annoying and/or offensive activity.

(s) Registration of Guests. Anyone other than a condominium owner staying in a condo unit longer than one (1) month must be registered by the association in writing. The name of the guest along with a copy of the guest's driver's license must be submitted to the association in writing.

(t) Bird feeders are not permitted next to or adjoining buildings or on the association grounds.

(u) Winter parking: There shall be no parking in posted "no parking/restricted parking" designated areas during the plowing season (Dec 1 – Mar 1). This is due for the need to push, place and store removed snow.

7.2 ASSOCIATION RULES. The Association, acting through the Board of Directors, may approve and distribute to unit owners and tenants additional rules and regulations, and amendments to such rules and regulations, approved and adopted by the Board of Directors from time to time pursuant to Section 6.2 herein. All

such rules and regulations shall be in writing and shall be distributed to the unit owners and tenants no less than 30 days prior to the effective date of such rules and regulations. Such rules and regulations may be altered, amended, or repealed pursuant to Section 6.2 herein. The rules and regulations contained in Section 8.1 of these By-Laws may be amended only as provided in Article X.

ARTICLE VIII

General

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

8.2 ADDRESS. The mailing address of the Association shall be P. O. Box 198, Muskego, WI 53150. The mailing address may be changed from time to time by Board of Directors.

8.3 SEAL. The Corporation shall have no seal.

ARTICLE IX

Amendments

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

9.2 RIGHTS OF DECLARANT. No amendment of these By-Laws shall alter or abrogate the rights of Declarant as contained in these By-Laws.

ARTICLE X

Miscellaneous

10.1 RECORD OF OWNERSHIP. Every unit owner shall promptly cause to be duly recorded or filed or record the deed, assignment or other conveyance to them or such unit or other evidence of their title thereto, and shall present evidence of his title to the Board of Directors, and the Secretary shall maintain all such information in the Membership List of the Association.

10.2 STATEMENT OF ASSESSMENTS. The Board of Directors or Treasurer or the Association, at

the request of any mortgagee or any prospective purchaser or any unit or interest therein, shall provide a statement to such person as to the amount of any assessments against such unit then due and unpaid, within ten (10) business days after such request is received.

10.3 SUBORDINATION. These By-Laws are subordinate and subject to all provisions of the Declaration and any amendments thereto and the Condominium Ownership Act under the laws of the State of Wisconsin, which shall control in case of any conflict. All terms herein (except where clearly repugnant to the context) shall have the same meanings as in the Declaration of said Condominium Ownership Act.

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

IN WITNESS WHEREOF, these By-Laws of Lindale Villas Condominiums, Inc. have the Board of Directors as of the 2/15/05.

Attachment A: Lindale Villas Condominium Rules Enforcement and Grievance Procedure Resolution

Original Bylaws were filed in Waukesha County on 2-22-05

Amendments to Bylaws were filed on 7-13-07
(Section 8.1 (subsections a, e, f, g, n and s.)

Amendments to Bylaws were voted on by the members on 11-16-09.
(Section 8.1 (c) Rental Units)

Amendments to Bylaws were voted on by the members on 11-18-14.
(Section 2.2 Quorum and Proxies for Members' Meetings)

Bylaws updated and passed by members present at the 11-13-18 annual meeting.

IMPORTANT INFORMATION

Please keep this information with your governing documents

Lindale Villas Condominiums, Inc.

RULES ENFORCEMENT AND GRIEVANCE PROCEDURE RESOLUTION

WHEREAS the Board of Directors of Lindale Villas Condominiums, Inc. (the "Association") has "all powers and duties as shall be necessary for the administration of the affairs of the Association," pursuant to Article III, Section 3.1 of the By-Laws;

WHEREAS the Board of Directors shall from time to time adopt rule and regulations governing the operation, maintenance and use of the units and the common elements and facilities by the unit owner and occupants, pursuant to Article VI, Section 6.2 of the By-Laws;

WHEREAS there is a need to ensure that the members of the Association obey the Rules of the Association and that the Association provide due process while enforcing the rules contained in its governing documents;

THEREFORE, BE IT RESOLVED that the Association adopt the following Rules Enforcement and Grievance Procedure:

1. The following is a schedule of the fines that will be imposed for non-compliance with the Declaration, By-Laws, rules, regulations, covenants, conditions or restrictions (herein collectively "Condominium Documents"):

   a. **A WRITTEN WARNING** **for a Unit Owner or resident's first violation** of the Condominium Documents. In addition, a member of the Board may attempt to contact the offending party to explain the violation and the need that all residents and Unit owners comply with the Condominium Documents.

   b. **FIFTY DOLLARS ($50.00)** shall be assessed against a resident or Unit Owner for a second violation of the Condominium Documents. The second violation does not need to be the same violation as the first violation in order for the $50 fine to be assessed.

   c. **ONE HUNDRED DOLLARS ($100.00)** shall be assessed against a resident or Unit Owner for each successive violation of the Condominium Documents.

   d. Notwithstanding paragraphs (a-c) immediately above, **FIVE HUNDRED DOLLARS ($500.00) for each violation** of the Condominium Documents, when in the sole opinion of the Board of Directors the violation meets one or more of the following criteria:

1. The violation is in direct defiance of a previous mandate from the Board of Directors.
2. The violation was malicious in its intent.
3. The violation is evidence of a pattern of the resident's or Unit Owner's non-compliance with the Condominium Documents.
4. The violation is of such a nature that the violation cannot be corrected and/or that direct monetary restitution cannot be determined. *(i.e. if alterations are made that cannot be restored to their original state.)*

2. Each day that a violation exists shall be a new violation subject to fine at the discretion of the Board.

3. **Attorney Fees**

   a. The Board may also assess a unit owner who has violated the Condominium Documents for the actual attorney fees incurred associated with reviewing the facts and Condominium Documents and advising the Board.

   b. In the event that the Association retains an attorney to collect any funds due, enforce any rule, bring any claim against a unit owner or defend any claim or allegation by a unit owner, including any counterclaim, the Association shall, if it is the prevailing party in the claim or defense, be entitled to collect from the unit owner all of its costs and expenses, including reasonable attorney fees. **This shall not apply to discrimination claims, neither State nor Federal**.

4. Any Unit Owner or resident who has been accused of violating the Condominium Documents or been fined may demand that the matter be heard by a Grievance Committee. Such demand must be in writing and provided to the Board of Directors within 14 calendar days of the notice of the violation or fine. If no demand is made within 14 calendar days, then the finding of a violation and/or fine shall be final and binding. If a demand is timely made, the matter shall be submitted to the Grievance Committee within seven (7) days.

5. If fines remain unpaid for 30 days, the Association may send the Unit Owner's account to its attorneys' office for collection. Unpaid fines are treated the same as assessments under Wisconsin law, and as such, the Association can file a lien against the Unit and/or seek a money judgment against the Unit Owner when fines are unpaid.

6. **GRIEVANCE COMMITTEE RULES AND PROCEDURES**:

   a. The Grievance Committee shall consist of three (3) members at large of the Association who are chosen by the Board. The members at large shall not be officers or members of the Board of Directors of the Association.

b. The Grievance Committee may either be a standing committee, with each member serving for one (1) year, or the committee may be *ad hoc* and appointed on an as-needed basis by the Board of Directors.

c. For any grievance hearing, a majority vote of the Committee will determine the action and decisions of the Committee.

d. Members serving on any Grievance Committee must not be directly involved in the specific dispute at hand.

e. Upon receipt by the Grievance Committee of a grievance, the matter shall proceed as follows:

1. A letter shall be sent by certified mail, return receipt requested, informing all parties:

    a. Of the time, place and date of a hearing before the Grievance Committee.

    b. Of the right to counsel.

    c. That evidence shall be received and a record made whether or not the party complained against attends.

2. The hearing shall be divided into two (2) sections:

    a. The hearing.

    b. The determination and decision.

3. The Hearing Section shall be open to only the Grievance Committee, the parties involved, their attorneys and witnesses.

4. The Determination and Decision Section of the meeting shall be open only to the Grievance Committee, and possibly the attorney for the Association if so requested by the Grievance Committee. The decision will be rendered in writing to all concerned parties within five (5) business days of the hearing.

5. If the complainant, or their representative, fails to appear at the hearing without a valid excuse acceptable by the Grievance Committee, the grievance shall be dismissed without prejudice and reasonable and necessary costs incurred by the responding party assessed against the complaining party.

6. If the alleged offender fails to appear, the complainant must prove his/her grievance and no presumption shall be made against the alleged offender for non-appearance.

7. The burden of proof shall be on the complainant to prove the grievance by a preponderance of the evidence.

f. The decision of the Grievance Committee is final and binding. There shall be no appeal of the decision absent evidence that:

1. The award was procured by corruption, fraud or undue means;

2. There was evident partiality or corruption on the part of the Grievance Committee, or any of them;

3. The member of the Grievance Committee were guilty of misconduct in refusing to postpone the hearing, upon sufficient cause show, or in refusing to hear evidence pertinent and material to the controversy; or of any other misbehavior by which the rights of any party have been prejudiced;

4. The Grievance Committee exceeded its powers, or so imperfectly executed them that a mutual, final and definite award upon the subject matter submitted was not made.

BE IT FURTHER RESOLVED that a copy of this resolution shall be sent to all homeowners at their last known addresses.

The Board of Directors adopted this resolution on MARCH 6, 2017, with the policy to take effect on APRIL 15, 2017.