BY-LAWS

CHARLESTOWN CONDOMINIUM HOMES ASSOCIATION, INC.

ARTICLE I

GENERAL PROVISIONS

Section 1.01 - Incorporated Association. The affairs of this condominium shall be governed by an incorporated association of its unit owners known as "Charlestown Condominium Homes Association, Inc", incorporated on May 17, 1974.

Section 1.02. - Mailing Address. The Association's mailing address shall be P.O. Box 962, West Bend, Wisconsin 53095.

Section 1.03. - Conflicts. In case of any conflict between the Articles of Incorporation and these By-Laws, the Articles of Incorporation shall control; and in case of any conflict between the Condominium Ownership Act (the ACT) or the Restated Declaration and these By-Laws, the ACT or the Restated Declaration, as the case may be, shall control.

Section 1.04. - General Corporate Law. The requirements of general Wisconsin corporate law shall pertain to the organization and administration of the Association unless a clear contrary intent is evident from the Articles, Restated Declaration or these By-Laws.

Section 1.05. - Acquiring and Conveying Property. (1) The Association may acquire and retain property in the name of the Association for and on behalf of all unit owners and may grant a mortgage on such property. In such event, assessments shall be made against all unit owners as part of the common expenses in order to provide the required mortgage payments. Upon payment of such a mortgage, the property shall be added to the common elements of the condominium.

(2) Decisions respecting the acquisition or conveyance of Association property shall require the approval of seventy-five per cent (75%) of the unit owners.

Section 1.06. - Borrowing Money. The Board of Directors or officers of the Association shall not borrow money on behalf of the Association unless authorized to do so by at least sixty-seven per cent (67%) of the unit owners. Funds required for the repayment of borrowed money shall be part of the common expenses of the Association.

Section 1.07 - Corporate Seal. The Association shall have a corporate seal which shall be kept by the Secretary and affixed to all papers requiring the seal.

ARTICLE II

ASSOCIATION MEMBERSHIP

Section 2.01. - Roster of Unit Owners. The Association shall maintain a current roster of the names and addresses of every unit owner to which notice of meetings of the Association shall be sent. The roster shall also include the name and address of each mortgagee of a unit and the name and address of each person designated pursuant to Section 2.02 hereof.

Section 2.02. - Representation of Multiple Owners and of Entities. When a unit has multiple owners, or such unit is owned by a partnership, corporation, trust, estate or other entity, then such owner(s) shall have the right to file a written designation with the Secretary specifying the person who shall represent the unit as the voting member in all meetings. Such written designation shall remain in effect and be binding upon such unit owner(s) until a written revocation by the unit owner(s) is filed with the Secretary. If such written designation or a properly signed proxy has not been filed before any meeting, then the presiding officer at such meeting shall have the right to designate any person present representing the unit owner(s) as the voting member to cast the vote for such unit at such meeting and such designation shall be conclusive for that meeting.

Section 2.03. - Certificate of Membership. The Board of Directors may adopt a membership certificate which the Secretary can issue to the person, persons or entity owning any unit, but such certificate shall not be transferable in any manner whatsoever and the existence or production of any such certificate for any unit shall not supersede or affect the validity of the membership roster of the Association.

ARTICLE III

ASSOCIATION MEETINGS

Section 3.01. - Annual Meetings. The annual meeting of the Association shall be held on the first Sunday of December, at 1:00 p. m.

Section 3.02. - Special Meetings. Special meetings of the Association may be called at any time by the President or by the Board of Directors, or upon written request of the unit owners who are entitled to vote one-fourth (1/4) of all of the votes.

Section 3.03. - Place of Meeting. All meetings shall be held at the condominium or at such place in Washington County, Wisconsin, as the Board of Directors may designate.

Section 3.04. - Notice of Meetings. No regular or special meeting of the Association may be held except on at least ten (10) days' written notice delivered or mailed to every unit owner at the address shown on the roster or unless waivers are duly executed by all unit owners. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Section 3.05. - Quorum. The presence at an Association meeting of owners entitled to cast, or of proxies entitled to cast ten (10) of the Association votes shall constitute a quorum for any action except as otherwise provided in the ACT, the Restated Declaration the Articles of Incorporation or these By-Laws. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present or be represented.

Section 3.06. - Suspension of Voting Rights. No unit owner may vote at a meeting of the Association until such owner shall furnish the Association with his or her name and current mailing address for the roster of unit owners. Further, a unit owner may not vote at a meeting of the Association if the Association has recorded a Statement of Condominium Lien on the owner's unit and the amount necessary to release the lien has not been paid at the time of the meeting.

Section 3.07. - Proxies. At all Association meetings owners may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary not later than the day before the scheduled meeting. Every proxy shall be revocable and shall automatically cease upon conveyance of a unit or upon the termination of an owner's interest therein. In any event, a proxy is effective only for a maximum period of one hundred eighty (180) days following its issuance unless it is granted to a mortgagee or lessee.

Section 3.08. - Controlling Vote. Unless otherwise provided in the ACT, the Restated Declaration, the Articles of Incorporation or these By-Laws, decisions of the Association shall be made on a majority of votes of the unit owners present and voting.

ARTICLE IV

BOARD OF DIRECTORS

Section 4.01. - Number. The affairs of this Association shall be managed by a Board of seven (7) Directors. Directors shall be elected for three (3) year terms and shall be elected on a three (3) year rotation in such manner that three (3) directors are elected in one year, two (2) directors the next year and two (2) directors the following year.

Section 4.02. - Removal. Any Director may be removed from the Board with or without cause, by a vote of five-sevenths (5/7) of the Directors or by a majority vote of the members of the Association. In the event of the death, resignation or removal of a Director, a successor shall be selected by the remaining members of the Board and shall serve for the unexpired term.

Section 4.03. - Compensation. No Director shall receive compensation for any service rendered to the Association. Any Director may, however, be reimbursed for actual expenses incurred in the performance of duties.

Section 4.04. - Nomination. Nominations for Directors shall be made from the floor at the annual meeting.

Section 4.05. - Election. Election to the Board of Directors shall be by secret written ballot. The person(s) receiving the largest number of votes shall be elected.

Section 4.06. - Building Representation. One (1) Director shall be elected from among the unit owners of each of the seven (7) buildings in the condominium.

ARTICLE V

MEETINGS OF DIRECTORS

Section 5.01. - Regular Meetings. Regular meetings of the Board of Directors shall be held quarterly without notice, at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 5.02. - Special Meetings. Special meetings of the Board of Directors shall be held when called by the President of the Association or by any three (3) Directors after not less than ten (10) days notice to each Director.

Section 5.03. - Quorum. A majority of the number of Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

Section 5.04. - Action Taken Without a Meeting. The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of five (5) of the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

Section 5.05. - Waiver of Notice of Meeting. Any Director shall have the right to file a written waiver of notice of the meeting of the Board of Directors and consent to the transaction of any business that may come before the meeting. Such waiver can be given before or after any meeting and shall be effective when filed with the Secretary with the minutes of the meeting.

ARTICLE VI

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 6.01. - General. The Board of Directors shall have the authority to exercise, for and on behalf of the Association, all powers, duties and authority vested in or delegated to the Association by the ACT, the Restated Declaration and the Articles of Incorporation, except where the ACT, Restated Declaration or Articles specifically require a vote of the Association membership.

Section 6.02. - Specified. The Board of Directors shall have the specific power and duty to:

(1) Adopt administrative rules and regulations (herein referred to as the "Rules and Regulations") governing the use and occupancy of the units; the use of the common elements; the conduct of the unit owners, unit occupants and their guests; and to establish penalties for the infraction thereof; provided, however, that any portion of such Rules and Regulations may be amended or rescinded by the unit owners representing seventy-five per cent (75%) of the units at any annual or special meeting if written notice thereof is given to all members at least ten (10) days before the date of such meeting.

(2) Employ a manager, managing agent, independent contractor or such other employees and personnel as the Board of Directors deems necessary, and to prescribe their compensation and duties.

(3) Cause to be kept, using standard bookkeeping procedures, detailed and accurate records of the receipts and expenditures affecting the common elements, specifying and itemizing the maintenance and repair expenses of the common elements and any other expenses incurred, together with a complete record of all proceedings and activities of the Board of Directors and the Association. A summary of such records shall be presented to the Association membership at each annual meeting.

(4) Cause all vouchers authorizing the payment of common expenses, and the books and papers of the Association to be available for examination by the unit owners at convenient times at the principal office of the Association, where copies may be purchased at reasonable cost.

(5) Prepare prior to December 1 of each year an annual budget for consideration and adoption by the annual meeting of the Association which budget shall show the estimated income and receipts of the Association, together with the common expenses which will be required to properly maintain the common elements as provided in the Declaration.

(6) Recommend to the annual meeting the amount of the regular monthly assessments required to be paid by each unit based on such annual budget and a reasonable amount considered by the Board of Directors to be necessary for a reserve for contingencies, replacements and improvements.

(7) Furnish to each unit owner prior to December 1 of each year a summary of the proposed Association budget and a statement of the monthly assessment recommended to be charged to each unit during the following year, together with a statement of the rate of interest which has been fixed by the Board of Directors to be charged on unpaid assessments.

(8) Sue to recover a money judgment for unpaid common expenses or foreclose the lien against any unit for which assessments are not paid, in which event the Board of Directors on behalf of the Association may bid on such unit at foreclosure sale and acquire, hold, lease, mortgage and convey the unit.

(9) Secure and maintain adequate policies of insurance as required by the Restated Declaration.

(10) Cause such officers, directors or employees of the Association having a financial responsibility to be bonded at the expense of the Association as it may deem appropriate.

(11) Contract for or otherwise provide for such services as may be necessary to manage, control and maintain the common elements in good, safe, clean, attractive and sanitary condition, order and repair.

(12) Levy special assessments as authorized by the Restated Declaration, provided that:

(a) a written report setting forth the reasons for and the estimated amount of the funds required, the proposed assessment against each unit, and the date or dates of payment is provided to the unit owners with the notice of the Association meeting at which such special assessment will be considered; and

(b) such special assessment is approved by a majority vote of the unit owners present and voting.

(13) Designate by resolution, from time to time, one or more banks to act as depository for the funds of the Association.

(14) Establish procedures for the approval of all disbursements from the Association's funds and for the regular audit of the books and records of the Association.

ARTICLE VII

OFFICERS AND THEIR DUTIES

Section 7.01. - Enumeration of Officers. The Officers of this Association shall be a President and Vice President, who shall at all times be members of the Board of Directors, a Secretary, a Treasurer, and such other officers as the Board may from time to time by resolution create.

Section 7.02. - Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the Association.

Section 7.03. - Term. The officers of this Association shall be elected annually by the Board of Directors and each shall hold office for one (1) year unless he/she shall sooner resign, be removed or otherwise be disqualified to serve.

Section 7.04. - Special Appointments. The Board of Directors may appoint such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may from time to time determine.

Section 7.05. - Resignation and Removal. Any officer may be removed from office with or without cause by the Board of Directors. Any officer may resign at any time by giving written notice to the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 7.06. - Vacancies. A vacancy in any office shall be filled by appointment by the Board of Directors. The officer appointed to such vacancy shall serve for the remainder of the term of the officer replaced.

Section 7.07. - Multiple Offices. The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one (1) of the other offices except in the case of special offices created pursuant to Section 7.04 hereof.

Section 7.08. - Duties. The duties of the officers are as follows:

(1) President. The President shall preside at all meetings of the Board of Directors and Association; shall see that the orders, resolutions, Rules and Regulations of the Board are carried out; shall sign all leases, mortgages, deeds and other instruments of conveyance and shall co-sign all checks and promissory notes.

(2) Vice-President. The Vice-President shall act in the place and stead of the President in the event of the President's absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required by the Board of Directors.

(3) Secretary. The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board of Directors and of the Association; serve notice of meetings of the Board and of the Association; keep the Association roster of unit owners and addresses; sign, verify and file all statements of condominium lien; certify statements of unpaid condominium assessments for delivery to unit grantees; co-sign all leases, mortgages, deeds and other instruments of conveyance; and perform such other duties as required by the Board.

(4) Treasurer. The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; keep proper books of account; cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the Association at its annual meeting and deliver a copy of each to the unit owners.

Section 7.09. - Compensation. Notwithstanding the provisions of Section 4.04 hereof, officers may be compensated for their services in such amounts as the Board of Directors may, from time to time, establish.

ARTICLE VIII

COMMITTEES

Section 8.01. - General Committees. The Board of Directors shall appoint such committees for such purposes and terms as it deems appropriate to discharge the duties and responsibilities of the Association and the Board of Directors and to provide for the proper operation of the Association.

ARTICLE IX

COMMON EXPENSES

Section 9.01. - Illustrative List. The common expenses set forth in Section 9.02 are intended only to guide unit owners, directors and officers in understanding the nature and purpose of common expenses. The common expenses actually incurred by the Association may include items not listed in Section 9.02 or conversely, may not include items which are listed. The Board of Directors shall have full authority to determine and authorize appropriate common expenses.

Section 9.02. - Typical Expenses. Common expenses may include, but are not limited to, the cost of:

(1) maintaining the grounds which are part of the common elements, including cutting of grass, care of shrubs and trees.

(2) snow removal from the public sidewalks and the private drives of the condominium.

(3) maintaining and operating the swimming pool and tennis courts.

(4) providing water, sewer, electrical, gas and other utility services for the project, except to the extent that any part of the same are separately metered or billed to individual units.

(5) property and liability insurance on the condominium and the cost of such other insurance as the Association may obtain, to the extent that the same is not required to be separately billed to individual units.

(6) the services of the management and maintenance personnel or independent contractors as the Association shall consider necessary for the operation of the condominium.

(7) providing such legal and accounting services as may be considered necessary to the operation of the condominium.

(8) acquiring, painting, maintaining, replacing, repairing, operating and landscaping the common elements and such furnishings and equipment for the common elements as the Board of Directors shall determine are necessary and proper.

(9) any and all other materials, supplies, labor, services, maintenance, repairs, taxes, assessments or the like which the Association is required to secure or pay for by law, or otherwise, or which in the discretion of the Board of Directors shall be necessary or proper for the operation and use of the common elements.

(10) any amount necessary to discharge any lien or encumbrance levied against the condominium, or any portion thereof, which may, in the opinion of the Board of Directors, constitute a lien against any of the common elements rather than the interest of the owner of any individual unit.

ARTICLE X

AMENDMENTS

Section 10.01. - Presentment. Amendments to these By-Laws may be initiated and presented by the Board of Directors or any unit owner. Amendments must be submitted in writing to all unit owners at least ten (10) days prior to the annual or special Association meeting at which they will be considered.

Section 10.02. - Vote Required. These By-Laws may be amended by the affirmative vote of unit owners having sixty-seven per cent (67%) or more of the votes.

The foregoing By-Laws were duly adopted by a meeting of the Association held on _____, 19___.

_____

Secretary