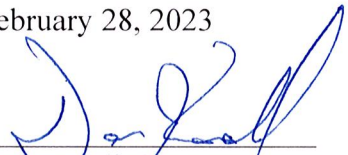
KETTLE RIDGE OF PIKE LAKE CONDOMINIUM ASSOCIATION, INC.

BYLAWS

Approved February 28, 2023



Dan Knodl. Secretary

BYLAWS OF
KETTLE RIDGE OF PIKE LAKE CONDOMINIUM ASSOCIATION, INC.
TABLE OF CONTENTS

ARTICLE I - PLAN OF UNIT OWNERSHIP 1
- 1.1 Condominium Unit Ownership 1
- 1.2 Applicability of Bylaws 1
- 1.3 Definitions 1
- 1.4 Office 1
- 1.5 Covenant 1

ARTICLE II - MEMBERS 1
- 2.1 Membership 1
- 2.2 Voting and Proxies 2
- 2.3 Declarant Control 2
- 2.4 Membership List 2
- 2.5 Transfer of Membership 2
- 2.6 Quorum For Members' Meetings 2
- 2.7 Time, Place, Notice, Calling of Members' Meetings 2

ARTICLE III - BOARD OF DIRECTORS 3
- 3.1 Number and Qualification of Board of Directors 3
- 3.2 Powers and Duties 3
- 3.3 Responsibilities of Directors 3
- 3.4 Restrictions on Authority of Directors 4
- 3.5 Election and Term of Office 5
- 3.6 Removal of Directors 5
- 3.7 Vacancies 5
- 3.8. Regular Meetings 5
- 3.9 Special Meetings 5
- 3.10 Waiver of Notice 5
- 3.11 Quorum of Board of Directors 6
- 3.12 Compensation 6
- 3.13 Liability of the Board of Directors 6
- 3.14 Informal Action 6

ARTICLE IV - OFFICERS 7
- 4.1 Designation 7
- 4.2 Election of Officers 7
- 4.3 Removal of Officers 7
- 4.4 President 7
- 4.5 Vice President 7
- 4.6 Secretary 7
- 4.7 Treasurer 8
- 4.8 Agreements, Contracts, Deeds, Checks, Etc 8

4.9 Compensation of Officers 8

ARTICLE V - DUTIES, OBLIGATIONS AND RIGHTS OF MEMBERS 9
5.1 Rules and Regulations9
5.2 Obstruction in Common Elements 9
5.3 Use of Common Elements 9
5.4 Payment of Common Charges 9
5.5 Default in Payment of Common Charges 9
5.6 Foreclosure of Liens For Unpaid Common Charges 10

ARTICLE VI - OPERATION OF THE PROPERTY 10
6.1 The Association 10
6.2 Rules and Regulations10
6.3 Management Company 10
6.4 Insurance by Association 11
a. Assessment of Premiums 11
b. Coverage 11
(1) Property Insurance 11
(2) Liability Insurance 11
(3) Workers Compensation 12
(4) Other Insurance 12
c. Additions, Alterations or Improvements 12
d. Use of Proceeds 12
e. Insurance by Unit Owners 12
f. Limitation on Liability 13
6.5 Repair and Reconstruction After Damage 13
6.6 Abatement and Enjoining of Violations 14
6.7 Maintenance and Repair 14
6.8 Use of Property 14
6.9 Additions, Alterations. or Improvements by Board 15
6.10 Additions, Alterations or Improvements by Unit Owners 15
a. Unit Owner's Rights With Respect to Interiors 16
b. Individual Units and Limited Common Elements 16
6.11 Maintenance of Utilities 16

ARTICLE VII - MORTGAGES 16
7.1 Mortgage of Units 16
7.2 Notice to Board of Directors 16
7.3 Notice of Unpaid Common Charges 16
7.4 Notice of Default 17
7.5 Examination of Books17

ARTICLE VIII - SALES AND LEASES OF UNITS 17
8.1 Financing of Purchase of Units by Board of Directors 17
8.2 Waiver Right of Partition 17
8.3 Membership 17

ARTICLE IX - CONDEMNATION 17

ARTICLE X - RECORDS 17

ARTICLE XI - MISCELLANEOUS 18
11.1 Notices 18
11.2 Invalidity 18
11.3 Captions 18
11.4 Gender 18
11.5 Waiver 18
11.6 Arbitration 18
11.7 Fiscal Year 18
11.8 Voting 19

ARTICLE XII - AMENDMENTS TO BYLAWS 19

ARTICLE XIII - CONFLICTS 19

KETTLE RIDGE OF PIKE LAKE CONDOMINIUM ASSOCIATION, INC.

BYLAWS

ARTICLE I - PLAN OF UNIT OWNERSHIP

1.1 Condominium Unit Ownership . The property located in the Town of Hartford, Washington County, State of Wisconsin (the "Property") known as the Kettle Ridge Condominiums, has been submitted to the provisions of the Wisconsin Condominium Ownership Act by the Declaration of Condominium recorded in the Office of the Register of Deeds for Washington County, Wisconsin, on the 3rd day of November, 2022, as Document No. 1571053 as corrected and amended (collectively the "Declaration").

1.2 Applicability of Bylaws . These Bylaws are adopted as the Bylaws of Kettle Ridge of Pike Lake Condominium Association, Inc., a non-profit corporation created pursuant to Chapter 181 of the *Wisconsin Statutes* (the "Association") for the purpose of managing, maintaining and governing the administration of all real estate and improvements subjected to this condominium regime, as provided in the Chapter 703 of the *Wisconsin Statutes* also referred to as the Wisconsin Condominium Ownership Act. The term "Association" as used in these Bylaws refers to said corporation. The provisions of these Bylaws are applicable to the property and to the use and occupancy thereof.

1.3 Definitions . The term "Property" and other terms used in these Bylaws shall, unless the context or the Declaration require otherwise, have the same meaning as the definitions contained in §703.02 of the Wisconsin Condominium Ownership Act.

1.4 Office . The initial mailing address of the Association shall be c/o Dan Knodl at N101W14475 Ridgefield Road, Germantown, WI 53022. The mailing address of the Association may be changed from time to time by majority vote of the Directors.

1.5 Covenant . These Bylaws 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

2.1 Membership . All Unit Owners, by virtue of their ownership of a Unit in the Property, are entitled and required to be members of the Association. All rights and responsibilities named in the Declaration are incorporated herein by reference. The Association shall have one (1) class of members.

2.2 Voting and Proxies . Voting rights shall be as stated in these Bylaws and the Declaration, the provisions of which are incorporated herein by this reference. Such vote may be cast in person or by proxy. Proxies shall be in writing and shall be valid only for the particular meeting designated therein and must be filed with the Secretary before the appointed time of the meeting. Proxies may be revoked by informing the Secretary and holder of the proxy in writing,

and shall be automatically revoked by the presence at the meeting of the person authorized to vote for that Unit as recorded with the Secretary.

2.3 Declarant Control . Notwithstanding the voting rights granted to Unit Owners, the Declarant, during the Period of Declarant Control, as defined in the Declaration, shall have the right to appoint and remove directors at will as provided in the Articles and the Declaration.

2.4 Membership List . The Association shall maintain a current membership list showing the Unit Owner(s) for each Unit and the person designated to cast the one 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 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. For corporate Unit Owners, the person designated to vote shall be the sole person entitled to attend meetings of the Association or Board, except as specifically authorized in advance by the Board.

2.5 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. Membership in the Association may not be transferred, except in connection with the transfer of a Unit. Upon transfer of a Unit, the Association shall, as soon as possible thereafter, be given written notice of such transfer, including the name of the new owner, identification of Unit, date of transfer, name of the person designated to vote, 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.

2.6 Quorum For Members' Meetings . A quorum for members' meetings shall consist of a majority of the votes entitled to vote to be present. The act of a majority of votes present in person or by proxy at any meeting at which a quorum is present shall be the act of the members. Those issues designated as requiring a larger percentage of the vote in the Declaration, Articles of Incorporation or these Bylaws, requires the percentage of the total number of votes available in the Association as designated and shall not be ratified without such a vote even if a quorum is present. 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.

2.7 Time, Place, Notice, Calling of Members' Meetings . Written notice of all meetings stating the time and place and the purposes for which the meeting is called shall be given by the President or Secretary, unless waived in writing, to each member at his/her/its address or email as it appears on the books of the Association and shall be sent via email or mail or personally delivered not less than five (5) days prior nor more than twenty-five (25) 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. The annual meeting shall be held the third Monday in January of each year for the purpose of electing directors, approving a budget, and 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 (2) members of the Board of Directors and must be called by such officers upon receipt of a written request signed by Members holding one-third or more of all votes entitled to be cast.

2.8 Informal Action . Any action which is required to be taken at a meeting of the Members or which may be taken at such a meeting, may be taken without meeting if a consent in writing setting forth the action so taken shall be signed by seventy-five percent (75%) of the Members unless a larger percentage is required by the Declaration, Articles of Incorporation or these Bylaws. Such consent shall have the same force and effect as a vote of approval at a meeting of the Members.

ARTICLE III - BOARD OF DIRECTORS

3.1 Number and Qualification of Board of Directors . The affairs of the Association and of the Property shall be governed by the Board of Directors. The Initial Board of Directors shall be composed of three (3) persons, and be appointed by the Declarant. Thereafter, the number of directors shall be three (3). Within thirty (30) days after the period of Declarant Control has expired, the Association shall hold a meeting, and the Unit Owners shall elect the directors.

3.2 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 the Bylaws may not be delegated to the Board of Directors by the Unit Owners. The Board of Directors shall have full powers and authority necessary for or desirable for the complete enforcement and administration of the Property, and the provisions of the Wisconsin Condominium Ownership Act, the Declaration of Condominium, these Bylaws, and any rules and regulations promulgated hereunder.

3.3 Responsibilities of Directors . In addition to such other duties imposed by these Bylaws or by resolutions of the Association, the Board of Directors shall be responsible for the following:

a. The management, maintenance, repair, replacement and improvement of the Common Elements and facilities. The Directors may retain either Association members or others to perform such tasks. Any party so retained, including any member, may receive reasonable compensation from the Association, in an amount to be reasonably determined by the Directors, which compensation shall be not greater than the reasonable value of the labor and services to be performed.

b. The promulgation and enforcement of rules and regulations regarding the use and enjoyment of the Common Elements and facilities, and the personal conduct of the members and their guests, tenants or invites thereon or therein, and to establish penalties for the infraction thereof.

c. The promulgation and enforcement of rules and regulations regarding the maintenance and improvement of the Common Elements and facilities.

d. The establishment of a yearly budget for the estimated cost of carrying out their responsibilities as set forth in (a) above to be consented to and approved at the annual meeting.

e. The establishment of a reserve fund to be used for expenses that arise or may arise on other than a regular basis or with less than annual frequency, including, without limitation, expenses for future construction or replacement of improvements to Common Elements as set forth in Section 6.9. This fund is and shall be the property of the Association and not the Unit Owners. A Unit Owner shall not be entitled to a return of any portion of the reserve fund on the sale of a Unit. The fixing of a reasonable membership fee to produce a larger reserve fund may be set by the Directors and presented to the Association for approval.

f. The fixing, levying and collecting of assessments as necessary for the aforesaid purposes. Within thirty (30) days on or before the beginning of each fiscal year of the Association, the Board of Directors shall determine the necessary assessment to cover the estimated operating costs of the Association for the ensuing year and for the reserve fund as described above. Not less than fifteen (15) days after the Annual Meeting, the Directors shall notify each member in writing as to the combined assessment for the coming year with reasonable itemization thereof.

g. At each annual meeting of the Association or within the time period set forth in the Declaration, the Directors shall supply to all of the owners an accounting of the expenses paid during the preceding fiscal year along with a tabulation of amounts collected pursuant to the estimates provided and showing any shortage or overage of actual expenditures plus reserves. Any amount accumulated in excess of the amount required for actual expenses shall be credited to each owner in the proportion as provided in the Declaration for the next fiscal year. Any net shortage shall be assessed and paid as set forth in the Declaration.

h. The Association and the Directors hereof shall keep full and correct books of account and the same shall be open for inspection by any Unit Owner or representative of any Unit Owner duly authorized in writing, at such reasonable time or times during normal business hours as may be requested by a member, within five (5) days of a request for inspection of same.

3.4 Restrictions on Authority of Directors . Notwithstanding the above, the Directors and the Board of Directors shall not have the authority, except during the period of Declarant Control, to do any of the following without approval by a vote of seventy-five percent (75)% of the Unit Owners:

a. Contract for a loan, issue any evidence of indebtedness, or encumber the Property.

b. Enter into or execute any contract, lease, easement, license, covenant, indemnity, agreement or other similar agreement or instrument which binds the Association for a period of more than one (1) year.

3.5 Election and Term of Office . Subject to Declarant Control as provided at Section 2.3 of these Bylaws, the Declaration and the Articles, the Association shall hold an annual meeting and the Unit Owners shall elect the Directors of the Association. The Directors shall take office upon election and shall serve until their successors are duly elected.

3.6 Removal of Directors . At any regular or special meeting of Unit Owners, any one or more of the members of the Board of Directors may be removed with or without cause by a majority of the Unit Owners and a successor may then and there or thereafter be elected to fill the vacancy thus created. Any member of the Board of Directors whose removal has been proposed by the Unit Owners shall be given an opportunity to be heard at the meeting. A Director may resign at any time by filing his/her written resignation with the Secretary of the Association. Directors need not be residents of the State of Wisconsin. Declarant may at any time remove and replace any director appointed by the Declarant. If the Declarant removes a Director, the Declarant must appoint a new director within five (5) days.

3.7 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 a vote of a majority of the remaining members of the Board 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. Each person so elected shall be a member of the Board of Directors until a successor shall be elected at the next annual meeting of the Unit Owners, which successor shall be elected to serve for the remainder of the unexpired term. However, a vacancy caused by the death or resignation of a director appointed by the Declarant shall be filled by a person appointed by Declarant within five (5) days of such death or resignation, to serve the remainder of the term of the director being replaced.

3.8. 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. The annual meeting of the Board of Directors shall take place immediately after the annual meeting of the members as set forth in Section 2.7.

3.9 Special Meetings . Special meetings of the Board of Directors may be called by the President or two of the Directors with three (3) business days written notice to each member of the Board of Directors, given by email, mail or delivery in person, which notice shall state the terms, place and purpose of the meeting subject to the waiver under Section 3.10 hereof.

3.10 Waiver of Notice . Any member of the Board of Directors, at any time, may waive notice of any meeting of the Board of Directors in writing, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of the Board of Directors at any meeting of the Board shall constitute a waiver of notice by him/her of the time and place thereof. If all 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.

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

3.12 Compensation . Members of the Board of Directors may receive reasonable compensation from the Association for acting as such, in an amount to be reasonably determined by the Association members at a meeting thereof, which compensation shall be not greater than the reasonable value of the labor and services to be performed by such Directors. Such compensation shall be charged as an assessed common charge to all Unit Owners in accordance to the Unit Owners interest in the common elements.

3.13 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, negligence otherwise, except for their own individual willful misconduct or bad faith. The Unit Owners hereby indemnify and hold harmless each member of the Board of Directors against all contractual liability to others arising out of the contracts made by the Board of Directors on behalf of the Association unless any such contract shall have been made in bad faith or contrary to the provisions of the Declaration or of these Bylaws. 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 any Unit Owner 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 limited to such proportion of the total liability thereunder as his/her interest in the Common Elements and facilities bears to the interests of all the Unit Owners in the Common Elements and facilities. Every agreement made by the Board of Directors or by a managing agent or by a manager on behalf of the Association shall provide that the members of the Board of Directors, or the managing agent or the manager, as the case may be, are acting only as agents for the Unit Owners and shall have no personal liability thereunder (except as Unit Owners), and that each Unit Owner's liability thereunder shall be limited to such proportion of the total liability thereunder as his/her interest in the Common Elements and facilities bears to the interests of all Unit Owners in the Common Elements and facilities. The Board of Directors may obtain and maintain, at the expense of the Association, director's liability insurance consistent with the provisions of this section in an amount or amounts it deems advisable. In the event of a claim under such policy, the Association shall be responsible for the payment of any deductible contained in the policy.

3.14 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 meeting if a consent in writing setting forth the action so taken shall be signed by all of the Directors entitled to vote with respect to the subject matter. Such consent shall have the same force and effect as a unanimous vote.

ARTICLE IV - OFFICERS

4.1 Designation . The principal officers of the Association may consist of a President, a Secretary and a 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. Any two (2) or more offices may be held by the same person.

4.2 Election of Officers . Officers shall be elected annually by the Board of Directors at the annual meeting of the Board of Directors as designated in Section 3.8. Officers shall hold office at the pleasure of the Board of Directors.

4.3 Removal of Officers . Upon the affirmative vote of a majority of the members of the Board of Directors, any officers may be removed, either with or without cause, and his 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.

4.4 President . The President shall be the chief executive officer of the Association. He/she shall preside at all meetings of the Unit Owners and of the Board of Directors. He/she shall have all of the general powers and duties which are incident to the office of President of a stock corporation organized under the Wisconsin Business Corporation Law, including but not limited to, the power to appoint from among the Unit Owners any committee which he/she decides is appropriate to assist in the conduct of the affairs of the Property, and to sign together with the Secretary, any contracts, checks, drafts or other instruments on behalf of the Association in accordance with the provisions herein.

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

4.6 Secretary . The Secretary shall keep the minutes of all meetings of the Board of Directors; he/she shall count votes at all meetings of the Board of Directors and Association; he/she shall have charge of the Association, the Association's books, papers and records and he/she shall, in general, perform all the duties incident to the office of Secretary of a stock corporation organized under the Wisconsin Business Corporation Law.

4.7 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/she shall be responsible for the deposit of all moneys and other 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 charges and assessments made by the Association, and he/she shall, in general, perform all the duties incident to the office of Treasurer of a stock corporation organized under the Wisconsin Business Corporation Law. These duties and powers may be delegated to a management company.

4.8 Agreements, Contracts, Deeds, Checks, Etc . The Board of Directors may authorize the President and Secretary, to enter into any contract or execute or deliver any instrument in the name of and on behalf of the Association, and such authorization may be general or confined to specific instances. In the absence of other designation, all deeds, mortgages and instruments of assignment or pledge made by the Association shall be executed in the name of the Association by the President or one of the Vice-Presidents and by the Secretary, an Assistant Secretary, the Treasurer or an Assistant Treasurer; the Secretary or an Assistant Secretary, when necessary or required, shall affix the corporate seal, if thereby one, thereto and

when so executed, no other party to such instrument or any third party shall be required to make any inquiry into the authority of the signing officer or officers.

No indebtedness for borrowed money shall be contracted on behalf of the Association and no evidences of such indebtedness shall be issued in its name unless authorized by or under the authority of a resolution of the Board of Directors. Such authorization may be general or confined to specific instances. All checks, drafts, or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the association shall be signed by the President and Secretary only.

4.9 Compensation of Officers . Officers may receive reasonable compensation from the Association for acting as such, in an amount to be determined reasonably by the Association members at a meeting thereof, which compensation shall be not greater than the reasonable value of the labor and services to be performed by such Officers. Such compensation shall be charged as an assessed common charge to all Unit Owners in accordance to the Unit Owners interest in the common elements.

ARTICLE V - DUTIES, OBLIGATIONS AND RIGHTS OF MEMBERS

5.1 Rules and Regulations . The Units and the Common Elements shall be occupied and used in accordance with the Declaration, the Articles of Incorporation, these Bylaws and any Rules and Regulations adopted.

5.2 Obstruction in Common Elements . No owner shall place or cause to be placed any obstructions or objects in any of the Common Elements, without the written permission of the Board of Directors.

5.3 Use of Common Elements . All owners shall have the right to use all the Common Elements and facilities, except those that are limited areas designated for the exclusive use of individual Unit Owners, unless such use interferes with the permitted uses of the other Units or use of the Common Elements and facilities by other Unit Owners, all as set forth in the Declaration.

5.4 Payment of Common Charges . On or before the first day of each month each Unit Owner shall be obligated to pay to the Association or as it may direct, the entire monthly assessment made pursuant to the provisions of Article III. If such payment is not made prior to the tenth (10th) day after the beginning of each month, the Board of Directors shall act according to the Declaration and Section 5.5 of these Bylaws.

No Unit Owner shall be liable for the payment of any part of the common charges which shall be assessed against his/her/its Unit subsequent to a sale, transfer or other conveyance by him/her/it thereof.

Each Unit Owner shall be obligated to pay common charges hereunder notwithstanding the fact that he/she/it may have a pending dispute with the Association on any matter.

5.5 Default in Payment of Common Charges . In the event of default by any Unit Owner in payment to the Association of the assessed common charges allowed by the

Declaration and these By-Laws, such Unit Owner shall be obligated to pay interest at the rate of 1.5% per month or the highest legal allowable rate if lower on such common charges from the due date thereof. In lieu of this interest, the Association may assess a late fee of $100 for payments received within thirty (30) days of the due date and if the payment and assessed late fees if any are not paid within ninety (90) days an additional assessment of $50 per day for each day thereafter that the payment of the assessment has not been made shall be assessed. In addition, the Unit Owner shall also pay all expenses, including actual attorneys' fees, incurred by the Association in any proceeding brought to collect such unpaid common charges. The Association shall have the right and duty to attempt to recover such common charges, together with interest thereon, and the expenses of the proceedings, including actual attorneys' fees, in an action brought against such Unit Owner, or by foreclosure of the lien on such Unit granted by §703.165 of the Wisconsin Condominium Ownership Act.

Upon default by a Unit Owner to pay assessed common charges, the Secretary shall issue a Notice of Delinquency and on the date of such issuance no Unit Owner or director appointed by such Unit Owner of the Delinquent Unit may vote at an Association meeting or Board of Directors' meeting until such Delinquency is paid together with interest.

If the Association has filed a statement of condominium lien with the Clerk of the Circuit Court for Washington County on any Unit and the amount necessary to release the lien has not been paid at the time of any meeting of the Association or the Board of Directors, that Unit Owner or the Director appointed by the Unit Owner shall be prohibited from voting at that meeting and all subsequent meetings until such time as the amount of the lien claim, including interest, filing fees and actual attorneys' fees, have been paid in full.

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

5.7 Ownership Every Unit Owner shall promptly cause to be duly recorded or filed the deed, assignment or other conveyance to him/her/it of such Unit or other evidence or his/her/its title thereto, and shall present same to the Secretary of the Board of Directors, who shall maintain all such information in the record of ownership of the Association.

ARTICLE VI - OPERATION OF THE PROPERTY

6.1 The Association . The Association, acting through the Board of Directors, shall be responsible for administration and operation of the Property in accordance with the Declaration, the Articles of Incorporation, and these Bylaws. The Association shall have and may exercise any of the powers enumerated in the Wisconsin Non-Stock Corporation Law, Chapter 181, *Wisconsin Statutes*, to the extent not inconsistent with the Declaration and Articles of Incorporation.

6.2 Rules and Regulations . The Association, through the Board of Directors, may from time to time adopt Rules and Regulations governing the operation, maintenance, and use of the Common Elements and Limited Common Elements. Such Rules and Regulations of the Association shall not be inconsistent with the terms of the Declaration, or these Bylaws. The Unit Owners, their employees, guests, invitees, licensees, tenants or agents, and all 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 proper. The Management Company, if any, may enforce the Rules and Regulations, if so stated in the Management Agreement.

6.3 Management Company . The Board of Directors may employ for the Association a Management Company at a reasonable compensation established by the Board to perform such duties and services as the Board may authorize. Such compensation shall not be greater than the reasonable value of the labor and services performed by such management company. The Board may delegate to the Management Company any powers and duties granted to the Association and its Board by these Bylaws, the Articles of Incorporation, and the Declaration.

6.4 Insurance by Association . The Association shall obtain and continue in effect policies of insurance providing coverage for the condominium against loss or damage by fire or other hazard and against liability claims. The Association shall be the named insured individually and as trustee for each of the Unit Owners and their mortgagees as their interests may appear in the percentages established by Article V of the Declaration. The amount of protection and the types of hazards to be covered shall be reviewed at least annually by the Association and the amount of coverage may be increased or decreased at any time as deemed appropriate by the Directors of the Association to conform to the requirements of paragraph (b) hereof. The provisions of this section and any insurance provided pursuant hereto shall be without prejudice to the right of each Unit Owner to insure his, her or its own Unit for personal benefit provided, however, that no owner shall be entitled to maintain individual Unit insurance in such a way as to decrease the amount which the Association may realize as trustee under any insurance policy provided by reason of this section.

a. Assessment of Premiums . Premiums for policies of insurance obtained by the Association shall be common expenses assessable to the Unit Owners in accordance with the percentage of interest established by the Declaration. Unless otherwise provided in the Bylaws, such premiums shall be charged to the Unit Owners as they become due and each Unit Owner shall promptly pay his/her portion of such insurance premium upon receiving a statement therefor from the Association. If the same is not paid by the Unit Owner when due, the unpaid balance shall be paid by the Association and shall constitute a special assessment that is a delinquent payment as in Section 5.5 and may be perfected as a condominium lien.

b. Coverage . The Association shall provide the following types of insurance coverage:

1. Property Insurance . All Common Elements shall be protected with an all risk property insurance policy for not less than full replacement value with an inflation-guard endorsement as determined by the Association. Such insurance shall provide that the insurer waives its rights of subrogation as to any

claim against Unit Owners, the Association and their respective employees, servants, agents and guests, and that the insurance cannot be cancelled, invalidated nor suspended on account of conduct of any one or more Unit Owners or the Association or their employees, servants, agents and guests without thirty (30) days prior written notice to the Association, giving it an opportunity to cure the defect within that time.

2. Liability Insurance . Public liability insurance in such amounts and with such other coverage as shall be determined by the Association. Such policy shall insure each Unit Owner, the Association, its officers, directors, the manager or managing agent of the condominium and their respective employees and agents from liability in connection with the Common Elements and shall also insure the officers and directors of the Association from liability for good faith action beyond the scope of their respective authorities.

3. Workers Compensation . Workers compensation insurance shall be provided by the Association to the extent necessary to comply with applicable state law.

4. Other Insurance . Such other insurance as the Association shall from time to time determine to be desirable may be purchased and assessed as a common expense to the Unit Owners.

c. Additions, Alterations or Improvements . The Association shall not be responsible for obtaining insurance on any additions, alterations, or improvements made by any Unit Owner to his, her or its Unit unless and until such Unit Owner shall request the Association, in writing, to do so. If the Unit Owner fails to make such request in writing, the Association shall not be obligated to apply any insurance proceeds to restore the affected Unit to a condition better than the condition existing prior to the making of such additions, alterations or improvements. The Board may elect not to obtain such insurance as requested by a Unit Owner.

d. Use of Proceeds . Insurance proceeds shall first be disbursed by the Association as trustee for the repair or restoration of the damaged Common Elements. The Unit Owners and their mortgagees shall not be entitled to receive payment of any portion of the insurance proceeds unless the Association has determined not to rebuild or a court has ordered partition of the condominium property or there is a surplus of insurance proceeds after the Common Elements have been completely repaired or restored.

e. Insurance by Unit Owners . Unit Owners shall be responsible to provide policies of insurance covering the following items:

1. Every Unit Owner shall be obligated to obtain and maintain at all times casualty insurance providing fire and broad form extended coverage for the Unit Owner's Unit, the Limited Common Elements associated with the Unit, and other Improvements located on the Unit. Each policy of such insurance shall

provide for notification of the Association by the insurer prior to any cancellation or non-renewal of such insurance.

2. Each Unit Owner shall have the right to obtain coverage, at his, her or its own expense, for personal property located in his, her or its Unit or Limited Common Elements attached to his, her or its Unit.

3. At the request of the Board of Directors, each Unit Owner shall file a copy of each individual policy or policies covering his, her or its Unit and personal property with the Association within thirty (30) days after receiving such request. Unit Owners shall promptly notify, in writing, the Association in the event any such policy is cancelled or is not renewed.

4. Each Unit Owner shall obtain and maintain such insurance as required by the Declaration.

5. Unless a lesser amount is approved by the Association, the amount of any insurance required hereunder to be maintained by the Unit Owner shall in no event be less than the full replacement cost of the Unit and the Limited Common Elements associated with the Unit. Upon the failure of any Unit Owner to purchase insurance in the amounts and coverages required hereunder or in the Declaration, or to pay the premium on any required insurance policy, the Association may, but shall not be obligated to, purchase such insurance or pay such insurance premium and charge the amount so paid by the Association, plus any service charge, to the Unit Owner as a Special Assessment, and if the Special Assessment is not paid it is treated as in section 5.5.

f. Limitation on Liability . No Unit Owner or his/her/its mortgagee shall have any claim against any other Unit Owner, the Association, its officers or directors, the manager or managing agent of the condominium or their respective employees and agents for damage to the Common Elements, the Units or to any personal property located in the Units or Common Elements caused by fire or other casualty to the extent that such damage is covered by property and other forms of insurance.

6.5 Repair and Reconstruction After Damage . In the event of any damage to or destruction of the Common Elements as a result of fire or other casualty or otherwise the Board of Directors is authorized to and shall arrange for the prompt repair and reconstruction and the Board of Directors or the insurance trustee, as the case may be, shall disburse the proceeds of all insurance policies to the contractors engaged in such repair and reconstruction in excess of the appropriate progress payments. Any cost of such repair and reconstruction in excess of the insurance proceeds shall constitute a common expense and the Board of Directors may access all the Unit Owners for such deficit as part of the common charges.

By acceptance of the deed to his/her/its Unit, each Unit Owner shall be deemed to have consented to the foregoing authorization and direction for repairs and reconstruction. Such authorization and direction shall be deemed continuous action by the Association by unanimous consent pursuant to Article III, Section 3.13 of these Bylaws and shall constitute the

determination by the Association to repair, reconstruct or rebuild as required by the Wisconsin Condominium Ownership Act.

6.6 Abatement and Enjoining of Violations . The violation of any rule or regulation adopted by the Board of Directors, or the breach of any Bylaw contained herein, or the breach of any provision of the Declaration, shall give the Board of Directors the right, in addition to any other rights set forth in these Bylaws to enjoin, abate or remedy such thing or condition by appropriate legal proceedings.

6.7 Maintenance and Repair . All maintenance, repairs and replacements shall be as specified in the Declarations and as follows (the terms of the Declaration shall control if any conflicts between the language exists or claims to exist):

a. Units/Limited Common Areas. Each Unit Owner shall be responsible for keeping the interior of his/her/its Unit. Limited Common Areas and all of its equipment, fixtures and appurtenances in good order, condition and repair, and in a clean and sanitary condition, and shall be responsible for such maintenance, repair, decoration, painting, and varnishing which may at any time be necessary to maintain the good appearance and condition of the interior of his/her/its Unit. Without in any way limiting the foregoing, in addition to decorating and keeping the interior of the Unit in good repair, each Unit Owner shall be responsible for the maintenance, repair or replacement of any plumbing fixtures; pipes which are part of his/her/its Unit; water heaters; furnaces; air conditioners, including compressors; doors; windows and glass panes; lighting fixtures; wiring which is part of his/her/its Unit; refrigerators; ranges; dishwashers; disposal; laundry equipment such as washers and dryers; venting for laundry dryers and all other appliances; doorbells; smoke detectors; and any other equipment which may be in or connected with his/her/its Unit and/or Limited Common Areas.

b. Common Elements. The Association shall be responsible for the management and control of the common elements and shall cause the same to be maintained, repaired and kept in good, clean, attractive and sanitary condition, order and repair. Without in any way limiting the foregoing, the Association shall be responsible, at the Association expense (unless necessitated by the negligence or misuse of a Unit Owner, in which case such expense shall be charged to such Unit Owner), for accomplishment of the following specific items of maintenance and repair with respect to the Common Elements (this excludes Limited Common Elements):

1. All painting, repairing, restoration, maintenance and decoration of building exteriors and roofs.
2. General repair, maintenance, repair or replacement of exteriors, fixtures including gutters, downspouts and mail boxes.
3. All grass cutting, edging and trimming.
4. Tending and cultivating bush beds and limited pruning of bushes and shrubbery.
5. Replacement of landscaping, trees (at least 2.5" diameter) and shrubberies.
6. Tree pruning, cutting and weed control as required.
7. Fertilizing, watering and weed control as required.

8. Raking and disposal of leaves and leaf removal for building gutters.

9. Repair, replacement or restoration of sidewalks, driveways, private roads, retaining walls and piers.

10. Snow removal and salting of common walks and drives.

11. Repair, maintenance, resurfacing or replacement of driveways and parking areas.

12. Repair and replacement of electrical wiring, pipes and ducts.in Common Elements.

13. Repair, maintenance and replacement of doors and windows in Common Elements;

14. Provision, maintenance and storage of equipment and materials required to accomplish the foregoing.

If the Declarations or these Bylaws fail to address any issue of maintenance, repairs or replacements, the Board of Directors shall determine the course of action.

6.8 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 limitations set forth in the Declaration and the following limitations (the terms of the Declaration shall control if any conflicts between the language exists or claims to exist):

a. The Units shall be used for any use permitted by the zoning regulations then applicable to the property, unless such use of a Unit interferes with the permitted uses of the other Units and/or the Common Elements.

b. The Common Elements and Limited Common Elements and facilities 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 shall be allowed on the Property as determined by the Board of Directors.

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

e. A Unit Owner shall not place any obstructive objects in Common Elements or Limited Common Elements or facilities.

6.9 Operating Budget. The operating budget shall set forth all of the following:

a. All anticipated common expenses and any amounts to be allocated to a reserve fund.

b. The amount and purpose of any other anticipated Association expenditures.

c. The amount in any reserve fund or any other funds held for future expenditures.

d. Any common surpluses.

e. The amount and source of any income, other than Unit Owner assessments.

f. The aggregate amount of any assessment to be levied against Unit Owners and the purpose of the assessment.

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 of the Association which occur with greater than annual frequency, such as amounts required for the cost of maintenance of the Common Elements and Limited Common Elements, lawn care and snow removal, insurance, common services, administration, materials and supplies. The reserve fund shall be used for contingencies and periodic expenses such as painting, renovation or replacement/repair of roofs. 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 shall be first charged against the reserve fund. In the event that both funds prove inadequate to meet the necessary expenses of the Association, the Directors may levy a further assessment against the Units which are subject to assessment equally.

The reserve fund may include such amounts as the Board of Directors may deem necessary to provide for the purchase or lease of any Unit whose owner wishes to sell or lease to the Association. The reserve fund may also be used to discharge mechanic's liens or other encumbrances levied against the Property, or against each Unit, if resulting from action by the Association. The Unit Owner or Unit 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 if such maintenance and repair is necessary to protect the Common Elements. The full amount of the cost of any such maintenance or repair shall be specially assessed to the Unit Owner responsible thereof.

The Board of Directors shall determine the amount to be assessed Unit Owners for reserve funds after considering all of the following:

a. The reserve funds currently in the fund.

b. The estimated cost of repairing or replacing Common Elements, other than routine maintenance.

c. The estimated remaining useful life of the Common Elements.

d. The approximate proportion of the estimated cost of repairing or replacing Common Elements that would be covered by the reserve funds and the approximate proportion that will be funded by other means.

e. Any other factor that the Association considers relevant.

The annual budget shall be prepared and determined by December 15 of each calendar year. The Board of Directors shall advise all members of the Association in writing of the amount of the assessments payable on behalf of each Unit by the date of the annual members' meeting and shall furnish copies of the budget on which such 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 charges or the budget upon which they are based, and the petition is signed by members representing more than fifty percent (50%) of the membership entitled to vote with respect to such charges, then the directors shall notify all members of a meeting called for the sole purpose of reviewing such charges or budget. At such meeting, the vote of more than fifty percent (50%) of the membership entitled to vote may revise the budget and charges, and such revised budget and corresponding charges shall replace for all purposes the ones previously established; provided, however, that the annual budget and charges may not be revised downward to a point lower than the average total budget for the preceding two (2) years and provided further, that if a budget and charges have not been established and made for any two preceding years, then the budget and charges may not be revised downward until two years of experience exist.

ARTICLE VII - MORTGAGES

7.1 Mortgage of Units . Each Unit may be separately mortgaged.

7.2 Notice to Board of Directors . A Unit Owner who mortgages his/her/its Unit shall notify the Board of Directors of the name and address of his/her/its mortgagee and shall file a conformed copy of the note and mortgage with the Board of Directors. The Board of Directors shall maintain such information in a book entitled "Mortgages of Units". The Board of Directors at the written request of any mortgagee shall furnish timely written notice of:

a. Any condemnation loss or any casualty loss which affects the material portion of the Property or any Unit on which there is a first mortgage held, insured, or guaranteed by such mortgagee, insurer or guarantor, as applicable;

b. Any delinquency in the payment of assessments owed by a Unit Owner subject to a first mortgage held, insured or guaranteed by such mortgagee, insurer or guarantor, which may remain uncured for a period of sixty (60) days.

c. Any lapse, cancellation or material modification of any insurance policy maintained by the Association;

d. Any proposed action which will require the consent of a specified percentage of eligible mortgagees.

The Board of Directors at the request of any prospective purchaser of any Unit or interest therein shall report to such person the amount of any assessments against such Unit then due and unpaid. The Association shall be required to make available to Unit Owners and mortgagees, and to holders, insurers or guarantors of any mortgage, current copies of the Declaration, Bylaws, other rules concerning the project and the books records and financial statements of the Association. "Available" means available for inspection, upon request, during normal business hours or under other reasonable circumstances.

7.3 Notice of Default . The Board of Directors, when giving notice to a Unit Owner of a default in paying common charges, assessments or other default, shall send a copy of such

notice to each holder of a mortgage covering such Unit whose name and address has theretofore been furnished to the Board of Directors.

7.4 Examination of Books . Each mortgagee of a Unit shall have the same right to inspect the books and accounts of the Property and Association as does a Unit Owner, as declared herein.

ARTICLE VIII - SALES AND LEASES OF UNITS

8.1 Financing of Purchase of Units by Board of Directors . Acquisition of Units by the Board of Directors or its designee, on behalf of all Unit Owners, may be made upon a vote of seventy-five percent (75%) approval of the Unit Owners.

8.2 Waiver Right of Partition . In the event that a Unit shall be acquired by the Board of Directors or its designee, on behalf of all Unit Owners as tenants in common, all such Unit Owners shall be deemed to have waived all rights of partition with respect to such Unit.

8.3 Membership . Upon the sale of a Unit, the purchaser shall become a member of the Association and shall pay any dues to the Association in the manner prescribe by it. If a Unit Owner leases his/her/its Unit, he/she/it shall continue to be a member of the Association.

ARTICLE IX - CONDEMNATION

In the event of a taking in condemnation or by eminent domain of part or all of the Common Elements or Limited Common Elements or facilities, the award made for such taking shall be issued in accordance with the Declaration.

ARTICLE X - RECORDS

The Board of Directors or the managing agent shall keep detailed records of the actions of the Board of Directors and the managing agent, minutes of the meetings of the Board of Directors, minutes of the meetings of the Unit Owners, and financial records and books of account of the property, including a chronological listing of receipts and expenditures, as well as a separate account of each Unit which, among other things, shall contain the amount of each assessment of common charges against such Unit, the date when due, the amounts paid thereon, and the balance remaining unpaid. A written report summarizing all receipts and expenditures of the Property shall be rendered by the Board of Directors to all Unit Owners at least annually.

ARTICLE XI - MISCELLANEOUS

11.1 Notices . All notices to the Board of Directors shall be sent by registered or certified mail to the mailing address of the Association identified in Article I, or to such other address as the Board of Directors may hereafter designate from time to time. All notices to any Unit Owner shall be delivered in person to an owner of that Unit, or sent by mail to the building or to such other address as may have been designated by them from time to time, in writing, to the Board of Directors or via email to the email address provided by the Unit Owner to the Board of DIrectors. All notices to mortgagees of Units, shall be sent by registered or certified mail to their respective addresses, as designated by them from time to time, in writing, to the Board of

Directors. All notices shall be deemed to have been given when emailed, mailed or personally delivered, except notices of change of address which shall be deemed to have been given when received.

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

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

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

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

11.6 Arbitration . In the event a vote by Unit Owners at a duly called meeting should result in a tie regarding an issue put to the Unit Owners, the Unit Owners may elect to submit the issue to arbitration, pursuant to Chapter 788 of the *Wisconsin Statutes* or pursuant to the rules of the American Arbitration Association, upon a two-thirds (2/3) vote of all Unit Owners entitled to vote, in favor of submitting the issue to arbitration.

11.7 Fiscal Year . The fiscal year of the Association shall be the calendar year.

11.8 Voting . Whenever mentioned the voting of Unit Owners, authorized individual or the like, it shall mean the votes that are eligible and to be counted as defined in the Declaration. Whenever mentioned the percent requirement of votes, it shall mean the percent of all eligible votes not just the percent when a quorum is present.

11.9 Indemnification of Officers and Directors. In addition to such other indemnities set forth in the Declaration and these Bylaws, the Association shall indemnify a director or officer, to the extent that he or she has been successful on the merits or otherwise in the defense of a proceeding, for all reasonable expenses incurred in the proceeding if the director or officer was a party because he or she is a director or officer of the Association.

The Association shall indemnify a director or officer against liability incurred by the director or officer in a proceeding to which the director or officer was a party because he or she is a director or officer of the corporation, unless liability was incurred because the director or officer breached or failed to perform a duty that he or she owes to the Association and the breach or failure to perform constitutes any of the following:

a. A willful failure to deal fairly with the Association or its members in connection with the matter in which the director or officer has a material conflict of interest.

b. A violation of the criminal law, unless the director or officer had reasonable cause to believe that his or her conduct was lawful or know reasonable cause to believe that his or her conduct was unlawful.

c. A transaction from which the director or officer derived an improper personal profit or benefit.

d. Willful misconduct.

Determination of whether indemnification is required shall be made under Wisconsin Statute Section 181 ,0873. The termination of a proceeding by judgment, order, settlement, or conviction, or upon a plea of no contest or an equivalent plea, does not by itself, create a presumption that indemnification of the director or officer is not required under this subsection. A director or officer who seeks indemnification shall make a written request to the Association.

ARTICLE XII - AMENDMENTS TO BYLAWS

Except as hereinafter provided otherwise, these Bylaws may be modified or amended by the vote of seventy-five percent (75%) of all Unit Owners at a meeting of Unit Owners duly held for such purposes.

ARTICLE XIII - CONFLICTS

These Bylaws are set forth to comply with the requirements of Chapter 703, the Wisconsin Condominium Ownership Act. In case any of these Bylaws conflict with the provisions of such Act or of the Declaration, the provisions of such Act or of the Declaration, as the case may be, shall control and in case of any conflict between the provisions of such Act and the Declaration as related to these Bylaws or otherwise, the provisions of the statute shall control.