

**BYLAWS OF
JUNCTION POINT CONDOMINIUM ASSOCIATION, INC.**

Table of Contents PAGE

ARTICLE I PLAN OF UNIT OWNERSHIP.....1

 Section 1. Applicability of Bylaws.....1 Section

 2. Definitions.....1 Section 3.

 Office.....1

 Section 4. The Association.....1

ARTICLE II ASSOCIATION.....1

 Section 1. Composition.....1 Section

 2. Annual Meetings.1 Section 3.

 Place of Meetings.....2 Section 4. Special

 Meetings2 Section 5. Notice of

 Meetings.....2 Section 6. Adjournment of

 Meetings.....2 Section 7. Presiding Officer

 2 Section 8. Conduct of

 Meeting.....3 Section 9. Voting.

 3 Section 10. Proxies

 3 Section 11. Association

 Action3 Section 12. Majority of the

 Unit Owners.....4 Section 13.

 Quorum.....4 Section 14.

 Action Without Meeting.....4

 Section 15. Waiver of Notice4

ARTICLE III BOARD OF DIRECTORS.....4

 Section 1. Number; Declarant Control.....4

 Section 2. Election; Non-Voting Director.....5

 Section 3. Term of Office.....5

 Section 4. Qualifications.....5

 Section 5. Powers and Duties.....5

 Section 6. Managing Agent.....8

 Section 7. Removal of Members of the Board of Directors.....8

 Section 8. Resignations of Members of the Board of Directors.....8

 Section 9. Vacancies.....9

 Section 10. Regular Meetings9

Section 11. Special Meetings9

Section 12. Telephone Meetings9

Section 13. Waiver of Notice9

Section 14. Quorum; Voting of Board of Directors10

PAGE

Section 15. Compensation.....10

Section 16. Conduct of Meetings10

Section 17. Action Without Meeting.....10

Section 18. Indemnification10

Section 19. Common or Interested Directors.....11

Section 20. Committees11

Section 21. Law Suits11

ARTICLE IV OFFICERS12

Section 1. Designation12

Section 2. Qualifications.....12 Section

3. Election.....13 Section 4.

Removal or Resignation of Officers.....13 Section 5.

Agreements, Contracts, Deeds, Checks, Etc.....13

Section 6. Compensation of Officers.....13

ARTICLE V ASSESSMENTS.....13

Section 1. Fiscal Year13 Section

2. Adoption of Budget.....13

Section 3. Effect of Failure to Adopt Budget.....14

Section 4. Assessment of Common Expenses.....14

Section 5. Reserves.....15 Section

6. Special Assessments.....15 Section 7.

Working Capital Fund16 Section 8.

Obligation to Pay Common Expenses.....16 Section 9. Lien

for Assessments.....17 Section 10.

Subordination and Mortgagee Protection.....17 Section 11.

Collection of Assessments.....17 Section 12. Late

Payment Penalty.....17

Section 13. Default in Payment of Common Expenses.....17

Section 14. Foreclosure of Liens for Unpaid Common Expenses.....18

Section 15. Accounts18

Section 16. Books and Accounts.....18

Section 17. Inspection of Books.....18

Section 18. Statement of Common Expenses.....18

Section 19. Utilities18

Section 20. Audit19

ARTICLE VI REPAIR, IMPROVEMENT AND USE.....19

Section 1. Maintenance and Repair.19

Section 2. Right of Access20 Section
3. Additions, Alterations or Improvements.20 Section 4. Use
of Units and Common Elements21
Section 5. Rules and Regulations23
ARTICLE VII ALIENATION OF CONDOMINIUM UNITS.....23
Section 1. No Severance of Ownership23

PAGE
Section 2. Resales of Units.....24
Section 3. Financing of Purchase of Units by Association.....24
ARTICLE VIII COMPLIANCE AND DEFAULT.....25
Section 1. Unit Owners Subject to Act, Declaration, Bylaws and Rules and
Regulations25
Section 2. Legal Proceedings25
Section 3. Costs and Attorneys’ Fees25
Section 4. Fines.....25
Section 5. No Waiver of Rights.....25
Section 6. Abatement and Enjoinment of Violations by Unit Owners.....25
Section 7. Grievance Procedure.....26
ARTICLE IX MISCELLANEOUS26
Section 1. Amendments.26
Section 2. Execution.28
Section 3. Notices.....28
Section 4. Merger.....28
Section 5. Invalidity.....28
Section 6. Captions.28

EXHIBIT A Chart of Maintenance Responsibilities

**BYLAWS OF
JUNCTION POINT CONDOMINIUM ASSOCIATION, INC.**

ARTICLE I

Plan of Unit Ownership

Section 1. Applicability of Bylaws. The provisions of these Bylaws are applicable to (i) the use and occupancy of that portion of certain land, building and improvements located at 302 Junction Road, in the City of Madison, Wisconsin, which has been submitted to the provisions of the Condominium Ownership Act of the State of Wisconsin (Wis. Stat. Ch. 703, as amended or renumbered from time to time) (the "Act") by the Declaration of Junction Point Condominium (the "Declaration") recorded in the Office of the Register of Deeds for Dane County, Wisconsin, and (ii) the structure and operation of the Association of the Condominium.

Section 2. Definitions. Except as otherwise set forth herein capitalized terms used herein without definition shall have the meanings specified for such terms in the Declaration or, if not defined therein, the meanings specified for such terms in the Act.

Section 3. Office. The principal office of the Condominium, the Association and the Board of Directors shall be located at 7609 Elmwood Avenue, Suite 201, Middleton, Wisconsin 53562 or at such other place as may be designated from time to time by the Board of Directors and the mailing address shall be 7609 Elmwood Avenue, Suite 201, Middleton, Wisconsin 53562 or such other address as may be designated from time to time by the Board of Directors.

Section 4. The Association. Junction Point Condominium Association, Inc. (the "Association") is a nonstock, nonprofit corporation formed under Chapter 181 of the Wisconsin Statutes and whose members consist of all the Unit Owners in the Condominium. Each Unit Owner in the Condominium has the same Percentage Interest in the Association as such Unit Owner's respective undivided interest in the Common Elements set forth in the Declaration.

ARTICLE II

Association

Section 1. Composition. All Unit Owners in the Condominium, acting as a group in accordance with the Act, the Declaration and these Bylaws, shall constitute the Association.

Section 2. Annual Meetings.

(a) The first annual meeting of the Association shall be held on a date to be determined by Declarant within one (1) year following the date of recordation of the Declaration, or on or before the date of conveyance of Units to which seventy-five percent (75%) or more of

the Percentage Interests in the Condominium appertain (determined for this purpose in accordance with Section 1(e) of Article III hereof), whichever first occurs. Unless otherwise determined by the Board of Directors, annual meetings of the Association held after the first annual meeting shall be held on the same day of the same month of each succeeding year.

(b) As used in these Bylaws, unless the context otherwise requires, the term “**conveyance**” means conveyance of fee simple title by deed or conveyance of equitable ownership by land contract.

Section 3. Place of Meetings. Meetings of the Association shall be held at a location designated by the Board of Directors.

Section 4. Special Meetings. It shall be the duty of the President to call a special meeting of the Association if so directed by resolution of the Board of Directors or, after the first annual meeting of the Association, upon a petition signed and presented to the Secretary by Unit Owners holding not less than twenty percent (20%) of the Percentage Interests from time to time in the Condominium. No business shall be transacted at a special meeting except as stated in the notice of such meeting given in accordance with the provisions of Section 5 of this Article.

Section 5. Notice of Meetings. At least twenty-one (21) days but no more than fifty (50) days in advance of each annual meeting of the Association, and at least ten (10) days but no more than thirty (30) days in advance of each special meeting of the Association, the Secretary shall cause to be sent to each Unit Owner of record notice of the time, place and purpose or purposes of such meeting. Such notice shall be sent by United States mail, first class postage prepaid, to each Unit Owner of record, at the address of such Owner’s Unit or at such other address as such Owner may have designated in writing to the Secretary. Transfer of membership in the Association shall be established by the recording in the Office of the Register of Deeds for Dane County of a deed or other instrument establishing a change of record title to a Unit or the recording in said office of a land contract. A certified copy of such instrument or land contract shall be delivered to the Association by the transferee or vendee. The transferee designated by such instrument or the vendee shall thereby become a member of the Association and the membership of the prior owner or vendor shall thereby be terminated. The mailing of a notice of a meeting in the manner provided in this Section shall be deemed service of notice. In lieu of mailing notice of a meeting in the manner provided in this Section, the Secretary may cause such notice to be personally delivered.

Section 6. Adjournment of Meetings. If any meetings of the Association cannot be held because a quorum as defined in Section 14 is not represented, Unit Owners holding a majority of the votes present at such meeting, either in person or by proxy, may adjourn the meeting, without further notice, to a time not less than forty-eight (48) hours from the time the original meeting was called and at such subsequent meeting, the presence, in person or by proxy of Unit Owners of thirty percent (30%) in number of the Units of the Condominium shall constitute a quorum.

Section 7. Presiding Officer. Until the first meeting of the Association following the special meeting at which members of the Board of Directors shall be elected by all Unit Owners as provided in Section 1 of Article III of these Bylaws, any person designated by

Declarant shall preside at all meetings of the Association. Thereafter, the President or his or her designee shall preside at all meetings of the Association. In the absence of the President or such designee from any meeting of the Association, any person designated by the Board of Directors shall preside over such meeting.

Section 8. Conduct of Meeting. The minutes of all meetings shall be held in a Minute Book maintained for the Association by the Secretary. The then current Robert's Rules of Order or any other rules of procedure acceptable to a majority of the votes of Unit Owners shall govern the conduct of all meetings of the Association when not in conflict with these Bylaws, the Declaration or the Act. All votes shall be tallied by a person or persons appointed by the presiding officer of the meeting.

Section 9. Voting.

(a) Each Residential Unit shall be entitled to one (1) vote at all meetings of the Association and the Commercial Unit shall be entitled to thirty-two (32) votes at all meetings of the Association. Since a Unit Owner may be more than one person, the person who shall be entitled to cast the vote of such Unit shall be the natural person named in a certificate executed by all of the co-owners of such Unit and filed with the Secretary or, in the absence of such named person from the meeting (or the failure to name such a person), the person who shall be entitled to cast the vote of such Unit shall be the co-owner who is present at such meeting, if only one such co-owner is present. If more than one co-owner is present and no certificate has been filed with the Secretary (or, if the person named in the certificate for such Unit is not present), the vote(s) appertaining to such Unit shall be cast in accordance with the agreement of a majority in interest of the co-owners of such Unit who are present, and the consent of such co-owners shall be conclusively presumed if any one of them purports to cast the vote appertaining to such Unit without protest being made by another co-owner to the presiding officer of the meeting. If protest is made, such Unit shall be counted solely for the purpose of determining whether a quorum is present.

(b) No Unit Owner may vote at any meeting of the Association if a lien in favor of the Association pursuant to Section 9 of Article V of these Bylaws has been perfected against such Unit Owner's Unit and the amount necessary to release such lien has not been paid at the time of such meeting.

Section 10. Proxies. The vote(s) appertaining to any Unit may be cast pursuant to a proxy duly executed by or on behalf of the Unit Owner. All proxies must be filed with the Secretary before the appointed time of the meeting for which they are given. Any proxy shall terminate automatically upon the adjournment of the first meeting of the Association held after the date thereof. In any event, except with respect to proxies in favor of an Eligible Mortgagee, no proxy shall be valid for a period in excess of one hundred eighty (180) days.

Section 11. Association Action. Except as otherwise required by the Act, the Declaration or these Bylaws, decisions of the Association shall be made by a majority of the votes of Unit Owners present, in person or by proxy, at a meeting of the Association at which a quorum is present.

Section 12. Majority of the Unit Owners. Except as otherwise provided by law, as used in these Bylaws, the term “majority of the votes of Unit Owners” or words of like import shall mean the vote of Unit Owners’ holding more than fifty percent (50%) of the votes of Unit Owners present, in person or by proxy, at a meeting of the Association at which a quorum is present.

Section 13. Quorum. Except as otherwise provided in these Bylaws or as required by law, the presence, in person or by proxy, of Owners of forty percent (40%) in number of the Units in the Condominium shall constitute a quorum at and throughout all meetings of the Association.

Section 14. Action Without Meeting. Any action by Unit Owners required or permitted to be taken at a meeting may be taken without a meeting if the action is approved by Unit Owners holding at least one hundred percent (100%) of the voting power, by written consent describing the action taken, signed by the required number of Unit Owners. A consent has the effect of a meeting vote. Written notice of Unit Owner approval of the action shall be given to all members who have not signed the written consent. Unit Owner approval of the action shall be effective ten (10) days after such written notice is given. Any such written consent shall be filed with the minutes of the proceedings of the meetings of the Association.

Section 15. Waiver of Notice. Any Unit Owner may at any time waive notice of any meeting of Unit Owners in writing and such waiver shall be deemed equivalent to the giving of such notice. Attendance of any Unit Owner at any meeting of the Association shall constitute a waiver of notice by such Owner.

ARTICLE III

Board of Directors

Section 1. Number; Declarant Control. (a) The affairs of the Condominium shall be governed by a Board of Directors. As set forth in this Section 1, Declarant shall be entitled to designate a majority of the members of the Board until the earlier to occur of (i) thirty (30) days after the date of conveyance of Units to which seventy-five percent (75%) of the Percentage Interests of the Condominium appertain or (ii) three (3) years from the date of the first conveyance of any Unit in the Condominium. The initial Board of Directors shall consist of three (3) persons, each of whom shall be appointed by Declarant within fourteen (14) days after the incorporation of the Association. Thereafter, the Board of Directors shall be expanded to a maximum of five (5) members, in the manner and at the times set forth in subsections (b), (c), and (d) of this Section 1.

(b) A special meeting of the Association shall be held prior to the conveyance of Units to which twenty-five percent (25%) of the Percentage Interests in the Condominium appertain or at such earlier time as may be determined by Declarant in its sole discretion, at which special meeting the Unit Owners other than Declarant shall elect one Director; thereafter, the Board of Directors shall be composed of four (4) persons.

(c) A special meeting of the Association shall be held prior to the conveyance of Units to which fifty percent (50%) of the Percentage Interests in the Condominium appertain or at such earlier time as may be determined by Declarant in its sole discretion, at which special meeting the Director elected by the Owners at the special meeting described in subparagraph (b) above shall resign; and the Unit Owners other than Declarant shall elect two Directors; thereafter, the Board of Directors shall be composed of five (5) persons.

(d) A special meeting of the Association shall be held on or before forty-five (45) days after the earlier to occur of (i) thirty (30) days after the date of conveyance of Units to which seventy-five percent (75%) of the Percentage Interests of the Condominium appertain or the date of expiration of three (3) years from the date of the first conveyance to any purchaser of any Unit in the Condominium, at which special meeting all members of the Board of Directors designated by the Declarant as provided in paragraph (a) of this Section shall resign and all five (5) members of the Board of Directors shall be elected by all Unit Owners, including Declarant, to the extent Declarant then owns any Units. All members of the Board of Directors elected at such special meeting shall serve until their successors shall have been elected at the next succeeding annual meeting.

Section 2. Election; Non-Voting Director. Directors elected by Unit Owners shall be elected by plurality vote. Each Unit shall be entitled to cast its vote(s) for as many persons as there are Directors to be elected and for whose election the Owners of such Unit shall be entitled to vote. Votes shall not be cumulated. If at any time the Directors do not include a Commercial Unit Owner, the Commercial Unit Owner may appoint a non-voting member of the Board of Directors who shall be entitled to attend and participate in all meetings of the Board of Directors but who shall not be entitled to vote and whose presence shall not be considered in determining whether a quorum exists.

Section 3. Term of Office. At the first annual meeting of the Association following the special meeting at which all members of the Board of Directors shall be elected by Unit Owners as provided in Section 1(d) of this Article, the persons receiving the first, second and third highest number of votes shall be elected for a term of two (2) years and the persons receiving the fourth and fifth highest number of votes shall be elected for a term of one (1) year. All persons elected as members of the Board of Directors at any subsequent annual meeting of the Association shall be elected for a term of two (2) years. All members of the Board of Directors shall hold office until their respective successors shall have been elected and shall have qualified. In the event of a tie for the third or fifth highest number of votes, the outcome shall be determined by lot, in the manner prescribed by the presiding officer.

Section 4. Qualifications. Except for those members of the Board of Directors appointed by Declarant, all members of the Board of Directors shall be Unit Owners, or partners, officers, directors, trustees, agents or employees of Unit Owners who are not natural persons. No Unit Owner may be elected to or may serve on the Board of Directors if a lien has been perfected by the Association, or action therefor has been instituted against such Unit Owner's Unit by the

Association, and the amount necessary to release such lien has not been paid at the time of such election or during such incumbency.

Section 5. Powers and Duties. The Board of Directors shall have all of the powers and duties necessary for the administration of the affairs of the Condominium and may do all acts and things as are by the Act, the Declaration or these Bylaws directed to be done by the Association. In addition to the duties imposed on the Board of Directors by these Bylaws or by any resolution of the Association, the Board of Directors shall have the power to, and shall be responsible for, the following:

- (a) Adopting an annual budget for the Residential Units and the Commercial Unit in which there shall be established the required contribution of each Unit Owner to the Residential Common Expenses and the Common Expenses that are neither Residential Common Expenses nor Commercial Common Expenses. As provided in Section 6.1 of the Declaration, Commercial Common Expenses shall be paid directly by the Commercial Unit Owner as and when incurred.
- (b) Levying assessments against Unit Owners to defray the Common Expenses, against the Residential Unit Owners for the Residential Common Expenses and against the Commercial Unit Owners for the Commercial Common Expenses, establishing the means and methods of collecting such assessments from the Unit Owners, and establishing the period of the installment payment of such assessments.
- (c) Providing for the operation, care, upkeep, replacement and maintenance of all of the Common Elements.
- (d) Designating, hiring and dismissing the personnel necessary for the maintenance, operation, repair and replacement of the Common Elements, except to the extent that the Commercial Unit Owner will perform such functions with respect to the Limited Common Elements that are appurtenant to the Commercial Unit.
- (e) Collecting from Unit Owners assessments against Units and depositing the proceeds thereof in a bank depository(ies) which it shall approve.
- (f) Making and amending Rules and Regulations respecting the use and enjoyment of Residential Units in accordance with the provisions of these Bylaws.
- (g) Opening bank accounts on behalf of the Condominium and designating the signatories required therefor.
- (h) Making, or contracting for the making of, repairs, additions and improvements to, or alterations or restorations of the Condominium.
- (i) Enforcing by legal means the provisions of the Declaration, these Bylaws

and the Rules and Regulations, and bringing or defending against any proceedings which may be instituted on behalf of or against the Association.

(j) Obtaining and carrying insurance as provided in these Bylaws, paying the premium cost thereof and adjusting and settling claims thereunder.

(k) Paying the cost of all services rendered to the Condominium and not billed to Unit Owners of individual Units.

(l) Keeping books and accounts in accordance with the provisions of these Bylaws.

(m) Borrowing money on behalf of the Condominium when required in connection with the operation, care, upkeep and maintenance of the Common Elements; provided, however, that at no time shall there be borrowed or owed in excess of the greater of (i) seventy five percent (75%) of the total annual operating budget for the Condominium or (ii) Ten Thousand Dollars (\$10,000) without the prior consent of at least sixty-seven percent (67%) of the votes of Unit Owners obtained at a meeting duly called and held for such purpose . To the extent the borrowing is incurred in connection with the operation, care, upkeep and maintenance of any Limited Common Elements that benefit either the Residential Units or the Commercial Units exclusively, the debt service for such costs shall be treated as a Residential Common Expense or a Commercial Common Expense, as appropriate. The dollar limitation set forth above shall increase automatically each fiscal year, beginning in 2006, in proportion to increases in the Consumer Price Index for Urban Wage Earners and Clerical Workers (United States) (1982-84=100) and published in the "Monthly Labor Review" of the Labor Statistics of the United States Department of Labor or any successor index thereto selected by the Board of Directors, in its reasonable discretion.

(n) Purchasing on behalf of all Unit Owners in the name of the Association or such nominee as shall be designated by the Board of Directors any Unit whose Unit Owner has elected to sell or lease such Unit or any Unit which is to be sold at a foreclosure or other judicial sale; provided, however, that the Board of Directors may not take any such action without the prior consent of at least sixty-seven percent (67%) of the votes of Unit Owners obtained at a meeting duly called and held for such purpose. Borrowing and all other holding costs incurred in connection with the purchase and ownership of a Unit shall be treated as a Common Expense of the Unit Owners unless the Commercial Unit Owner has not consented to such purchase; then in such case, all borrowing and holding costs shall be treated as a Residential Common Expense.

(o) Selling or leasing on behalf of all Unit Owners any Unit purchased by the Association pursuant to subparagraph (n) above; provided, however, that the Board of Directors may not take any such action without complying with the Act and without the prior consent of at least sixty-seven percent (67%) of the votes of Unit Owners obtained at a meeting duly called and held for such purpose and the proceeds therefrom after repayment of borrowed funds thereof and special assessments if any, levied for such purposes shall be deposited in such funds as the Board of Directors may be established and disbursed by the

Board of Directors in such manner as the Association shall determine. No such agreements shall be binding upon the Commercial Unit Owner without the Commercial Unit Owner's consent, and all expenses incurred by the Association in connection with any such agreements not consented to by the Commercial Unit Owner shall be a Residential Common Expense.

(p) Consistent with the terms and provisions of the Condominium Documents,

entering into agreements, including, without limitation, easement agreements for the use by the Association and its members on reasonable terms and conditions of facilities, including, without limitation, roadway, recreational and utility facilities, not included as part of the Condominium, entering into amendments or modifications thereof and granting to others the right to use those facilities included within the Condominium.

(q) Making of repairs, additions and improvements to, or alterations of, the Common Elements and making of repairs to and restoration of the Property after a casualty or taking in accordance with the other provisions of these By-Laws.

(r) The power to do everything necessary, suitable or proper for the accomplishment of any of the purposes, the attainment of any of the objectives or the furtherance of any of the powers of the Association either alone or in conjunction with Declarant and the Unit Owners, or either.

Section 6. Managing Agent. The Board of Directors may employ for the Condominium a professional Managing Agent at a compensation established by the Board of Directors to perform such duties and services as the Board of Directors shall authorize. The Board of Directors may delegate to the Managing Agent all of the powers granted to the Board of Directors by these Bylaws other than the powers set forth in paragraphs (a), (b), (f), (g), (m), (n), (o), (p), (q) and (r) of Section 5 of this Article. The Board of Directors may delegate to one of its members the authority to act on its behalf on all matters relating to the duties of the Managing Agent which might arise between meetings of the Board of Directors. If the Association elects to engage a Managing Agent, then the Association and the Board of Directors shall not undertake "self-management" or fail to employ a professional Managing Agent thereafter without the consent of at least sixty-seven percent (67%) of the Unit Owners and at least fifty-one percent (51%) of the Eligible Mortgagees. Declarant, or an affiliate of Declarant, may be employed as Managing Agent. The Board of Directors may not employ a Managing Agent for a term in excess of one (1) year. Any contract with a Managing Agent must provide that it may be terminated for cause on no more than thirty (30) days' written notice and without cause or imposition of any termination fee on ninety (90) days' written notice if Managing Agent is an affiliate of Declarant. The Board of Directors shall require appropriate standards of performance of the Managing Agent. All costs of hiring the Managing Agent shall be a Residential Common Expense.

Section 7. Removal of Members of the Board of Directors. Declarant shall have the right, at any time and in its sole discretion, to remove any Director appointed to the Board by Declarant under Section 1 of this Article III, and to select and designate his or her successors. Any member of the Board of Directors elected by Unit Owners may be removed, with or without

cause, if the number of votes cast to remove the Director by Unit Owners at any regular meeting or any special meeting duly called and held for such purpose would be sufficient to elect the Director at a meeting to elect directors and a successor may then and there be elected to fill the vacancy thus created for the remainder of the term of the member so removed. Any Director whose removal has been proposed by the Unit Owners shall be given at least ten (10) days' notice of the calling of the meeting and the purpose thereof, and shall be given an opportunity to be heard at the meeting.

Section 8. Resignations of Members of the Board of Directors. A member of the Board of Directors may resign at any time by delivering written notice to the presiding officer or secretary of the Board of Directors. A resignation is effective when the notice is received by such officer unless the notice specifies a later effective date. If a resignation is made effective at a later date, the Board of Directors may make the effective date earlier and fill the pending vacancy before the effective date if the Board of Directors provides that the successor does not take office until the effective date. Any Director who is a Unit Owner shall be deemed to have resigned upon divestiture of title in fee or by lease for a term or terms of six (6) months or more of the Unit owned by such Director (or such Director's corporation, partnership, trust, principal or employer, if the Unit Owner is not a natural person), unless such Director (or such Director's corporation, partnership, trust, principal or employer) acquires or contracts to acquire another Unit under terms providing for a right of occupancy effective as of or before the termination of the right of occupancy pursuant to such divestiture. A director shall also be deemed to have resigned if not in attendance at three (3) consecutive regular meetings of the Board of Directors, unless the minutes reflect the consent of a majority of the Board of Directors to such absence.

Section 9. Vacancies. Vacancies in the Board of Directors caused by any reason other than the removal of a Director by a vote of the Association or by action of Declarant (which shall be filled as provided in Section 8 of this Article) shall be filled by the sole remaining Director or by a vote of a majority of the remaining Directors (whether or not such remaining Directors constitute a quorum) at a special meeting of the Board of Directors held for such purpose promptly after the occurrence of any such vacancy, and each person so appointed shall be a member of the Board of Directors for the remainder of the original term of office to which such person shall be appointed; provided, however, that until the special meeting of the Association at which all of the members of the Board of Directors shall be elected by all Unit Owners as provided in Section 1 of this Article, a vacancy in the position of any Director designated by Declarant shall be filled by Declarant.

Section 10. Regular Meetings. Regular meetings of the Board of Directors shall be held at least once between annual meetings of the Association, at such time and place as shall be determined from time to time by a majority of the Directors. Notice of regular meetings of the Board of Directors shall be given to each Director, by mail, facsimile transmission, telephone or personally at least ten (10) business days prior to the date named for such meeting.

Section 11. Special Meetings. Special meetings of the Board of Directors may be called by the President on three (3) business days' notice to each Director, given by mail, facsimile transmission, telephone or personally, which notice shall state the time, place and

purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice on the written request of at least two (2) Directors.

Section 12. Telephone Meetings. To the extent permitted by law, members of the Board of Directors may participate in any meeting of the Board of Directors by means of a conference telephone or other communication equipment if all persons participating in such meeting can hear each other at the same time. All participating Directors shall be informed that a meeting is taking place at which official business may be transacted. If requested by a Director, minutes of the meeting shall be prepared and distributed to each Director. Such participation shall constitute presence in person at any such meeting.

Section 13. Waiver of Notice. Any Director at any time in writing, signed by the Director entitled to the notice, and filed with the minutes or corporate records, may waive notice of any meeting of the Board of Directors, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board of Directors shall constitute a waiver of notice by such Director of the time and place of such meeting, unless such attendance is for the purpose of objecting to such meeting or matter not noticed in conformity with these Bylaws and the Director does not thereafter vote or assent to the action to which objection was made. If all Directors are present at any meeting of the Board of Directors, no notice shall be required and any business may be transacted at such meeting.

Section 14. Quorum; Voting of Board of Directors. At all meetings of the Board of Directors, a majority of the Directors shall constitute a quorum for the transaction of business, and the votes of a majority of the Directors present at a meeting at which a quorum is present shall constitute the decision of the Board of Directors. If at any meeting of the Board of Directors there shall be less than a quorum present, a majority of those present or a sole present Director may adjourn the meeting from time to time. At any such reconvened meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

Section 15. Compensation. No Director shall receive any compensation for acting as a Director; provided, however, that a Director may be reimbursed for expenses incurred by the Director to the extent such expenses are deemed to be reasonable and appropriate, and are otherwise authorized, by the Board of Directors.

Section 16. Conduct of Meetings. All resolutions adopted by the Board of Directors and all transactions and proceedings occurring at all meetings of the Board of Directors shall be held in a Minute Book maintained for the Board by the Secretary. The then current Roberts Rules of Order or any other rules of procedure at any time or from time to time acceptable to a majority of the Board of Directors shall govern the conduct of the meetings of the Board of Directors when not in conflict with the Declaration, these Bylaws or the Act.

Section 17. Action Without Meeting. Any action by the Board of Directors required or permitted to be taken at a meeting may be taken without a meeting if all of the members of the Board of Directors shall consent in writing to such action. A consent has the same force and effect as a vote of the Board of Directors taken at a meeting. Any such unanimous written consent shall be filed with the minutes of the proceedings of the Board of Directors.

Section 18. Indemnification. The term “Statute,” as used in this Section 20, shall mean Sections 181.0871 through 181.0889 of the Wisconsin Nonstock Corporation Law and all amendments thereto which permit or require the Association to provide broader indemnification rights than prior to the amendment. All other capitalized terms used in this Section 18 and not otherwise defined herein shall have the meaning set forth in Section 181.0871 of the Statute. The Association shall, to the fullest extent permitted or required by the Statute, indemnify each Director and officer against any and all Liabilities, and advance any and all reasonable expense as incurred by a Director or officer, arising out of or in connection with any proceeding to which such Director or officer is a Party because he is a Director or officer of the Association. A director or officer who seeks indemnification shall make a written request therefore to the Association. The Association shall also indemnify its employees acting within the scope of their duties as employees, 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 to which such person may be entitled under any written agreement, Board of Directors resolution, vote of the Association, the Statute or otherwise. The Association may, but shall not be required to, supplement the right to indemnification against liability and advancement of expenses under this Section 18 by the purchase of insurance on behalf of any one or more of such persons, whether or not the Association would be obligated to indemnify such person under this Section 18. If the Unit Owner’s Association indemnifies or advances expenses to a Director or officer in connection with a proceeding by or in the right of the Association, the Association shall report the indemnification or advance in writing to the members with or before notice of the next meeting of Unit Owners.

Section 19. Common or Interested Directors. Each member of the Board of Directors shall exercise his or her powers and duties in good faith and in the best interests of the Condominium. No contract or other transaction between the Association and any of its officers or directors, or between the Association and any corporation, firm or association (including Declarant) in which any of the officers or Directors of the Association are directors or officers or are pecuniarily or otherwise interested, is or shall be either void or voidable because of such relationship or interest or because any such officer or director is present at the meeting of the Board of Directors or any committee thereof which authorizes, approves or ratifies such contract or transaction, or because his or her or their vote(s) is counted for such purpose, if any of the conditions specified in any of the following subparagraphs exists:

(a) The material facts of such relationship or interest are disclosed or known to the Board of Directors or committee which authorizes, approves or ratifies such contract or transaction in good faith and by a vote sufficient for the purpose, without counting the vote(s) of such interested officers or directors; or

(b) The material facts of such relationship or interest are disclosed or known to Unit Owners holding at least a majority of all of the votes in the Association and such Unit Owners authorize, approve or ratify such contract or transaction in good faith and by a vote sufficient for the purpose; or

(c) Such contract or transaction was fair and commercially reasonable to the Association in view of all the facts known to any officer or member of the Board of Directors at the time it was authorized, ratified, approved or executed.

Any common or interested officer or director may be counted in determining the presence of a quorum at any meeting of the Board of Directors or committee thereof which authorizes, ratifies or approves any contract or transaction. Arrangements between the Association and Declarant or the initial Managing Agent shall be deemed to satisfy the requirements of this Section.

Section 20. Committees. The Board of Directors from time to time may appoint (and expand and/or disband) such committees from among its own membership and/or from among the Association as the Board of Directors from time to time deems desirable to assist in the administration or operation or affairs of the Condominium.

Section 21. Law Suits. The Board shall not commence a law suit (other than to collect assessments, or enforce the terms and conditions of the Condominium Documents) until such action shall have been approved by Unit Owners owning Units to which at least seventy-five percent (75%) of the votes in the Association appertain. If the Commercial Unit Owner does not consent to such lawsuit, then the cost of such suit shall be a Residential Common Expense and all proceeds of the lawsuit shall be credited to future Residential Common Expenses.

ARTICLE IV

Officers

Section 1. Designation. The principal officers of the Association shall be a President, a Vice President, a Secretary and a Treasurer. The Board of Directors may appoint an assistant treasurer, an assistant secretary and/or such other officers as in its judgment may be necessary or desirable. All offices shall have the duties normally incident to their respective offices in a Wisconsin business corporation and such other additional duties as from time to time shall be assigned by the Board of Directors included, but not limited to, the following:

(a) President. The President shall be the chief executive officer of the Association, preside at all meetings of the Association and of the Board of Directors; have general and active management of the business of the Association subject to the control of the Board; see that all orders and resolutions of the Board are carried into effect; sign all leases, mortgages, deeds and other written instruments and co-sign all checks if required to do so by resolution of the Board of Directors; and appoint committees from among the Unit Owners from time to time as the President may in his discretion decide is appropriate to assist in the conduct of the affairs of the Association.

(b) Vice President. The Vice President shall take the place of the President and perform the duties of the President 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 director 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 by the Board of Directors or by the President.

(c) Secretary. The Secretary shall keep the minutes of all meetings of the Association and of the Board of Directors; have charge of such books and papers as the Board may direct; give or cause to be given all notices required to be given by the Association; maintain a register setting forth the place to which all notices to Unit Owners and Eligible Mortgagees hereunder shall be delivered; shall arrange for the counting of votes taken at any meeting; and, in general, perform all the duties incident to the office of secretary.

(d) Treasurer. The Treasurer shall (together with the Managing Agent) be responsible for Association funds and securities; keep full and accurate financial records and books of account showing all receipts and disbursements; prepare all required financial data, including the annual budgets; deposit all monies and other valuable effects in the name of the Board of Directors, the Association or the Managing Agent, in such depositories as may from time to time be designated by the Board; sign checks of the Association; and, in general, perform all the duties incident to the office of treasurer.

Section 2. Qualifications. All officers shall be Unit Owners, or partners, officers, directors, members, trustees, agents or employees of Unit Owners who are not natural persons. The President and Secretary shall be members of the Board of Directors. Any officers other than the President and the Secretary may be, but shall not be required to be, members of the Board of Directors. The foregoing restrictions shall not apply to officers selected by Directors designated by Declarant prior to the special meeting of the Association at which members of the Board of Directors shall be elected by all Unit Owners as provided in Section 1 of Article III of these Bylaws.

Section 3. Election. The officers of the Association shall be elected annually by the Board of Directors at the organizational meeting following each annual meeting of the Association, and shall hold office at the pleasure of the Board of Directors.

Section 4. Removal or Resignation of Officers. Any officer may be removed, either with or without cause, upon the affirmative vote of a majority of the members of the Board of Directors. Any officer may resign at any time, by delivering notice to the Association. The resignation is effective when the notice is delivered, unless the letter specifies a later effective date and the Association accepts the later effective date. Any officer shall be deemed to have resigned upon divestiture of title in fee or by lease for a term or terms of six (6) months or more of the Unit owned by such officer (or such officer's corporation, partnership, trust, principal or employer, if the Unit Owner is not a natural person), unless such officer (or such officer's corporation, partnership, trust, principal or employer) acquires or contracts to acquire another Unit under terms providing for a right of occupancy effective as of or before the termination of the right of occupancy pursuant to such divestiture or such officer is not required to be a Unit Owner. Any vacancy in an office shall be filled by the Board of Directors at a regular meeting or at a special meeting called for such purpose.

Section 5. Agreements, Contracts, Deeds, Checks, Etc. All agreements, contracts, deeds, leases, checks and other instruments of the Condominium or the Association for expenditures or obligations in excess of One Thousand Dollars (\$1,000.00) shall be executed by any two officers of the Association or by such other person or persons as may be designated by the

Board of Directors. All such instruments for expenditures or obligations of One Thousand Dollars (\$1,000.00) or less may be executed by any one officer of the Condominium or by such other person as may be designated by the Board of Directors.

Section 6. Compensation of Officers. No officer shall receive any compensation for acting as an officer; provided, however that an officer may be reimbursed for expenses incurred by such officer to the extent such expenses are deemed to be reasonable and appropriate, and are otherwise authorized, by the Board of Directors.

ARTICLE V

Assessments

Section 1. Fiscal Year. The fiscal year of the Condominium shall consist of the twelve month period commencing on January 1 of each year and terminating on December 31 of such year unless otherwise determined by the Board of Directors.

Section 2. Adoption of Budget. Declarant shall determine a separate budget for the Residential Common Expenses and a separate budget for all Common Expenses that are neither Residential Common Expenses nor Commercial Common Expenses for the initial partial first fiscal year and the first complete fiscal year after recording of the Declaration. Each year thereafter, at least thirty (30) days before the beginning of the new fiscal year, the Board of Directors shall adopt a separate Residential Common Expenses budget and a separate budget for all Common Expenses that are neither Residential Common Expenses nor Commercial Common Expenses for the Condominium containing an estimate of the total amount which it considers necessary to pay the cost of the Common Expenses (net of all common profits) for the ensuing fiscal year (including without limitation such reasonable amounts as the Board of Directors shall deem sufficient to provide working capital for the Association and including also a general operating reserve, reserves for repair and replacement of Common Elements and reserves for contingencies). Before the first day of each fiscal year, the Board of Directors shall send to each Unit Owner a copy of such budgets and a statement setting forth the obligation of each Unit Owner pursuant to the provisions of this Article to pay his or her allocable share of the Common Expenses based upon such budgets. The Board of Directors may revise the budgets from time to time as it shall deem necessary or appropriate and shall promptly give each Unit Owner notice thereof.

Section 3. Effect of Failure to Adopt Budget. The failure or delay of the Board of Directors to adopt the budgets for any fiscal year shall not constitute a waiver or release in any manner of a Unit Owner's obligation to pay his or her allocable share of the Common Expenses as provided in this Article. In the absence of any annual budget, each Unit Owner shall continue to pay the monthly (or such other period as may be selected by the Board of Directors) charge at the rate established for the previous fiscal year until the installment which is due more than ten (10) days after a new annual budget shall have been adopted and notice of new assessments have been given to Unit Owners.

Section 4. Assessment of Common Expenses. The total amount of the estimated Common Expenses (including reserves) as set forth in the budgets of the Condominium for any fiscal year shall be assessed against all Units as more particularly set forth in the

Declaration. Common Expenses assessed for a fiscal year shall be deemed assessed for, with respect to and as of the first day of each fiscal year of the Association even though payable in installments. The assessment made against each Unit for each fiscal year shall set forth separately such Unit's share of the amount of the total assessment allocated to normal and recurring expenses of administration, management, operation and repair, including without limitation, costs incurred pursuant to the amount of the total assessment allocated to each category of reserves included in the budget. On or before the first day of each fiscal year, and the first day of each of the succeeding eleven (11) months in such fiscal year, each Unit Owner shall be obligated to pay to the Board of Directors or the Managing Agent (as determined by the Board of Directors) one-twelfth (1/12th) of the assessment for Common Expenses for such fiscal year. Notwithstanding the existence of a dispute between any or all of the Unit Owners and the Association and/or the Board of Directors with respect to the budgets, any assessment or special assessment, or any Common Expense or otherwise, all Unit Owners shall timely pay all assessments. At the end of each fiscal year, the Board of Directors shall supply to all Unit Owners an itemized accounting of the Common Expenses for such fiscal year actually incurred and paid, together with a tabulation of the amounts collected pursuant to the budgets (or any revised budget) adopted by the Board of Directors for such fiscal year. Any amount accumulated in excess of the amount required for actual expenses and reserves shall, in the discretion of the Board of Directors, either (i) be credited, in proportion to each Unit Owner's obligation to pay Common Expenses, to the next monthly installments due from Unit Owners, or (ii) refunded among Unit Owners who paid such assessments in proportion to their payments, or (iii) added to the applicable category of reserves until exhausted. Any net shortage, including, without limitation, those arising from the failure of any Unit Owner to pay any assessments levied against its Unit, shall be assessed against Unit Owners then of record in proportion to each Unit Owner's obligation to pay Common Expenses and shall be payable, in the discretion of the Board of Directors, either (i) in full, with payment of the next due installment, or (ii) in not more than twelve (12) equal monthly installments, beginning with the next due installment.

Section 5. Reserves. The Board of Directors shall build up and maintain adequate reserves for extraordinary repairs to and replacements of the Common Elements and may establish reserves for general operations, contingencies or other matters. Any upgrades to any Common Elements which are Additional Common Expenses shall be assessed pursuant to Section 6.2 of the Declaration. Reserves for Common Elements, the cost of which are Residential Common Expenses, shall be funded only from Residential Common Expenses. If the Board of Directors shall deem it advisable, funds accumulated for reserves may be kept in separate bank accounts. Extraordinary expenditures not originally included in the annual budgets which may become necessary during the year shall be charged first against such reserves as appropriate in the discretion of the Board of Directors. Except where an emergency requires an expenditure to prevent or minimize loss from damage to, or deterioration of, the Common Elements, reserves accumulated for one purpose may not be expended for any other purpose unless approved by the Association. Reserves for Limited Common Elements, the cost of which are Commercial Common Expenses, shall be maintained by the Association and shall be separately accounted for by the Association and shall be made available to the Commercial Unit Owner for extraordinary repairs to and replacement of such Limited Common Elements.

Section 6. Special Assessments. If reserves established and maintained in

accordance with this Article shall be inadequate for any reason, including the non-payment of any Unit Owner's assessment, the Board of Directors may at any time or from time to time assess a special assessment in order to defray, in whole or in part, extraordinary expenditures, including, without limitation, any shortage or loss incurred or suffered in a fiscal year, any costs incurred under any easement to which the Association is a party or to which the Condominium Property is subject, or the cost of any construction, reconstruction or replacement of, or insurance covering the Condominium. Such special assessments shall be levied against all Unit Owners equally in proportion to each Unit Owner's obligation to pay Common Expenses, unless such special assessments are levied in connection with Limited Common Elements. If such special assessments are levied in connection with Limited Common Elements, then such special assessment shall be levied against such Unit Owner or Unit Owners owning Units to which such Limited Common Elements appertain in proportion to the relative obligation of such Units to pay Common Expenses *inter se*. Said special assessments may be payable, as the Board of Directors may determine, in lump sum or in installments. The Board of Directors shall serve notice of any such special assessments on all assessed Unit Owners by a statement in writing giving the amount of and reasons for such special assessment, which special assessment shall, unless otherwise specified in the notice, become payable with the next due monthly installment which is due more than ten (10) days after the giving of such notice. All assessed Unit Owners shall be obligated to pay the adjusted monthly amount or, if the special assessment is not payable in installments, the amount of such assessment. In the event the Board of Directors elects to assess a special assessment in order to pay for the construction, installation, placement, addition, alteration or improvement to a Common Element, or new capital improvement and the amount of any such assessment exceeds \$10,000.00, then any such assessment shall be subject to a veto by the Unit Owners entitled to cast at least a majority of the votes of the membership who are voting in person or by proxy at a meeting duly called for that purpose and held within forty-five (45) days after notice of any such proposed special assessment has been given to the Unit Owners. The dollar limitation set forth above shall increase automatically each fiscal year, beginning in 2006, in proportion to increases in the Consumer Price Index for Urban Wage Earners and Clerical Workers (United States) (1982-84=100) and published in the "Monthly Labor Review" of the Labor Statistics of the United States Department of Labor or any successor index thereto as selected by the Board of Directors, in its reasonable discretion.

Section 7. Working Capital Fund. There shall be established an initial working capital fund through the payment made by each Unit Owner, upon the purchase of his or her Condominium Unit from Declarant, of an amount equal to twice the monthly installments for Common Expenses for such Unit under the budget then in effect. Declarant shall deliver such funds so collected to the Board of Directors to provide working capital for the Association. Except as otherwise set forth herein, neither Declarant, the Commercial Unit Owner, any Eligible Mortgagee who obtains title to Unit by foreclosure or deed in lieu thereof, any purchaser at a foreclosure sale, nor any purchaser upon a resale of a Unit, shall be required to pay working capital assessments. The working capital fund may be used for any lawful purpose, as the Board of Directors from time to time shall determine, provided said purpose is then permitted under the regulations of the Federal National Mortgage Association, if then applicable to the Condominium.

Section 8. Obligation to Pay Common Expenses. Except as more particularly

set forth in the Declaration with respect to Declarant, and with respect to special allocation of Residential Common Expenses and Commercial Common Expenses, which shall be allocated as provided in the Declaration, each Unit Owner shall be obligated to pay its proportionate share, determined as more particularly set forth in Section 4 of this Article V of the Common Expenses, including those Common Expenses associated with Limited Common Elements, assessed against each Unit Owner, or assessed by the Board of Directors pursuant to these Bylaws. No Unit Owner may be exempted from liability to contribute toward payment of the Common Expenses by waiver of the use or enjoyment of any of the Common Elements or by abandonment of his or her Unit. No Unit Owner shall be liable for the payment of any part of the Common Expenses assessed against his or her Unit subsequent to the perfection of a sale or other divestiture of title, by operation of law or otherwise, of such Unit by such Unit Owner. Subject expressly to and except as otherwise provided in Section 10 of this Article, the purchaser of a Unit or other successor Unit Owner shall be liable jointly and severally with the divesting Unit Owner for all unpaid assessments which have become due and payable against such divesting Unit Owner's Unit prior to the time of divestiture, without prejudice, however, to any rights of such successor owner to recover from the divesting Unit Owner; provided, however, that any such divesting Unit Owner and successor upon written request shall be entitled to a recordable statement from the Board of Directors or Managing Agent setting forth the amount of the unpaid assessments against the divesting Unit Owner's Unit, and such successor shall not be liable for, nor shall the Unit conveyed be subject to a lien for, any unpaid assessments in excess of the amount set forth in such statement. Failure to furnish or make available such statement within ten (10) business days after receipt by the Association of a second written request therefor, which request shall be given no sooner than ten (10) days and no later than thirty (30) days after the giving of the first written request therefor, shall extinguish the lien for then unpaid assessments. Notwithstanding anything to the contrary contained in the foregoing, payment of a fee of Twenty-five Dollars (\$25.00) or, if greater, the lesser of the amount assessed by the Board of Directors therefor or the maximum amount allowable under the Act shall be required as a prerequisite to the issuance of such a statement.

Section 9. Lien for Assessments. The total annual assessment against each Unit Owner for Common Expenses and any special assessment levied pursuant to these Bylaws, together with interest thereon, and the expenses of the proceedings, including reasonable attorneys' fees, hereby is declared to be a lien against the Unit of such Unit Owner within the purview of the Act, which lien shall be enforced pursuant to Section 703.16 of the Act, as amended or renumbered from time to time, and as provided by law.

Section 10. Subordination and Mortgagee Protection. Notwithstanding any other provision of the Declaration or these Bylaws to the contrary, any lien for assessments shall be subordinate to the rights of the holder of a mortgage made in good faith, for value received, and recorded prior to the date such assessment became due and payable, and such mortgagee or the purchaser at a foreclosure sale, their successors and assigns, shall not be liable for and such Unit shall not be subject to a lien for the payment of assessments which have become due and payable prior to the acquisition of title or the taking of possession (whichever first occurs) of such Unit pursuant to a decree of foreclosure, or any proceeding in lieu of foreclosure; provided, that such subordination shall apply only to assessments which have become due and payable prior to such acquisition of title or the taking of possession of such Unit, and such mortgagee or purchaser, their successors and assigns, shall be liable for and such Unit shall be subject to a lien for assessments

thereafter becoming due and payable. Any such unpaid assessments for which such mortgagee or purchaser, their successors and assigns, shall not have liability pursuant to this Section shall constitute a Common Expense for which each Unit Owner, including such mortgagee or purchaser, their successors and assigns, shall be liable in proportion to each Unit Owner's obligation to pay Common Expenses.

Section 11. Collection of Assessments. The Board of Directors, or the Managing Agent at the request of the Board of Directors, shall take prompt action to collect any assessments for Common Expenses due from any Unit Owner which remain unpaid for more than thirty (30) days from the due date for payment thereof.

Section 12. Late Payment Penalty. In the event of a default by any Unit Owner in paying any Common Expenses or any other sum assessed against the Unit Owner which default continues for a period in excess of ten (10) days, such Unit Owner shall be obligated to pay a late payment penalty in the amount of five percent (5%) of the entire amount of the installment of Common Expenses or other sums which were due, or such other amount as from time to time shall be determined by the Board of Directors and written notice of which is given to the Unit Owners, and interest on the amount of such assessment from the due date thereof at the lesser of: (a) five percent (5%) over the "prime rate" as such rate is announced by US Bancorp., its successors or assigns, at its principal place of business in Madison, Wisconsin from time to time as its "prime rate" or (b) the highest interest rate permitted by law (the "Default Rate").

Section 13. Default in Payment of Common Expenses. In addition to the late payment penalty set forth in Section 12 above, the Board of Directors shall have the right and duty to attempt to recover such Common Expenses, together with interest thereon, and the expenses of the proceedings, including attorneys' fees, in an action brought against such Unit Owner, or by foreclosure of the lien on such Unit granted by Section 703.16 of the Act. The Board of Directors shall also have the right to prohibit such Unit Owner from voting at a meeting of the Association or serving on the Board of Directors if the Association has recorded a statement of condominium lien on such Unit and the amount necessary to release the lien has not been paid at the time of the meeting.

Section 14. Foreclosure of Liens for Unpaid Common Expenses. In an action brought by the Board of Directors to foreclose a lien on a Unit because of unpaid Common Expenses, the Unit Owner shall be required to pay a reasonable rental for the use of his or her Unit and the plaintiff in such foreclosure action shall be entitled to the appointment of a receiver to collect such rental. Subject to Section 5(p) of Article III hereof, the Association or the Board of Directors, acting on behalf of all Unit Owners, shall have power to purchase such Unit at the foreclosure sale and to acquire, hold, lease, mortgage, vote the votes appurtenant to, convey or otherwise deal with the same after such purchase. A suit to recover a money judgment for unpaid Common Expenses shall be maintainable without foreclosing or waiving the lien securing the same.

Section 15. Accounts. Except as otherwise provided in this Article, all sums

collected by the Board of Directors with respect to assessments against the Unit Owners may be commingled into a single fund, but shall be held for each Unit Owner in accordance with such Unit Owner's allocable share of the Common Expenses.

Section 16. Books and Accounts. Books and accounts of the Condominium shall be kept under the direction of the Treasurer in accordance with standard bookkeeping procedures. Such books and accounts shall detail the receipts and expenditures of administration and operation of the Condominium, and shall specify the maintenance, repair and service expenses and any other expenses incurred. The amount of any special assessment required for payment of any capital improvement of the Condominium shall be credited upon the books of the Condominium to the "Paid in Surplus" account as a capital contribution.

Section 17. Inspection of Books. The books and accounts of the Condominium shall be available for examination by the Unit Owners and contract purchasers, and/or their duly authorized agents or attorneys, and to the holder of any Eligible Mortgage, and/or its duly authorized agents or attorneys, during normal business hours set and announced for general knowledge within a reasonable time after request therefore.

Section 18. Statement of Common Expenses. The Board of Directors shall promptly provide to any Unit Owner, contract purchaser or mortgagee so requesting the same in writing a written statement in recordable form of all unpaid assessments due from such Unit Owner. A fee of Twenty-five Dollars (\$25.00) or, if greater, the lesser of the amount assessed by the Board of Directors therefor or the maximum amount allowed by law may be charged by the Board of Directors for such statement to defray the cost of rendering the same.

Section 19. Utilities. Each Unit Owner shall pay utility services which are separately metered or billed to each user by the respective utility company provider. The cost of utilities serving the Condominium not individually metered to a Unit shall be Common Expenses allocated pursuant to Section 4 of this Article V.

Section 20. Audit. The Board of Directors may in its discretion from time to time order an independent audit of all books and records. The cost of such audit shall be a Common Expense.

ARTICLE VI

Repair, Improvement and Use

Section 1. Maintenance and Repair.

(a) By the Association. The Association shall be responsible for the maintenance, repair and replacement of the Common Elements and the Limited Common Elements to the extent described in Section 5.1 of the Declaration.

(b) By the Unit Owner.

(1) Each Unit Owner shall be responsible at his or her own expense for the

maintenance, repair and replacement of his or her Unit and all parts thereof necessary to maintain the good appearance and clean and sanitary condition of such Owner's Unit, including, without limitation, interior walls included as part of a Unit, interior ceilings and floors, and the finished interior surfaces of all perimeter walls, ceilings and floors, kitchen and bathroom fixtures and appliances, lighting, heating and air-conditioning components included as a part of the Unit, and the exposed surfaces (but not structural components) of Limited Common Elements. Each Unit Owner shall do all redecorating, painting and varnishing within a Unit which may at any time be necessary to maintain such good appearance and condition, shall be responsible for replacing light bulbs located within Limited Common Elements and for replacing all broken windows or damaged screens within said Unit Owner's Unit. Each Unit Owner promptly shall report to the Board of Directors or the Managing Agent any defect or need for repairs for which the Association, its successors and assigns, is responsible.

(2) Each Unit Owner shall perform normal maintenance to any Limited Common Element balcony, deck, patio and porch and shall keep such Limited Common Element in a clean, safe and sanitary condition, free and clear of snow, ice and any accumulation of water and debris.

(3) Each Unit Owner shall be responsible for all damage to any and all other Units, to the Common Elements, resulting from such Unit Owner's failure to maintain or make any of the repairs required to be made pursuant to the Declaration or this Section. Each Unit Owner also shall be responsible for any cost and expense charged to such Unit Owner under Section 6.1 of the Declaration, and the expense of any maintenance, repair and/or replacement of any of the Common Elements, including the Limited Common Elements if, in the opinion of not less than a majority of the members of the Board of Directors, such expense was necessitated by the negligence, misuse or neglect of any Unit Owner(s), or of any member(s) of such Unit Owner's household or family, or of any employee(s), agent(s), licensee(s) or invitee(s) of such Unit Owner(s). All structural repairs or replacements of any and all Common Elements, including the Limited Common Elements, made pursuant to this paragraph shall be made by the Association (or, pursuant to Section 5.2 of the Declaration, by the Commercial Unit Owner), but the cost thereof shall be borne by the party(ies) responsible therefor as herein provided.

(c) Manner of Repair and Replacement. All repairs and replacements shall be substantially similar to the original construction and installation.

(d) Chart of Maintenance Responsibilities. Notwithstanding the general provisions for maintenance set forth in subsections (a) and (b), specific maintenance responsibilities and the costs attributable thereto shall, to the extent set forth thereon, be determined pursuant to the Chart of Maintenance Responsibilities attached as EXHIBIT A hereto.

Section 2. Right of Access. By acceptance of a deed of conveyance, each Unit Owner thereby grants a right of access to his or her Unit, including, without limitation, the right of access provided by Section 703.32 of the Act, to the Association, the Board of Directors or the Managing Agent, their respective agents and employees, or any group of the foregoing, for the purpose of enabling the exercise and discharge of their respective powers and responsibilities, including without limitation making inspections, correcting any condition originating in a Unit and threatening another Unit or the Common Elements, performing installations, alterations or repairs

to the mechanical or electrical services or the Common Elements in a Unit or elsewhere in the Condominium, provided, that requests for entry are made in advance and that any such entry is at a time reasonably convenient to the Unit Owner and/or its tenants. Notwithstanding the foregoing, in case of an emergency, such right of entry shall be immediate and without notice, whether the Unit Owner is present at the time or not. Any exercise of the rights herein conferred to the extent practicable shall be in a manner so as not to interfere unreasonably with the use of a Unit.

Section 3. Additions, Alterations or Improvements.

(a) By the Association. Whenever the Common Elements shall require any construction, installation, placement, addition, alteration or improvement costing in excess of Ten Thousand Dollars (\$10,000.00), the Board shall notify the Unit Owners thereof and if such construction, installation, placement, addition, alteration or improvement shall not have been vetoed by the Association in accordance with Section 6 of Article V hereof, then the Board of Directors shall proceed with such construction, installation, placement, addition, alteration or improvement and shall assess the Unit Owners for the cost thereof as a Common Expense, Residential Common Expense or Commercial Common Expense, as appropriate. Emergency repairs, however, necessary to prevent or correct conditions involving manifest danger to life or property, or for the preservation and safety of the Condominium, or for the safety of the Unit Owners, or required to avoid the suspension of any necessary service to the Condominium, may be made by the Board of Directors on behalf of the Association without prior notice to the Unit Owners, regardless of the cost limitations imposed by this Section.

(b) By the Unit Owners. No Unit Owner shall make any addition, alteration or improvement in or to his or her Unit which will or may impair the structural integrity or mechanical, electrical or plumbing systems of the Building or of the Condominium, and interior partitions contributing to the support of any Unit or any Building shall not be altered or removed. Except as set forth in the Declaration, no Unit Owner shall make any addition, alteration or improvement, or shall change the appearance of the Common Elements or the exterior appearance of any Unit (including without limitation doors and windows) without prior approval obtained in accordance with the terms and provisions of Section 4 hereof.

Section 4. Use of Units and Common Elements. Each Unit and the Common Elements shall be occupied and used in accordance with the provisions of Article VII of the Declaration and as follows:

(a) A Unit Owner may use a portion of a Residential Unit for a home office or studio, provided, that such use is consistent with all valid laws, the residential zoning ordinances and regulations of all governmental agencies having jurisdiction in respect of the Condominium, and that the activities therein shall not interfere with the quiet enjoyment or comfort of any other Unit Owner, and provided, further, that in no event shall any part of the Condominium be used as a school or music studio. Except for such home office or studio use, no industry, business, trade, occupation or profession of any kind, commercial, religious, educational, or otherwise, shall be conducted, maintained, or permitted in any Residential Unit. Nothing in these Bylaws shall be construed to prohibit Declarant from using any Residential Unit owned or leased by Declarant for promotional, marketing or display purposes, or from using any appropriate portion of the Common

Elements for closing of sales of Units and for marketing, promotional and customer service purposes.

(b) No Residential Unit shall be leased or rented for less than an initial term of one (1) month or otherwise for transient purposes. No portion of any Residential Unit (other than the entire Residential Unit) shall be leased for any period, except that a reasonable number of roommates shall be permitted. No Unit Owner shall lease a Residential Unit other than by written instrument which shall (i) require the tenant thereunder to comply with the Act, the Declaration, these Bylaws and the Rules and Regulations, as any of the same from time to time may be amended, (ii) provide that any failure to so comply shall constitute a default thereunder, and (iii) provide that the Board of Directors shall have the power to terminate the lease or to bring summary proceedings to evict the tenant in the name of the lessor thereunder upon forty-five (45) days prior written notice to the Unit Owner in the event of a default in the performance by tenant under the lease. Promptly following the execution of any lease of a Residential Unit, the Unit Owner of such Residential Unit shall deliver a conformed copy thereof to the Board of Directors. The foregoing provisions of this paragraph, except the restriction against use or occupancy for transient purposes, shall not apply to Residential Units owned by the Association or Declarant.

(c) Nothing shall be done or kept in any Residential Unit or in or on the Common Elements which will increase the rate of insurance for the Condominium above the rates customarily charged to commercial shopping centers in Madison, Wisconsin, without the prior written consent of the Board of Directors. If any activity within the Commercial Unit increases the cost of insurance for the Condominium, such increase shall be treated as a Commercial Common Expense. No Unit Owner shall permit anything to be done or kept in a Unit or in or on the Common Elements which will result in the cancellation of insurance on the Condominium or which would be in violation of any public law, ordinance or regulation. No waste will be committed in, on or to the Common Elements. Nothing herein shall in any way be deemed to limit or proscribe the activities of Declarant.

(d) No Unit Owner shall have parked on the Limited Common Element parking spaces, if any, a vehicle used by its visitors overnight for a period of more than seven consecutive days or for more than ten (10) days in any consecutive thirty (30) day period.

Furthermore, no Residential Unit Owner may park at any time in the parking area that is a Limited Common Element appurtenant to the Commercial Unit.

(e) Trailers, campers, recreational vehicles, all terrain vehicles, snow mobiles, motorcycles, boats, buses, trailers and other large vehicles may be parked on the Property only if parked in the parking space assigned as a Limited Common Element appurtenant to the Unit. Unless so parked in a Unit's garage or a Unit's Limited Common Element parking space, no such vehicle may be parked on the Property. No junk or derelict vehicle or other vehicle on which current registration plates are not displayed shall be kept upon any of the Common Elements. Vehicle repairs other than ordinary light maintenance are not permitted on the Property.

(f) The maintenance, keeping, boarding and/or raising of animals, livestock, poultry or reptiles of any kind, regardless of number, shall be and is prohibited within any Residential Unit or upon the Common Elements, except that the keeping of small, orderly domestic

pets (e.g., dogs not exceeding thirty-five (35) pounds, cats or caged birds) not to exceed two (2) pets per Residential Unit), without the approval of the Board of Directors, is permitted, subject to the Rules and Regulations adopted by the Board of Directors; provided, however, that such pets are not kept or maintained for commercial purposes or for breeding.

(g) Any pet causing or creating a nuisance or unreasonable disturbance or noise shall be permanently removed from the Condominium upon three (3) days' written notice from the Board of Directors. Pets shall not be permitted upon the Common Elements unless accompanied by a responsible person and unless such person cleans up completely after any such pet. Any Unit Owner who keeps or maintains any pet upon any portion of the Condominium shall be deemed to have indemnified and agreed to hold harmless the Condominium, the Association, each Unit Owner, the Board of Directors, the Managing Agent, and Declarant from any loss, claim or liability of any kind or character whatever arising by reason of keeping or maintaining such pet within the Condominium. All pets shall be registered and inoculated as required by law.

(h) No Unit, except those Units owned by Declarant, shall be subjected to or used for any fractional interest ownership, cooperative, licensing or other arrangement that would entail weekly, monthly, or any other type of revolving or periodic occupancy by multiple unit owners, cooperators, licensees, or fractional interest owners.

(i) The Common Elements shall be used only for the furnishing of the services and facilities for which they reasonably are suited and which are incident to the use and occupancy of the Units and, by Declarant, for promotional marketing, and display purposes.

(j) No fences or retaining walls or similar structures may be erected in the Condominium except for those fences, retaining walls or similar structures erected by Declarant or with the prior written consent of the Board of Directors.

(k) No satellite receiving systems or stations or exterior antennae of any kind shall be maintained on a Residential Unit or upon the Common Elements, except for any master antennae or systems which may be provided by Declarant except for those permitted to the Commercial Unit Owner under the Declaration.

(l) No person may post any advertisement, poster or sign of any kind on the exterior of a Residential Unit or in the windows of a Residential Unit, except for a single "For Sale" sign not to exceed 2' by 2' in size and except as permitted by the Board of Directors or when required by law; provided, however, that any sign permitted by the Board of Directors or required by law shall not under any circumstances be larger than 2' by 2'. The right is reserved by Declarant or its agents to use any unsold Unit or Units or any Unit or Units leased by Declarant for model, sales, resales and/or rental offices and/or for any other lawful purpose or purposes, and to display "For Sale", "For Rent" and "development" signs of any size on the Common Elements, or on any such Unit or on the Building where such Unit is located, and the right is hereby given to any Eligible Mortgagee who may become the fee simple owner of any Unit to place such signs on any Unit owned by such Eligible Mortgagee.

(m) Neither a Unit Owner, resident or tenant of any Residential Unit shall

cause anything to be affixed or attached to, hung, displayed or placed on exterior walls, doors, balconies or windows of the Building.

(n) The sidewalks, driveways, entrances and like portions of the Common Elements shall not be obstructed nor used for any purpose other than for ingress and egress to and from the Condominium; nor shall any carts, bicycles, carriages, chairs, tables or any other objects be stored therein, except in areas (if any) designated for such purposes.

(o) No garbage, refuse, trash or rubbish shall be disposed of except as permitted by the Unit Owner’s Association. The requirements from time to time of the company or governmental agency providing trash removal services for disposal or collection shall be complied with and all receptacles for storage or disposal of such material shall be kept in a clean and sanitary condition.

Section 5. Rules and Regulations. Rules and Regulations for the Residential Units concerning the operation and use of the Common Elements may be promulgated, amended and/or repealed by the Board of Directors, provided, that such Rules and Regulations are not contrary to or inconsistent with the Act, the Declaration or these Bylaws. Copies of and changes to the Rules and Regulations shall be furnished by the Board of Directors to each Unit Owner prior to the time when the same shall become effective.

ARTICLE VII

Alienation of Condominium Units

Section 1. No Severance of Ownership. Except to the extent otherwise expressly provided by the Declaration, these Bylaws or the Act, the undivided interest in the Common Elements allocated to any Unit shall not be altered and any purported transfer, encumbrance or other disposition of such interest without the Unit to which it appertains shall be void. A Unit Owner’s sale of its Unit shall include the sale of (a) the undivided percentage interest in the General and Limited Common Elements appurtenant thereto; (b) the interest of such Unit Owner in any Units theretofore acquired by the Association, or its nominee, on behalf of all Unit Owners, or the proceeds of the sale or lease thereof, if any; and (c) the interest of such Unit Owner in any other assets of the Association, any other agreements or easements benefiting the Association and any memberships in any associations, private clubs or similar organizations (the interests described in subparagraphs (a), (b) and (c) hereof are hereinafter collectively called the “Appurtenant Interests”). No Unit Owner shall execute any deed, mortgage or other instrument conveying or mortgaging title to its Unit without including therein the Appurtenant Interests, it being the intention hereof to prevent any severance of such combined ownership. Any such deed, mortgage or other instrument purporting to affect one or more of such interests, without including all such interests, shall be deemed and taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described therein. No part of the Appurtenant Interests of any Unit may be sold, transferred, or otherwise disposed of, except as a part of a sale, transfer or other disposition of the Unit to which such interests are appurtenant, or as part of a sale, transfer or other disposition of such part of the Appurtenant Interests of all Units.

Section 2. Resales of Units.

(a) Resales of Units by Unit Owners other than Declarant are governed by law. Section 703.33 of the Act requires a Unit Owner other than Declarant to obtain from the Association and to furnish to his or her purchaser prior to the contract date of disposition certain financial and other statements and assurances concerning the Unit and the Condominium.

(b) No Unit Owner shall convey, mortgage, pledge, hypothecate, sell or lease his Unit unless and until he or she shall have paid in full to the Association all unpaid common expenses, including, without limitation, special assessments, theretofore assessed by the Board of Directors against his or her Unit.

Section 3. Financing of Purchase of Units by Association.

(a) Acquisition of Units. The Association or its designee, on behalf of all Unit Owners as tenants in common, pursuant to Section 5(o) of Article III may acquire a Unit with funds from the working capital and assessments for Common Expenses in the hands of the Board of Directors, or if such funds are insufficient, the Association may borrow money to finance the acquisition of such Unit; provided, however, that no financing may be secured by an encumbrance or hypothecation of any property other than the Unit so to be acquired by the Association. Title to any real or personal property acquired by the Association shall be taken in the name of the Association. The Association shall act to borrow money, and acquire and convey property in the same manner as corporations formed under Chapter 181 of the Wisconsin Statutes, as the same may be amended from time to time. All costs of obtaining financing for the acquisition of a Unit and for the repayment of monies borrowed for such purpose, including principal and interest, shall be Common Expenses of the Condominium and payable as assessments by the Unit Owners. The proceeds from the sale of any such Unit after repayment of any borrowed funds and special assessments, if any, levied for such purpose shall be deposited in such funds as the Board of Directors may establish and shall be disbursed by the Board of Directors as the Association shall determine. If the Commercial Unit Owner has not consented to the acquisition of the Unit, all costs of financing shall be Residential Common Expenses, and any net proceeds of the sale shall be credited to Residential Common Expenses.

(b) In the event that a Unit shall be acquired by the Association or its designee, on behalf of all Unit Owners as tenants in common, all such Unit Owners shall be deemed to have waived all rights of partition with respect to such Unit.

ARTICLE VIII

Compliance and Default

Section 1. Unit Owners Subject to Act, Declaration, Bylaws and Rules and Regulations. All Unit Owners shall be governed by and shall comply with the provisions of the Act, the Declaration, these Bylaws and the Rules and Regulations, as any of the same may be amended from time to time. A default by a Unit Owner shall entitle the Association or Declarant to the relief as provided in this Article.

Section 2. Legal Proceedings. An action to recover any sums due for money

damages, injunctive relief, foreclosure of the lien for payment of assessments, any other relief provided for in these Bylaws or in the Declaration, or any combination thereof, and any other relief afforded by a court of competent jurisdiction, may be sought by the Association, the Board of Directors, the Managing Agent, or Declarant shall not constitute an election of remedies.

Section 3. Costs and Attorneys' Fees. In any proceeding arising out of any alleged default by a Unit Owner, the prevailing party shall be entitled to recover the costs of the proceeding, and such reasonable attorneys' fees as may be determined by the court.

Section 4. Fines. The Board of Directors may levy reasonable fines against Unit Owners for violations of the Rules and Regulations, the Condominium Documents or the Act by the Unit Owner, his or her family members, guests, invitees, employees and/or agents. No fine may be levied for more than one percent (1%) of such Unit Owner's annual assessment for any one violation; but each day a violation continues after notice is given to the Unit Owner is a separate violation. If a Unit Owner requests in writing a hearing before the fine is imposed, the imposition of the fine shall be suspended until hearing before the Board of Directors is held. Fines are special assessments and shall be collectible as such.

Section 5. No Waiver of Rights. The failure of the Association or Declarant to enforce any right, provision, covenant or condition which may be granted by the Act, the Declaration, these Bylaws or the Rules and Regulations shall not constitute a waiver of the right of the Association or Declarant to enforce such right, provision, covenant or condition in the future. All rights, remedies and privileges granted to the Association or to Declarant pursuant to any term, provision, covenant or condition of the Declaration, these Bylaws or the Rules and Regulations shall be deemed to be cumulative, and the exercise of any one or more thereof shall not be deemed to constitute an election of remedies, nor shall it preclude the party exercising the same from exercising such rights as may be granted to such party by the Condominium Act, the Declaration, these Bylaws or the Rules and Regulations, or at law or in equity. A suit to recover a money judgment for unpaid assessments shall be maintainable without foreclosure or waiving the lien securing the same, and foreclosure shall be maintainable notwithstanding the pendency of any suit to recover a money judgment.

Section 6. Abatement and Enjoinment of Violations by Unit Owners. The violation of any Rule or Regulation adopted by the Board of Directors, or any breach of these Bylaws or the breach of any provision of the Act or the Declaration shall give the Association and Declarant the right, in addition to any other rights set forth in these Bylaws (i) to enter the Unit in which or as to which such violation or breach exists and summarily to abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition that constitutes such violation and neither the Board of Directors nor Declarant shall thereby be deemed guilty in any manner of trespass, or (ii) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach, as provided by law.

Section 7. Grievance Procedure.

(a) The Board of Directors or any Unit Owner may file a written complaint with the Secretary of the Association against another Unit Owner, (expressly excluding, however, Declarant, unless Declarant consents thereto) or the Association for violation of the Act, the

Declaration, these Bylaws and any Rules and Regulations promulgated hereunder. Upon receipt of a complaint, the Secretary shall furnish a written notice of the alleged violation, the penalties therefor and the hearing procedure to the Unit Owner complained of by personal delivery or by certified mail, return receipt requested. The Unit Owner complained of may within fifteen (15) days of the delivery or mailing of the notice file a written answer with the Secretary admitting or denying the allegations of the notice. If, within the time period allowed, the Unit Owner complained of fails to file an answer or admits the allegations of the notice, a violation will be conclusively deemed to have occurred. If, within the time period allowed, the Unit Owner complained of denies the allegations of the notice, the Secretary shall schedule a hearing before the Grievance Committee to be held no more than thirty (30), but not less than fourteen (14) days, after delivery or mailing of a notice of hearing to the parties.

(b) Upon delivery or mailing of the notice of hearing, the President of the Association shall appoint the Grievance Committee. The Grievance Committee shall consist of Unit Owners who are not members of the Board of Directors, relatives of the Unit Owner complaining or complained of, witnesses at the hearing or persons otherwise interested in the hearing.

(c) The hearing shall be conducted by the Grievance Committee. The parties and the Grievance Committee shall be entitled to examine and cross-examine witnesses. When summoned by the Grievance Committee to do so, it shall be the obligation of each Unit Owner to appear and testify at the hearing and to produce records and data relevant to the subject matter of the hearing. The hearing shall be informal and conformity to the legal rules of evidence shall not be required. Within seven (7) days after the conclusion of the hearing, the Grievance Committee shall file a written decision with the Secretary which shall be binding upon the Unit Owners.

(d) Upon a determination by the Grievance Committee that a violation has occurred, the Board of Directors may, without limiting any other rights set forth in the Bylaws, impose a fine as described in Section 4 above.

ARTICLE IX

Miscellaneous

Section 1. Amendments. These Bylaws may be amended by the agreement of Owners of Units to which at least sixty-seven percent (67%) of the votes in the Association appertain and in the manner provided by Section 703.10(5) of the Act. No amendment of these Bylaws may be adopted which shall be inconsistent with the provisions of the Act or the Declaration. An amendment once adopted as provided for herein shall then constitute part of the official Bylaws of the Condominium, and all Unit Owners shall be bound to abide by such modification or amendment. Anything herein to the contrary notwithstanding, and subject to any limitations imposed by the Act (with specific reference to Section 703.10 thereof), and except as required to comply with the requirements of the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the Veterans' Administration or any other governmental or quasi-governmental agency insuring or involved in the making or purchasing of Mortgages of any Unit,

(i) so long as Declarant is the only Unit Owner, Declarant may amend these Bylaws without the consent or approval of any party;

(ii) so long as Declarant shall be the Unit Owner of Units to which at least twenty-five percent (25%) of the Percentage Interests in the Association appertain (determined in accordance with Section 1(e) of Article III) and so long as not less than ten (10) years has expired from the date of the first conveyance to any purchaser of any Unit in the Condominium, Section 1 of Article III shall not be amended without the consent in writing of Declarant;

(iii) so long as Declarant owns one or more Units, or any part thereof, no amendment to these Bylaws shall be adopted that could unreasonably interfere with the sale, lease or other disposition by Declarant of Unit(s) in the Condominium or that could abridge, modify, eliminate or otherwise affect any right, power, easement, privilege or benefit reserved to Declarant hereunder or which would impose any discriminatory charge or fee against Declarant;

(iv) no amendments to these Bylaws shall be adopted that could abridge, modify, eliminate or otherwise affect any privilege granted or reserved by the provisions of these Bylaws to Eligible Mortgagees;

(v) no amendments to these Bylaws shall be adopted that could unreasonably interfere with the permitted uses, sale, lease; no amendment to this Bylaws or to any of the other Condominium Documents shall be adopted that could unreasonably interfere with the permitted uses, sale, lease or other disposition of the Commercial Unit or that could otherwise abridge, modify, eliminate or otherwise affect any right, power, privilege or benefit reserved to the Commercial Unit Owner hereunder or which would impose any discriminatory charge or fee against, or increase any costs, assessments or charges to, the Commercial Unit Owner; and

(vi) this Section 1 shall not be amended except with the unanimous agreement of all of the Unit Owners in the Association.

Notwithstanding any other provisions of these Bylaws to the contrary but subject to Article IX, Section 1(v), above, if any amendment is necessary in the judgment of the Board of Directors to cure any ambiguity or to correct or supplement any provisions of the Condominium Documents that are defective, missing or inconsistent with any other provisions thereof, or if such amendment is necessary to conform to the requirements of the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Federal Housing Administration, the Veterans Administration or other secondary mortgage market lenders, guarantors, or insurers with respect to condominium projects, then at any time and from time to time the Board of Directors may effect an appropriate corrective amendment without the approval of the Unit Owners or the holder of any liens on all or any part of the Property. Each amendment of the type described in this paragraph shall be effective upon its due adoption, as provided for herein, by an instrument,

which instrument has been executed and acknowledged by one or more officers of the Board of Directors.

Section 2. Execution. Unless otherwise provided by a resolution of the Board of Directors, any documents or instruments, including, without limitation, amendments to these Bylaws or the Declaration, executed on behalf of the Association shall be properly executed if signed by the President or Vice President and attested to by one other officer of the Association.

Section 3. Notices. Except as otherwise provided in these Bylaws, all notices, demands, bills, statements or other communications required or permitted under these Bylaws shall be in writing and shall be deemed to have been duly given if delivered personally or if sent by United States mail, first-class postage prepaid, or otherwise as the Act may require or permit, (i) if to a Unit Owner, at the address that the Unit Owner shall designate in writing and file with the Secretary, or if no such address is designated, at the address of the Unit of such Unit Owner, or (ii) if to the Association, the Board of Directors or the Managing Agent, at the principal office of the Managing Agent or at such other address as shall be designated by notice in writing to the Unit Owners pursuant to this Section. If a Unit is owned by more than one person, each person who so designates an address in writing to the Secretary shall be entitled to receive all notices hereunder.

Section 4. Merger. Any merger or consolidation of the Association with another corporation shall require the agreement of Owners of Units to which at least eighty percent (80%) of the votes in the Association appertain and, to the extent applicable, shall be accomplished in compliance with the provisions of Sections 703.10(5) and 703.275 of the Act and Section 10.4 of the Declaration.

Section 5. Invalidity. The invalidity of any portion of these Bylaws shall not impair or affect in any manner the validity, enforceability or effect of the balance of these Bylaws.

Section 6. 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 hereof.

Dated this 4th day of February, 2005.

PRDC JUNCTION POINT, INC.

By: _____
Robert L. Niebauer, President