

**BY-LAWS OF
HUNTER OAKS VILLAS I CONDOMINIUM ASSOCIATION, INC.**

ARTICLE 1. APPLICATION AND ORGANIZATION

1.1 Name. The name of the association is Hunter Oaks Villas Condominium Association, Inc. (the "Association").

1.2 Application. These By-Laws are adopted pursuant to the Declaration of Condominium of Hunter Oaks Villas Condominium (the "Declaration"). This Association is organized pursuant to the Wisconsin Condominium Ownership Act, as amended from time to time ("Act") to administer the Condominium. Any and all present or future Owners or Occupants shall be governed by the Declaration, these By-Laws and the Act. Capitalized terms not defined herein have the meanings set forth in the Declaration.

1.3 Members. The Owners are the "Members" of the Association.

1.4 Initial Organization. Notwithstanding any provision set forth in these By-Laws to the contrary, Bielinski Homes, Inc. (the "Declarant") shall designate the initial Board, consisting of three (3) persons. Such members of the Board, or successors to any of them as designated by Declarant, need not be Unit owners and shall continue to serve until the events specified in Section 4.3 of the Declaration.

1.5 Location. The principal office of the Association shall be at 1830 Meadow Lane, Suite A, Pewaukee, Wisconsin 53072. The Association may have offices at other such places as the Board may from time to time determine or the Association may from time to time require.

ARTICLE 2. VOTING

2.1 Voting.

(a) Each Unit is vested with a vote equal to the numerical equivalent of its percentage Interest, so that the total number of votes is 100, as set forth in the Declaration. There shall be no cumulative voting.

(b) If a Unit is owned by more than one person, the person entitled to cast the vote for the Unit shall be designated by a certificate signed by all of the Owners of the Unit and filed with the Secretary of the Association. If the owners of a Unit cannot agree on how to vote, such Unit shall lose its vote for the particular item to be voted upon.

(c) If a Unit is owned by a legal entity, the person entitled to cast the vote for the Unit shall be designated by a certificate of appointment signed by a duly authorized officer of such entity and filed with the Secretary of the Association. Certificates of appointment shall be valid until revoked or superseded by a subsequent certificate or a change in ownership to the Unit occurs.

2.2 Majority of Owners. A matter shall be deemed approved if approved by those Owners holding more than fifty (50%) percent of the votes to be cast on the particular matter to be voted upon.

2.3 Quorum. Except as otherwise provided in these By-Laws, the presence in person or by proxy of a majority of Owners shall constitute a quorum. Except for meetings of the Board, Members may not transact any business if less than a quorum is present for any Association meeting.

2.4 Proxies. Votes may be cast in person or by proxy. Proxies in writing must be filed with the Secretary before the appointed time of each meeting.

ARTICLE 3. MEETINGS

3.1 Roster of Owners. Each Owner shall furnish the Association with the Owner's name and current mailing address and telephone number. Until an Owner has furnished such information, the Owner may not vote at meetings of the Association.

3.2 Place of Meetings. Meetings of the Association shall be held at such place as is designated by the Board.

3.3 Annual Meeting. The annual meeting of the Association shall be held on the second Tuesday in September of each year. At the annual meeting, one or more members of the Board may be elected by the Owners may also transact such other business of the Association as may properly come before them.

3.4 Special Meetings. The President shall call a special meeting of the Owners if directed by resolution of the Board or upon a petition signed by the Majority of the Owners and presented to the Secretary. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice unless by consent of four-fifths (4/5) of the Members, either in person or by proxy.

3.5 Notice of Meetings. The Secretary shall deliver or mail a notice of each meeting, stating its purpose and the time and place where it is to be held, to each Owner at the address shown on the roster, at least ten (10) days but not more than thirty (30) days prior to such meeting, unless written waivers are duly executed by all Owners. The delivery or mailing of a notice in the manner provided in this Section shall be considered notice served, effective upon the date of delivery or mailing.

3.6 Adjourned Meetings. If a quorum does not attend a meeting, the Owners who are present, either in person or by proxy, may adjourn the meeting to a time not less than forty-eight (48) hours from the time the original meeting was called and no additional notice shall be required.

3.7 Parliamentary Procedure. Except where inconsistent with these By-Laws, meeting of the Association shall be conducted in accordance with the latest revised edition of Roberts Rules of Order.

3.8 Order of Business. The order of business at all meetings of the Members shall be as follows:

- (a) Roll call.
- (b) Proof of Notice of meeting or waiver of notice.
- (c) Reading of minutes of preceding meeting.
- (d) Reports of officers.
- (e) Report of committees.
- (f) Election of directors (when applicable).
- (g) Unfinished business.
- (h) New business.

ARTICLE 4. BOARD OF DIRECTORS

4.1 Number and Qualification. The affairs of the Association shall be governed by a Board composed of three (3) persons. Subject to Section 1.4, at least 2 Directors must be Owners (including, for this purpose, officers of Owners that are entities).

4.2 Election and Term of Office. Each Director elected by the Owners shall hold office for a term of 1 year and thereafter until a successor is elected and the successor has attended his or her first meeting of the Board. When more than one Director is to be elected at any meeting, each Unit shall cast votes for candidates equal in number to the Directors to be elected.

4.3 Powers and Duties. The Board shall have the powers necessary to administer the Condominium including, without limitation, the following:

(a) Making and enforcing Rules and amendments thereto (including enforcement through the establishment of a system of fines).

(b) Making and collecting assessments from the Owners in accordance with the provisions of the Declaration, and expending assessments for Common Expenses.

(c) Executing contracts on behalf of the Association, employing necessary personnel, and carrying out all functions and purposes necessary for the operation of the Condominium.

(d) Satisfying all liens against the Condominium and paying necessary expenses connected therewith.

(e) Employing a professional property manager, management company or managing agent to perform such duties as the Board shall authorize including, but not limited to, the duties listed in this Section.

(f) Performing such other functions as are required by law or the Declaration.

4.4 Fees. No fee or other compensation shall be paid to any Director at any time except by specific resolution adopted by all of the Owners.

4.5 Reimbursement of Directors. Directors shall be entitled to reimbursement of all reasonable expenses relating to their activities as Directors.

4.6 Vacancies. A vacancy on the Board created by any reason other than removal by a vote of the Owners or the resignation of a Declarant appointed Director shall be filled by vote of the majority of the remaining Directors, even though they constitute less than a majority. Each person so elected shall be a Director until a successor is elected at the next annual meeting of the Association.

4.7 Removal of Directors. At any regular or special meeting duly called, any one or more of the Directors elected by the Owners may be removed with or without cause by a majority of the Owners and a successor elected by the Owners to fill the vacancy thus created. Any Director whose removal has been proposed by the Owners shall be given an opportunity to be heard at the meeting.

4.8 Organization Meeting. The first meeting of a Board, after one or more Directors is newly elected, shall be held within ten (10) days of such election at such place as determined by the Board at the meeting at which such Directors were newly elected. No notice shall be necessary in order to legally constitute such meeting if a majority of the whole Board is present.

4.9 Regular Meetings. Regular meetings of the Board may be held at such time and place as is designated by a majority of the Directors, but at least one such meeting shall be held during each fiscal year. Notice of regular meetings of the Board shall be given to each director, personally or by mail, telephone or telegraph, at least three (3) days prior to the day named for each meeting.

4.10 Special Meetings. A special meeting of the Board may be called by the President on three (3) days notice to each Director, given personally or by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board shall be called by the President or Secretary in like manner on the written request of at least two (2) Directors.

4.11 Waiver of Notice. Before or at any meeting of the Board, any Director may waive notice of such meeting in writing and such waiver shall be deemed the equivalent of notice duly given. Attendance by a Director at any meeting of the Board shall be deemed a waiver of notice. If all Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

4.12 Board Quorum. A majority of the Directors shall constitute a quorum for the transaction of business at all Board meetings. If, at any meeting of the Board, less than a quorum is present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any business which might have been transacted at the original meeting may be transacted without further notice.

4.13 Fidelity Bonds. The Board may require that all officers and employees of the Association responsible for Association funds shall furnish adequate fidelity bonds. The premiums on such bonds shall be paid by the Association.

4.14 Liability of Directors and Officers. No person shall be liable to the Association or Owners for any loss or damage suffered by it or them on account of any action taken or omitted to be taken as a Director or officer of the Association if such person exercised and used the same degree of care and skill as a prudent individual would exercise under the circumstances in the conduct of such individual's own affairs, or for any action or non-action based upon advice of counsel for the Association or upon statements made or information furnished by officers or employees of the Association which was reasonably believed to be true. The foregoing shall not be exclusive of any other right or defense.

4.15. Indemnity of Directors and Officers.

(a) Every person who is or was a Director or officer of the Association (together with the personal representatives and heirs of such person) shall be indemnified by the Association against all loss, costs, damages and expenses, including reasonable attorneys' fees, asserted against, incurred by or imposed in connection with or resulting from any claim, action, suit or proceeding, including criminal proceedings, to which such person is made or threatened to be made a party by reason of service as a Director or officer, except as to matters resulting in a final determination of gross negligence or willful misconduct on the part of such Director or officer. In event of settlement, indemnification shall be provided only in connection with such matters covered by the settlement as to which the Association is advised by counsel that the person to be indemnified has not been guilty of gross negligence or willful misconduct in the performance of such person as a Director or officer in relation to the matter involved. The Association, by its Board, may indemnify in like manner, or with any limitations, any employee or former employee of the Association, with respect to any action taken or not taken as an employee. This right of indemnification shall be in addition to all other rights and defenses.

(b) All liability, loss, damage, costs and expense incurred or suffered by the Association in connection with the foregoing indemnification shall be a Common Expense; provided, however, that nothing in this Section shall be deemed to obligate the Association to indemnify any Owner who is or has been an employee, Director or officer of the Association with respect to duties or obligations imposed by the Declaration, Articles or these By-Laws due to such person's status as an Owner.

ARTICLE 5. OFFICERS

5.1 Designation. The principal officers of the Association shall be a President, Vice-President, Secretary and Treasurer, all of whom shall be elected by the Board and serve one-year terms. The Directors may appoint an assistant treasurer and an assistant secretary, and such other officers as in their judgment may be necessary.

5.2 Election of Officers. The officers of the Association shall be elected annually by the Board. Officers shall hold office at the pleasure of the Board.

5.3 Removal of Officers. Upon an affirmative vote of a majority of the Board, any officer may be removed, either with or without cause, and a successor elected at any regular meeting of the Board, or at any special meeting of the Board called for such purpose.

5.4 President. The President shall be the chief executive officer of the Association and shall preside at all meetings of the Association and of the Board. The President shall have all the general corporate powers and duties which are usually vested in the office of president of a non-profit corporation, including, but not limited to, the power to appoint committees from among the Members from time to time as appropriate to assist in the conduct of the affairs of the Association.

5.5 Vice President. The Vice President shall take the place of the President whenever the President is absent or unable to act. If neither the President nor the Vice President is able to act, the Board shall appoint a Director to serve in such capacity on an interim basis. The Vice President shall also perform such other duties as imposed by the Board from time to time.

5.6 Secretary. The Secretary shall keep the minutes of all meetings of the Board and the Association. The Secretary shall have the charge of such books and papers as the Board directs and in general, perform all duties incident to the office of Secretary. The Secretary shall count the votes cast at any annual or special meeting of the Association or the Board of Directors.

5.7 Treasurer. The Treasurer shall have responsibility for Association funds and securities and shall be responsible for keeping full and accurate accounts of all Association receipts and disbursements. The Treasurer shall be responsible for the deposit of all monies and other valuable effects in the name and to the credit of the Association, in such depositories as designated by the Board.

5.8 Compensation. No officer shall receive compensation for services rendered the Association unless authorized by a resolution of the Owners, but may be reimbursed for actual out of pocket expenditures.

ARTICLE 6. FISCAL MATTERS

6.1 Budget. The Board shall annually adopt a budget of Common Expenses and other items as provided in the Declaration. The Board shall determine what sums, if any, will be required for improvements, capital expenditures, reserves or replacement funds, or other operations not included in the above which shall be included in the budget.

6.2 Assessments.

(a) The estimate of Common Expenses shall be assessed against each Unit on an annual basis and paid in monthly installments as provided in Article 5 of the Declaration. Assessments shall be levied uniformly among the Units except (1) special assessments, fines, fees or charges, and (2) when the Declaration requires or permits that assessments be levied on fewer than all Units. If the annual assessment based on the budget proves inadequate, or if special circumstances arise, the Board at any time may levy a special assessment for any purpose for which a general assessment may be levied which special assessment shall be payable in such reasonable manner as the Board directs.

(b) Assessments and installments of assessments shall be paid on or before ten (10) days after the date when such assessments and installments are due.

Any assessment or installment not paid within ten (10) days of its due date shall be delinquent and the Owner shall be charged all costs of collection, including actual attorneys' fees, a 5% late fee and compound interest at the rate of one percent (1%) per month on the unpaid assessment or installment of such assessment. Interest shall accrue from the date when the assessment or installment was first due until paid. All payments upon account shall be first applied to outstanding costs of collection, if any, then interest, if any, and then to the assessment payment first due.

6.3 Unpaid Assessment Could Cause Loss of Vote or Lien on Unit. If an Owner fails to timely pay an assessment or installment thereof, such failure shall be deemed a default and the Board shall take appropriate measures as allowed by the Declaration or at law, including, but not limited to, the filing of a statement of lien in accordance with the Declaration, which statement shall be signed and verified by the Secretary of the Association or any other officer authorized by the Board. An Owner shall be prohibited from voting at a meeting of the Association if the Association has recorded a statement of lien on the Owner's Unit and the amount necessary to release the lien has not been paid at the time of the meeting.

6.4 Depositories. The funds of the Association shall be deposited in such bank(s) or other depositories designated by the Board and shall be withdrawn therefrom only upon check or order signed by the officers who shall from time to time be designated by the Board for the purpose. The Board may elect to require Owners to pay assessments imposed by the Board directly to a designated depository.

6.5 Fiscal Year. The fiscal year of the corporation shall begin on January 1 and end on December 31 of each year.

6.6 Remedies Non-Exclusive. The provisions of these By-Laws shall in no way limit or restrict any other remedies or rights as set forth in the Declaration or the Act and shall not be exclusive, but shall be in addition to all other remedies provided by the Declaration and other laws of the State of Wisconsin. In the event that the Association retains an attorney to collect any funds due, enforce any rule, bring any claim against any Owner(s) or defend any claim or allegation by a Unit Owner(s), including any counterclaims, the Association shall, if it is the prevailing party in the claim or defense, be entitled to collect from the Owner(s) involved in the claim or defense, all of its costs and expenses, including reasonable attorneys' fees.

ARTICLE 7. OBLIGATIONS OF VARIOUS PERSONS

7.1 Owner Responsibility. Each Owner, at the Owner's own cost, shall:

(a) perform routine maintenance, repair and replacement of all components or installations of the Unit;

(b) pay for the repair and replacement of any portion of the Common Elements damaged through the fault or negligence of such Owner or such Owner's family, guests, invitees or tenants or any other Occupants of the Owner's Unit;

(c) be responsible for the reasonable security and safety of such Unit and shall be liable for damages caused to any other Unit(s), or the Common Elements, to the extent not covered by insurance, as a result of a breach of such security;

(d) water the lawn areas adjacent to the Unit; and

(e) maintain, repair and replace the Limited Common Elements appurtenant to the Unit.

Failure to comply with any of these By-Laws or any other rules, regulations, covenants, conditions or restrictions imposed by the Act, the Declaration or the Board shall be grounds for action to recover sums due for damages or injunctive relief or both, maintainable by the Association or, in a proper case, by an aggrieved Member.

7.2 Association Responsibility. The Association shall maintain in good condition and repair, replace and operate all of the Common Elements, except as expressly provided at Section 7.1 of these Bylaws.

ARTICLE 8. AMENDMENTS

8.1 Amendments. These By-Laws may be amended at a duly constituted meeting for such purpose by the Owners of Units representing at least 75% of the total Interests. No amendment shall limit any right herein granted to or reserved by Declarant or its successors and assigns.

ARTICLE 9. MORTGAGES, STATEMENT OF UNPAID ASSESSMENTS

9.1 Notice to Association. Any Member who mortgages a Unit shall notify the Secretary of the Association of such mortgage or mortgages and the name and address of the Mortgagee(s). The Secretary of the Association shall maintain a record of the names and addresses of all mortgagees of which the Secretary is given notice.

9.2 Notice to Mortgagee. Any notice required or permitted to be given to any mortgagee pursuant to these By-Laws shall be deemed given if mailed or delivered to such mortgagee at the address shown in such record and shall be deemed effective as of the date of mailing or delivery.

ARTICLE 10. CONFLICTS

10.1 Conflicts. If any provision of these By-Laws conflicts with the Declaration, the Declaration will control, prevail and supersede.