

BYLAWS
OF
TOWNHOMES OF BIENEMAN FARM
HOMEOWNERS ASSOCIATION, INC.

ARTICLE I
Name and Location

The name of the corporation is Townhomes of Bieneman Farm Homeowners Association, Inc., hereinafter referred to as the "Association". The principal office of the Association shall be located at 216 Sommers Landing North, Hudson, Wisconsin, 54016, but meetings of members and directors may be held at such places within the State of Wisconsin, as may be designated by the Board of Directors.

ARTICLE II
Definitions

The terms used herein shall have the meaning ascribed to them in the Declaration of Covenants, Conditions, Restrictions and Easements for Townhomes of Bieneman Farm, filed _____, in the Office of the Register of Deeds in and for St. Croix County, Wisconsin, as Document No. _____ ("Declaration"). The terms of the Declaration are incorporated herein by reference.

ARTICLE III
Meeting of Members

Section 1. **Annual Meetings.** The first annual meeting of the members shall be held within one (1) year from the date of incorporation of the Association, and each subsequent regular annual meeting of the members shall be held on such date and at such place as shall be designated by the Board of Directors in a notice required by law.

Section 2. **Special Meetings.** Special meetings of the members may be called at any time by the president or by the Board of Directors, or upon written request of the members who are entitled to vote twenty-five percent (25%) of all of the votes of the Class A membership.

Section 3. **Notice of Meetings.** Written notice of each meeting of the members shall be given by, or at the direction of, the Secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least ten (10) days but not more than thirty (30) days before such meeting to each member entitled to vote thereat, addressed to the member's address last appearing on the books of the Association, or supplied by such member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Section 4. **Quorum and Voting.** The presence at the meeting of members entitled to cast, or of proxies entitled to cast ten percent (10%) of the votes of each class of membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these Bylaws. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented. The affirmative vote of the majority of the votes entitled to be cast in person or by proxy at a meeting at which a quorum shall be present shall be necessary for the adoption of any matter to be voted upon by members, unless a greater proportion is required by law, these Bylaws or the Articles of Incorporation.

Section 5. **Proxies.** At all meetings of members, each member votes in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his or her Lot. A proxy is valid for 11 months unless a different period is expressly provided in the proxy, provided, however, that a proxy is not valid for more than three years from its date of execution.

ARTICLE IV

Membership and Voting Rights

The terms of ARTICLE II of the Declaration governs membership and voting rights in the Association and the terms of said ARTICLE II are specifically restated and incorporated herein by this reference.

ARTICLE V

Selection of Board of Directors and Term of Office

Section 1. **Number.** The affairs of this Association shall be managed by a Board of Directors. The first Board of Directors shall consist of the persons designated as directors in the Articles of Incorporation of the Association, who need not be members of the Association. The terms of the members of the first Board of Directors shall expire at the earlier of (a) the date of the annual meeting of the members of the Association held in the fifth year following the date of filing of the Declaration, and (b) the date of the termination of the Class B membership. Except for the first Board of Directors, the Board of Directors of the Association shall be composed of five (5) Directors, all of whom shall be members of the Association.

Section 2. **Term of Office.** At such time as there are twelve (12) Class A memberships, a special meeting of the members of the Association shall be called to elect one (1) director from the Class A membership for a term of two (2) years. At such time as there are _____ (number) (____) Class A memberships, a special meeting of the members of the Association shall be called to elect another director from the Class A membership for a term of two (2) years. At such time that the Class B membership terminates, a special meeting of the members of the Association shall be called to elect five (5) new directors, one director for a term of one (1) year, two directors for a term of two (2) years, and two directors for a term of three (3) years. Prior to the termination of the Class B membership, a director's term shall expire at the

earlier of (a) the date of the termination of the Class B membership, (b) the date of the annual meeting of the members of the Association at which the directors class must stand for reelection or (c) his or her death, prior resignation, removal, or cessation of representative qualifications. After the termination of the Class B membership, a director's term shall expire at the annual meeting of the members of the Association at which the directors class must stand for reelection, or at his or her prior death, resignation, removal or cessation of representative qualifications. After the termination of Class B membership, at each annual meeting of the members of the Association the members shall elect a director or directors for the director or directors whose term or terms are expiring. Cumulative voting shall not be allowed.

Section 3. **Removal.** Any director may be removed from the Board of Directors, with or without cause, by a majority vote of each class of the members of the Association. In the event of death, resignation or removal of a director, his or her successor shall be selected by the remaining members of the Board of Directors and shall serve for the unexpired term of his or her predecessor.

Section 4. **Compensation.** No director shall receive compensation for any service he or she may render to the Association. However, any director may be reimbursed for his or her actual expenses incurred in the performance of his or her duties.

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

ARTICLE VI

Nomination and Election of Directors

Section 1. **Nomination.** Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting of the members. The Nominating Committee shall consist of a Chairperson, who shall be a member of the Board of Directors, and two or more members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the members to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled.

Section 2. **Election.** Election to the Board of Directors shall be by secret written ballot by the members. At such election the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of affirmative votes shall be elected. Cumulative voting is not permitted.

ARTICLE VII

Meetings of Directors

Section 1. **Regular Meetings.** Regular meetings of the Board of Directors shall be held at least quarterly without notice, at such place and hour as may be fixed from time to time by resolution of the Board of Directors. If such meeting falls upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 2. **Special Meetings.** Special meetings of the Board of Directors shall be held when called by the President of the Association, or by any two (2) directors, after not less than three (3) days notice to each director.

Section 3. **Quorum.** A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

ARTICLE VIII

Powers and Duties of the Board of Directors

Section 1. **Powers.** The Board of Directors shall have power to:

- (a) suspend the voting rights of a member during any period in which such member shall be in default in the payment of any assessment levied upon the Association. Such rights may also be suspended after notice of hearing, for a period not to exceed sixty (60) days for infraction of published rules and regulations.
- (b) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these Bylaws, the Articles of Incorporation, or the Declaration;
- (c) declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors;
- (d) employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties; and
- (e) do any and all acts which are not prohibited by law, by the Articles of Incorporation of the Association or by these Bylaws, as may be amended.

Section 2. **Duties.** It shall be the duty of the Board of Directors to:

(a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members, or at any special meeting when such statements is requested in writing by one-fourth (1/4) of the Class A members who are entitled to vote;

(b) supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

(c) as more fully provided in the Declaration:

(i) fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period;

(ii) send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period; and

(iii) foreclose the lien against any property for which assessments are not paid within thirty (30) days after due date or to bring an action at law against the owner personally obligated to pay the same.

(d) issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment.

(e) procure and maintain adequate liability and hazard insurance consistent with provisions set forth in the Declaration;

(f) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate and in accordance with the Declaration; and

(g) cause the Common Area, Lots and Living Units to be maintained in accordance with the Declaration.

ARTICLE IV **Officers and their Duties**

Section 1. **Enumeration of Officers.** The officers of this Association shall be a President and Vice-President, who shall at all times be members of the Board of Directors, a Secretary, and a Treasurer, and such other officers as the Board may from time to time by resolution create.

Section 2. **Election of Officers.** The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the members.

Section 3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he or she shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of the receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he or she replaces.

Section 7. Multiple Offices. The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. Duties. The duties of the officers are as follows:

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

(b) **Vice President.** The Vice President shall act in the place and stead of the President in the event of his or her absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him or her by the Board.

(c) **Secretary.** The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of all the members; serve notice of meetings of the Board and of the members; keep appropriate current records showing the members of the Association together with their addresses, and shall perform such other duties as required by the Board.

(d) **Treasurer.** The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; keep proper books of account; cause of review of the Association books to be made by a public accountant at such times as the Board of Directors deems appropriate; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the members.

ARTICLE X

Committees

The Association shall appoint an Architectural Control Committee, as provided in the Declaration, and a Nominating Committee, as provided in these Bylaws. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose.

ARTICLE XI

Books and Records

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any member or first mortgagee. The Declaration, the Articles of Incorporation, the Bylaws of the Association and current financial statements of the Association shall be available for inspection by any member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE XII

Assessments

As more fully provided in the Declaration, each member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of eight percent (8%) per annum, and the Association may bring an action at law against the owner personally obligated to pay the same or foreclose the lien against the property, and interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise avoid liability for the assessments provided for herein.

ARTICLE XIII

Corporate Seal

The Association shall not have a corporate seal.

ARTICLE XIV

Amendments

Section 1. These Bylaws may be amended, at a regular or special meeting of the members, by a vote of a majority of a quorum of each class of members whose voting rights have not been suspended, present in person or by proxy, provided that the additional consent required by ARTICLE VIII, Section 4 of the Declaration shall be required by any action specified therein. The procedure to amend the Bylaws shall be: (a) the Board of Directors may propose the amendment of the Bylaws by resolution setting forth the proposed amendment and directing that it be submitted for adoption at a meeting of the members; or (b) any five (5) members may set forth a proposed amendment by petition by them subscribed, which petition shall be filed with

the Secretary of the Association. Notice of the meeting of the members, stating the purpose, including the proposed amendment, shall be given to each member entitled to vote on the proposed amendment, and to each officer and director regardless of his or her voting rights. If notice required by this clause has been given, the proposed amendments may be adopted at any meeting of members by majority of a quorum of members present in person or by proxy, together with the additional consent required by the Declaration, as provided above.

Section 2. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control; and in the case of a conflict between the Articles of Incorporation and the Declaration, the Declaration shall control.

ARTICLE XV **Dissolution**

The Association may be dissolved with the assent given in writing and signed by not less than the members entitled to cast seventy-five percent (75%) of the votes of each class of members. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be dedicated to an appropriate public agency as determined by the Board of Directors to be used for purposes similar to those for which this Association was created. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any nonprofit corporation, association, trust or other organization to be devoted to such similar purposes. No such disposition of Association property shall be effective to divest or diminish any right or title of any member vested in him or her under the Declaration unless made in accordance with the provisions of such Declaration.

ARTICLE XVI **FHA/VA Approval**

The following actions shall require the prior approval of the Federal Housing Administration and the Department of Veterans Affairs as long as there is Class B membership: Annexation of additional properties other than the Additional Real Estate, dedication of the Common Area and amendment of the Declaration or Bylaws.

ARTICLE XVII **Miscellaneous**

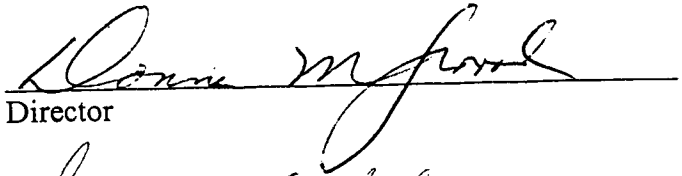
The fiscal year of the Association shall begin on the First day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

IN WITNESS WHEREOF, we, being all of the directors of the Townhomes of Bieneman Farm Homeowners Association, Inc. have hereunto set out hands on this 15 day of November, 1999.

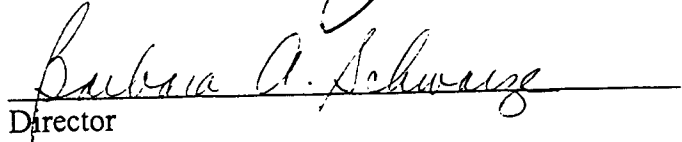
**TOWNHOMES OF BIENEMAN FARM
HOMEOWNERS ASSOCIATION, INC.**



Director



Director



Director

CERTIFICATION

The undersigned, as Secretary of Townhomes of Bieneman Farm Homeowners Association, Inc., a Wisconsin stock corporation, hereby certifies that the foregoing Bylaws of the Association were adopted by resolution of the Board of Directors at a meeting held on the 15 day of November, 1999.



Secretary

This instrument was drafted by:

Robert W. Mudge
Mudge, Porter, Lundeen & Seguin, S.C.
110 Second Street
P.O. Box 469
Hudson, Wisconsin 54016

TOWNHOMES OF BIENEMAN FARM

"EXHIBIT A"

Legal Description:

Lots 1 through 16, inclusive, and Outlot 1, all in Townhomes of Bieneman Farm according to the recorded Plat thereof, located in St. Croix County, Wisconsin.

TOWNHOMES OF BIENEMAN FARM

"EXHIBIT B"

Common Areas Description:

Outlot 1, Townhomes of Bieneman Farm according to the recorded Plat thereof,
located in St. Croix County, Wisconsin.

TOWNHOMES OF BIENEMAN FARM

"EXHIBIT C"

Additional Real Estate:

Lots 17 through 48, inclusive, Outlot 2, and a portion of Outlot 3, all in Townhomes of Bieneman Farm according to the recorded Plat thereof, located in St. Croix County, Wisconsin.