

BY-LAWS
OF
MEADOWDALE ESTATES HOMEOWNERS ASSOCIATION, INC.

ARTICLE I
Definitions and Applicability

Section 1.1. Definition. All terms used in these By-laws shall have the same meanings as defined in the Declaration of Restrictions and Covenants for Meadowdale Estates, as recorded in the office of the Register of Deeds for Kenosha County, Wisconsin on _____, 2000 as Document No. _____, as the same may be amended from time to time (the "Declaration"), and which is incorporated herein by reference.

Section 1.2. The Premises. The Premises is located in Kenosha County, State of Wisconsin, and is more particularly described in the Declaration, is known as Meadowdale Estates Subdivision, and has been subjected to the provisions of the Declaration.

Section 1.3. The Association. Meadowdale Estates Homeowners Association, Inc. (the "Association") is a nonstock, nonprofit corporation formed under Chapter 181 of the Wisconsin Statutes and whose members consist of all the Owners as defined in the Declaration.

Section 1.4. Applicability of By-laws. These By-laws are applicable to the Premises and to the use and occupancy thereof. All present and future owners, mortgagees, lessees, and occupants of Lots, or any portion of either, their invitees, members of the Board of Directors of the Association, and any other persons who may use the Common Areas in any manner are subject to the Restrictive Covenants Running With The Land as set forth in the Final Plat(s) for Meadowdale Estates Subdivision (hereinafter "Restrictive Covenants"), these By-laws, the Declaration, and to all covenants, agreements, restrictions, easements and declarations of record referred to in or created by the Declaration or otherwise duly effected (collectively referred to herein as "Title Conditions"). The acceptance of a deed, mortgage or lease or the act of occupancy of an Lot or any portion thereof, shall constitute an agreement by an Owner, mortgagee, lessee, occupant or invitee of an Lot, or any portion thereof, that these By-laws, the Declaration, Restrictive Covenants and Title Conditions are accepted, ratified and will be complied with, and all such provisions shall be deemed and taken to be covenants running with the land and shall bind any person having at any time an interest in such Lot, as though such provision were recited and stipulated at length in each and every deed or lease thereof, and a violation of the provisions of these By-laws, the Declaration, Restrictive Covenants or Title Conditions by any such person shall be deemed a substantial violation of the duties of the Owner.

Section 1.5. Office. The office of the Association and of its Board of Directors shall be located at 19275 W. Capitol Drive, Brookfield, WI 53045, in Waukesha County, or at such other location in Wisconsin as the Board of Directors may from time to time determine.

ARTICLE II
Board of Directors

Section 2.1. Number and Qualification. The affairs of the Association and of the Premises shall be governed by the Board of Directors. Until election of a new Board of Directors by the Members pursuant to Section 3.1(c) of these By-laws, the Board of Directors shall consist of such three persons as shall have been designated by Crestwood Development LLC ("Crestwood") in the Articles of Incorporation of the Association. Thereafter the Board of Directors shall be composed of three persons, each of whom shall be an Owner.

Section 2.2. Powers and Duties of the Board of Directors. The Board shall have the powers and duties necessary for the administration of the affairs of the Association and the Premises and may do all such acts as are necessary for the accomplishment of any of its purposes to the extent not inconsistent with Chapter 181 of the Wisconsin Statutes, or any other laws, the Declaration, the By-laws, Restrictive Covenants or Title Conditions. Such powers and duties of the Board shall include, without limitation, the following:

(a) The Board of Directors shall have the power to:

(i) exercise for the Association all powers, duties and authority vested in or delegated to this Association by law or the Declaration and not reserved to the membership by other provisions of these By-laws, the Articles of Incorporation or the Declaration; and

(ii) employ a manager, an independent contractor or such other employees as they deem necessary and to prescribe their duties.

(b) It shall be the duty of the Board of Directors to:

(i) cause the Common Areas described in the Declaration as Common Elements and/or Preservation Lands (hereinafter the "Common Areas") and facilities if any, to be maintained in good, clean, attractive and sanitary condition, order and repair in accordance with the Declaration and Restrictive Covenants;

(ii) adopt and publish rules and regulations, in addition to but not in conflict with those contained in the Declaration, Restrictive Covenants and Title Conditions, including fees, if any, governing the use of the Common Areas and facilities, if any, and the conduct of the Members and their guests thereon;

(iii) cause to be kept a complete record of all its corporate affairs, make such records available for inspection by any Member or his agent and present an annual statement thereof to the Members;

(iv) supervise all officers, agents and employees of the Association and see that their duties are properly performed;

(v) issue upon demand by any Member a certificate setting forth whether or not any assessments have been paid and giving evidence thereof for which a reasonable charge may be made;

(vi) designate depositories for Association funds, designate those officers, agents and/or employees who shall have authority to withdraw funds from such accounts on behalf of the Association, and cause such persons to be bonded, as it may deem appropriate;

(vii) prepare and approve the annual budget by a two-thirds vote of the Directors and such procedures as provided in the Declaration;

(viii) fix the annual (payable monthly) and any special (major improvement) assessments in accordance with provisions of the Declaration;

(ix) send written notice of each assessment to every Owner subject thereto annually as to the annual assessments (payable monthly) and at least 30 days in advance of the due date as to special (major improvement) assessments;

(x) cause the lien against any Lot for which assessments are not paid within 30 days after proper and due notice to be filed or to cause an action at law to be brought against the Owner personally obligated to pay the same;

(xi) procure and maintain adequate liability and casualty insurance to protect the Association, its employees and its personal and real properties;

(xii) enter into mortgage agreements and obtain capital debt financing subject to the provisions of the Declaration;

(xiii) exercise their powers and duties in good faith, with a view to the interests of the Association and to this end adopt appropriate guidelines for action on matters where a potential conflict of interest, if any, exists; and

(xiv) perform any other required function if determined necessary by the Board.

Section 2.3. Election and Term of Office. At the first annual meeting of the Owners after Crestwood has selected three Owners to serve on the Board of Directors in accordance with of Section 3.1(b), the Members shall elect a new Board of Directors. At the expiration of the initial term of office of each member of the Board of Directors, his successor shall be elected to serve for a term of one year. The members of the Board of Directors shall hold office until their respective successors shall have been elected by the Members. Any Director may resign from his or her position at any time and any Director shall be subject to removal in the manner set forth in Section 2.4.

Section 2.4. Removal of Members of the Board of Directors. At any regular or special meeting of the Members after Crestwood has selected three Owners to serve on the Board of Directors in accordance with Section 3.1(b), any one or more of the members of the Board of

Directors may be removed with or without cause by a majority of the authorized votes of all the Members and a successor may then and there or thereafter be elected to fill the vacancy thus created. Any member of the Board of Directors whose removal has been proposed by the Members shall be given an opportunity to be heard at the meeting.

Section 2.5. Vacancies. Vacancies in the Board of Directors caused by any reason other than the removal of a member thereof by a vote of the Members shall be filled by vote of a majority of the remaining directors at a special meeting of the Board of Directors held for that purpose promptly after the occurrence of any such vacancy even though the directors present at such meeting may constitute less than a quorum, and each person so elected shall be a member of the Board of Directors for the remainder of the term of the director so replaced or until a successor shall be elected at the next annual meeting of the Members.

Section 2.6. Organization Meeting. The first meeting of the members of the Board of Directors shall be held within ten days following the first annual meeting of the Members at such time and place as shall be fixed by the Members at the meeting at which such Board of Directors shall have been elected, and no notice shall be necessary to the newly elected members of the Board of Directors in order legally to constitute such meeting, providing a majority of the whole Board of Directors shall be present.

Section 2.7. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority of the members of the Board of Directors. Notice of any meeting shall be given by oral or written notice delivered personally or mailed to each Director at his business address at least 48 hours prior thereto. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail so addressed, with postage prepaid.

Section 2.8. Special Meetings. Special meetings of the Board of Directors may be called by the President on 48 hours' notice to each member of the Board of Directors, given by mail or facsimile, 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 one member of the Board of Directors.

Section 2.9. Waiver of Notice. Any member of the Board of Directors may, at any time, waive notice of any meeting of the Board of Directors in writing, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of the Board of Directors at any meeting of the Board shall constitute a waiver of notice by him of the time and place of the meeting. If all the members of the Board of Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting. In addition, attendance of a Director at a meeting of the Board of Directors at which action is taken on any corporate matter shall be presumed to constitute assent to the action unless his dissent shall be entered in the minutes of the meeting or unless he shall file his written dissent to such action with the person acting as the Secretary of the meeting before the adjournment thereof; such right to dissent shall not apply to a Director who voted in favor of such action.

Section 2.10. Quorum of Board of Directors. At all meetings of the Board of Directors, the presence of 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 may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

Section 2.11. Fidelity Insurance. The Board of Directors may obtain or require fidelity insurance coverage for all directors, officers, employees and agents of the Association handling or responsible for funds of the Association, including officers, employees and agents of professional managers. The premiums for such insurance shall constitute a common expense if paid for by the Board of Directors. The insurance policy shall name the Association as insured, contain waivers of the insurer of all defenses based upon the exclusive persons serving without compensation from the definition of "employees", and shall provide that the policy may not be canceled or substantially modified (including cancellation for nonpayment of premium) without at least ten days' prior written notice to the Association and each mortgagee or land contract vendor.

Section 2.12. Compensation. No member of the Board of Directors shall receive any compensation from the Association for acting in such capacity.

Section 2.13. Liability of the Board of Directors. The members of the Board of Directors shall not be liable to the Members for any mistake of judgment, failure to adhere to the provisions of the Declaration or these By-laws, negligence or otherwise, except for their own individual willful misconduct or bad faith. The Members shall indemnify and hold harmless each member of the Board of Directors against all contractual liability to others arising out of contracts made by the Board of Directors on behalf of the Association unless any such contract shall have been made in bad faith. It is intended that the members of the Board of Directors shall have no personal liability with respect to any contract made by them on behalf of the Association. Every agreement made by the Board shall also provide that the liability of the Members arising out of any contract made by the Board of Directors shall be shared by all of the Members equally and the liability of any single Owner shall be limited to a proportionate share of the total liability thereunder as his interest in the Common Areas bears to the interest of all of the Owners in the Common Areas. At the option of the Board of Directors, directors' liability insurance may be obtained and shall be paid for as a common expense.

Section 2.14. Informal Action. Without derogating from the right of any Director to request a Special Meeting pursuant to the provisions of Section 2.8 hereof, any action required or permitted to be taken at any meeting of the Board may be taken without a meeting if all Directors are given written notice thereof and if all Directors consent to the action in writing and the written consents are filed with the records of the Board. Such consents shall be treated for all purposes as a vote at a meeting.

Section 2.15. Conduct of Meetings by or Through the Use of Communications Equipment.

(a) Any or all directors may participate in a regular or special meeting of the Board of Directors or in a committee meeting of the Board of Directors by, or may conduct the meeting through the use of, any means of communication by which any of the following occurs: (i) all participating directors may simultaneously hear each other during the meeting; or (ii) all communication during the meeting is immediately transmitted to each participating director, and each participating director is able to immediately send messages to all other participating directors. A director participating in such a meeting is deemed to be present in person at the meeting.

(b) If a meeting is conducted pursuant to this section, the presiding officer at the meeting shall inform each participating director that a meeting is taking place at which official business may be transacted.

(c) If requested by a director, the Secretary of Crestwood shall prepare minutes of a meeting pursuant to this section and distribute such minutes to each director.

ARTICLE III
Members

Section 3.1. Annual Meetings.

(a) Until the first annual meeting of the Members as described below or until Crestwood designates otherwise, the initial Board of Directors named in the Articles of Incorporation of the Association shall serve as the Board of Directors.

(b) Within thirty days after Crestwood no longer owns two (2) or more Lots of the Premises, or at such earlier time as determined by Crestwood, Crestwood shall select three Owners to serve on the Board of Directors until the next annual meeting of the Members or until their successors have been duly elected.

(c) Thereafter the annual meetings of the Members shall be held at 7 p.m. on the first Monday of May of each succeeding year. At such meetings the Board of Directors shall be elected by ballot of the Members in accordance with the requirements set forth herein. The Members may transact such other business at such meetings as may properly come before them.

Section 3.2. Place of Meeting. Any meetings of the Members shall be held at the principal office of the Association or at such other suitable place convenient to the Members as may be designated by the Board of Directors.

Section 3.3. Special Meetings. It shall be the duty of the President to call a special meeting of the Members if so directed by resolution of the Board of Directors or upon a petition signed and presented to the Secretary by the Members having 25% of the total authorized votes

of all the Members. The notice of any special meeting shall state the time, place and purpose of the meeting. Any business which may be transacted at an Annual Meeting may be transacted at a Special Meeting provided such business is referred to in the notice of such meeting.

Section 3.4. Notice of Meetings. Written notices stating the place, day and hour of the meeting, as well as the purpose for which the meeting is called, shall be delivered not less than ten nor more than 30 days before the date of the meeting, either personally or by mail, by or at the direction of the President, the Secretary or the officer or person duly authorized to call the meeting, to each Member entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail addressed to the Member at his address as it appears on the records of the Association with postage prepaid. Notice of a meeting need not be given to an Owner if a written waiver thereof, executed before the meeting by such Owner or a duly authorized agent of Owner, is filed with the records of the meeting.

Section 3.5. Adjournment of Meetings. Any meeting of the Members at which a quorum has or has not attended may be adjourned at the option of the Members by vote of a majority of the authorized votes of the Members who are present, either in person or by proxy, at such meeting. Any meeting which has been adjourned by the Members because of the lack of a quorum may be reconvened in like manner and on like notice as stated in this Article III at such time as a quorum is obtained. At such reconvened meeting at which a quorum is present, either in person or by proxy, any business may be transacted which might have been transacted at the meeting as originally notified.

Section 3.6. Title to Lots. Title to Lots may be taken in the name of an individual or in the names of two persons, as tenants in common or as joint tenants, or between married persons it may be designated as survivorship marital property, in the name of a corporation, limited liability company, or partnership, or in the name of a fiduciary. The holder of such title shall be designated as the Owner, as defined in the Declaration, for all purposes hereunder.

Section 3.7. Voting. There shall be one vote in the Association appurtenant to each Lot. Each Owner shall furnish the Association with his name and current mailing address. No Member may vote at meetings of the Association until this information is furnished. The Owner or Owners of each Lot, or some person designated by such Owner or Owners to act as proxy on his or their behalf and who need not be a Member, shall be entitled to cast the vote appurtenant to such Lot at all meetings of the Members. The designation of any such proxy shall be made in writing to the Secretary, and shall be revocable at any time by written notice to the Secretary by the Member or the Members so designating. Any such proxy shall be effective only for a maximum period of 180 days following its issuance unless granted to a mortgagee, land contract vendor or lessee of a Lot. Each Member (including Crestwood and the Board of Directors, if Crestwood or the Board of Directors or its designee shall then hold title to one or more Lots) shall be entitled to cast at all meetings of the Members the vote appurtenant to each Lot owned. For purposes of determining Crestwood's votes, every Lot which it owns within the Premises shall constitute one vote, and Crestwood may not be limited as to the number of votes it may possess for Lots within the Premises which it continues to own. Where ownership is in the name of two persons, the vote appurtenant to their Lot shall be cast as they among themselves determine. Where the Lot is sold under a land contract, the land contract vendee shall be entitled

to vote the vote appurtenant to said Lot (where there are two vendees, they shall be considered joint Owners). Notwithstanding the provisions of this section, if the Association has filed a maintenance lien against a Lot and the amount necessary to release the lien has not been paid at the time of the meeting, the Owner(s) of such Lot may not vote at any meeting of the Association.

Section 3.8. Majority of the Owners. As used in these By-laws, the term "majority of the Owners" shall mean those Members having more than 50% of the authorized votes (as determined in accordance with the provisions of Section 3.7) of all the Members present, in person or by proxy, and voting at any meeting of the Members.

Section 3.9. Quorum. Except as otherwise provided in these By-laws, the presence in person or by proxy of the Members having at least two-thirds of the total authorized votes of all the Members shall constitute a quorum at all meetings of the Members.

Section 3.10. Majority Vote. A majority of the votes (50% or more) entitled to be cast by the Members present in person or represented by proxy at a meeting at which a quorum is present shall be necessary for the adoption of any matter voted upon by the Members, except as set forth in Section 3.11 and as otherwise provided in the Declaration, and shall be binding upon all the Members for all purposes except where a higher percentage vote is required by law, by the Declaration or by these By-laws.

Section 3.11. Amendments to By-laws. The By-laws may be modified or amended only by vote of at least 67% of the authorized votes of all the Members, such vote to be taken at a meeting of the Members duly held for such purposes. Notwithstanding anything contained herein to the contrary, any amendment to these By-laws which, in the opinion of the Village of Pleasant Prairie, would impair the ability of the Owners or other entity to perform the duties and obligations as set forth in the Declaration and Restrictive Covenants, shall only become effective upon approval by the Village of Pleasant Prairie.

Section 3.12. Action by Unanimous Consent. Any action required to be taken or which may be taken at a meeting of the Members may be taken without a meeting if a consent in writing setting forth the action so taken shall be signed by all the Members entitled to vote thereon. The signature required in each instance shall be that person who is then entitled to cast the vote for a Lot. Any such consent action shall have the same force and effect as a unanimous vote.

Section 3.13. Membership.

(a) The eligibility for membership in the Association is set forth in the Declaration. Membership is not intended to include persons who hold an interest in a Lot merely as security for the performance of an obligation. Land contract vendors shall not be members; land contract vendees shall be members.

(b) Initial membership in the Association shall be established by the recording of the Declaration in the office of the Register of Deeds for Kenosha County, Wisconsin.

Transfer of membership in the Association shall be established by the recording in the office of the Register of Deeds of Kenosha County of a deed or other instrument establishing a change of record title to a Lot 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. Until such delivery the transferee or vendee shall not be entitled to vote as a member of the Association and shall not be entitled to notice of meetings of the Members. The Association shall maintain a current roster of names and addresses of every Member to whom notice of meetings of the Association must be sent.

(c) Any person claiming to be a Member of the Association shall establish his right to membership to the satisfaction of the Secretary of the Association.

(d) No membership or initiation fee shall be charged, nor shall Members be required to pay at any time any amount to carry on the business of the Association, except to pay when due the charges, assessments and special assessments levied upon a Member's Lot as provided in the Articles of Incorporation and the Declaration.

ARTICLE IV Officers

Section 4.1. Designation. The principal officers of the Association shall be the President, the Vice President, the Secretary and the Treasurer, all of whom shall be elected by the Board of Directors. The Board of Directors may appoint an Assistant Treasurer, an Assistant Secretary and such other officers as in its judgment may be necessary. In the absence or disability of the President, the Vice President shall execute the powers and perform the duties of the President.

Section 4.2. Election of Officers. Officers shall be elected annually by the Board of Directors at the organization meeting of each new Board of Directors and shall hold office at the pleasure of the Board of Directors. Any two offices may be held by the same person, except the offices of President and Secretary, and offices of President and Vice President.

Section 4.3. Removal of Officers. Upon the affirmative vote of a majority of the members of the Board of Directors, any officer may be removed, either with or without cause, and his successor may be elected at any regular meeting of the Board of Directors, or at any special meeting of the Board of Directors called for such purpose.

Section 4.4. Vacancy. A vacancy in any office because of death, resignation, removal, disqualification or any other reason may be filled by the Board of Directors for the unexpired portion of the term.

Section 4.5. President. The President shall be the chief executive officer of the Association. He shall preside at all meetings of the Members and of the Board of Directors. He

shall have all of the general powers and duties which are incident to the office of President of a nonstock corporation organized under Chapter 181 of the Wisconsin Statutes, including but not limited to the power to appoint from among the Members any committee which he decides is appropriate to assist in the conduct of the affairs of the Association. The President shall not, however, make any material expenditure or make any material commitment on behalf of the Association except as authorized by the Board.

Section 4.6. Vice President. The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Board of Directors shall appoint some other member of the Board of Directors to act in the place of the President on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him by the Board of Directors or by the President.

Section 4.7. Secretary. The Secretary shall keep the minutes of all meetings of the Members and of the Board of Directors; he shall have charge of such books and papers as the Board of Directors may direct; and he shall, in general, perform all the duties incident to the office of Secretary of a nonstock corporation organized under Chapter 181 of the Wisconsin Statutes. The Secretary shall count the votes at meetings of the Association.

Section 4.8. Treasurer. The Treasurer shall have the responsibility for Association funds and securities and shall be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements and for the preparation of all required financial statements. He shall be responsible for the deposit of all moneys and other valuable effects in the name of the Association in such depositories as may from time to time be designated by the Board of Directors, and he shall, in general, perform all the duties incident to the office of Treasurer of a nonstock corporation organized under Chapter 181 of the Wisconsin Statutes.

Section 4.9. Agreements, Contracts, Deeds, Checks, Etc. All agreements, contracts, deeds, leases, checks and other instruments of the Association may be executed by the President of the Association with the express approval of the Board of Directors, or by such other person or persons as may be designated by the Board of Directors.

Section 4.10. Liability of the Officers. The officers shall not be liable, responsible or accountable in damages or otherwise to the Association or to any Member for any acts performed or omitted by them in good faith except for acts or omissions constituting bad faith or willful misconduct. The Officers shall be indemnified and held harmless by the Association against obligations and liabilities arising or resulting from or incidental to the management of the Association's affairs, provided that no party shall be entitled to indemnification hereunder for acts or omissions constituting willful misconduct or bad faith.

Section 4.11. Compensation of Officers. No officer shall receive any compensation from the Association for acting as such.

ARTICLE V
Operation of the Property

Section 5.1. Insurance.

(a) The Association shall be required to obtain and maintain, to the extent obtainable, fire insurance with extended coverage, vandalism and malicious mischief endorsements, insuring any Common Areas and any improvements thereon in an amount equal to the replacement value of such improvements. Such insurance shall name as insured the Association.

(b) The Association shall also be required to obtain and maintain, to the extent obtainable, public liability insurance in such limits as the Association may from time to time determine (provided that such limits shall at all times equal or exceed the limit established by Crestwood set forth below), covering each member of the Board of Directors and each Owner with respect to the Officers of the Association. Such public liability coverage shall also cover cross liability claims of one insured against another. The Board of Directors shall review such limits once each year. Until the first meeting of the Board of Directors following the first annual meeting of the Members, such public liability insurance shall be in a single limit of at least \$1,000,000.00 covering all claims for bodily injury or property damage arising out of one occurrence. Such liability insurance shall provide that the policy may not be canceled or substantially modified for any reason without at least ten days' prior written notice to the Association. The Association shall obtain and maintain workmen's compensation insurance to the extent necessary to comply with any applicable laws.

(c) By acceptance of the deed to his Lot, each Owner shall be deemed to have appointed the Association as his attorney-in-fact for the purpose of purchasing and maintaining the above-described policies of insurance, including, where applicable, the collection and appropriate disposition of the proceeds thereof, the negotiation of losses and execution of releases of liability, the execution of all documents and the performance of all other acts necessary to accomplish such purpose.

Section 5.2. Payment of Common Expenses.

(a) All Owners shall be obligated to pay the common expenses assessed by the Board of Directors pursuant to the provisions of the Declaration at such time or times and in such manner as the Board of Directors shall determine. A late charge of up to \$20 per day may be imposed by the Board of Directors against an Owner if any balance in common expenses remains unpaid more than five days after payment is due and which late charge is in addition to the other charges set forth in the Declaration.

(b) No Owner shall be liable for the payment of any part of the common expenses assessed against his Lot subsequent to a sale, transfer or other conveyance by him thereof and the recordation in the office of the Register of Deeds of Kenosha County of a deed or other instrument establishing a change of record title to said Lot or the recording in said office of a land contract. Such purchaser of a Lot shall be liable for the payment of common expenses

assessed against such Lot prior to the acquisition by him of such Lot if not paid by the previous Owner except that if the Association or Board of Directors furnishes a statement to the purchaser, such liability shall be limited to the amount set forth therein.

(c) Each Owner shall be obligated to pay common expenses hereunder notwithstanding the fact that he may have a pending dispute with the Association or the Board of Directors on any matter.

Section 5.3. Collection of Assessments. The Board of Directors shall take prompt action to collect from an Owner any assessment due, including late charges and any other charges set forth in these By-laws or the Declaration, which remains unpaid by him for more than 60 days from the due date for its payment.

(a) In the event of default by any Owner in paying to the Board of Directors the assessed common expenses, such Owner shall be Obligated to pay interest as provided in the Declaration on such common expenses, including late charges and any other charges set forth in the Declaration or the By-laws, from the due date thereof, together with all expenses, including attorneys' fees, incurred by the Board of Directors in any proceeding brought to collect such unpaid common expenses. 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 Owner, or by foreclosure of the lien on such Lot as provided in the Declaration. The Board of Directors shall also have the right to prohibit such Owner from voting at a meeting of the Association if the Association has filed a maintenance lien on such Lot and the amount necessary to release the lien has not been paid at the time of the meeting.

(b) The Board of Directors shall also have the right to publish in the Common Areas of the Property the names of all the Owners who are more than 60 days delinquent in the payment of their assessments. By acceptance of the deed to his Lot, each Owner shall be deemed to have consented to such publication.

Section 5.4. Foreclosure of Liens for Unpaid Common Expenses. In any action brought by the Board of Directors to foreclose a lien on a Lot because of unpaid common expenses, the Owner shall be required to pay a reasonable rental for the use of his Lot and the plaintiff in such foreclosure action shall be entitled to the appointment of a receiver to collect such rental. The Association or the Board of Directors, acting on behalf of all the Owners, shall have power to purchase such Lot 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 5.5. Statement of Common Expenses. The Board of Directors shall promptly provide any Owner, who makes a request in writing, with a written statement of his unpaid common expenses.

Section 5.6. Common Areas.

(a) All maintenance, repairs and replacements to any Common Area or improvements thereon shall be made by the Board of Directors in accordance with the Declaration and the Restrictive Covenants and be charged to all the Owners as common expense.

(b) No tree or bush or other vegetation (whether planted or naturally located) shall be removed from any Common Area nor any other action taken which is in conflict with the Declaration and the Restrictive Covenants without the prior written approval of the Board of Directors.

Section 5.7. Additions, Alteration or Improvements by Board of Directors. Whenever in the judgment of the Board of Directors any Common Areas shall require additions, alterations or improvements costing in excess of 10% of the annual operating budget, and the making of such additions, alterations or improvements shall have been approved by a majority of the Owners, the Board of Directors shall proceed with such additions, alterations or improvements and shall assess all the Owners for the cost thereof as a common expense. Any additions, alterations or improvements costing 10% of the annual operating budget or less may be made by the Board of Directors without approval of the Owners and the cost thereof shall constitute a common expense.

Section 5.8. Enforcement of the Declaration. The Association shall enforce the Declaration, Restrictive Covenants and Title Conditions, including without limitation, giving notice of violations, levying fines for violations and enforcing collection of such fines. The Association's failure to enforce any covenant, condition or restriction set forth in the Declaration, Restrictive Covenants or Title Conditions, or forgiveness of any fine assessed for a violation, shall not impair any right or power of the Association to enforce such provision or fine or be construed as a waiver of such provision of the Declaration, Restrictive Covenants or Title Conditions.

ARTICLE VI
Records

Section 6.1. Records. The Board of Directors or the managing agent shall keep detailed records of the actions of the Association and the Board of Directors, minutes of the meetings of the Board of Directors, minutes of the meetings of the Members, and financial records and books of account of the Association, including a chronological listing of receipts and expenditures, as well as a separate account of each Lot which, among other things, shall contain the amount of each assessment of common expenses against such Lot, the date when due, the amounts paid thereon, and the balance remaining unpaid.

Section 6.2. Reports. The Board of Directors shall render to all the Owners a written report summarizing all receipts and expenditures of the Association at least annually.

ARTICLE VII
Miscellaneous

Section 7.1. Notices. All notices to the Board of Directors or the Association shall be sent by registered or certified mail to the office of the Association or to such other address as the Board of Directors may hereafter designate from time to time.

Section 7.2. Invalidity. The invalidity, illegality or unenforceability, of any part of these By-laws shall not impair or affect in any manner the validity, legality, enforceability or effect of the balance of these By-laws and in lieu of each such provision, a provision shall be added as similar in terms as may be possible and be legal, valid and enforceable.

Section 7.3. Headings. The section headings herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these By-laws or the intent of any provision thereof.

Section 7.4. Gender. The use of the masculine gender in these By-laws shall be deemed to include the feminine gender and the use of the singular shall be deemed to include the plural, whenever the context so requires.

Section 7.5. Waiver. No restriction, condition, obligation or provision contained in these By-laws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur.

Section 7.6. Conflicts. These By-laws are set forth to comply with the requirements of the Declaration and the Articles of Incorporation, as each may be amended from time to time. In the case of any conflict between the Articles of Incorporation and these By-laws, the Articles shall control; and in the case of any conflict between the Declaration and these By-laws, the Declaration shall control.