

## BYLAWS

### OF

#### COLLINSWOOD CONDOMINIUM ASSOCIATION, INC. A WISCONSIN NONPROFIT CORPORATION

1. Identity. These are the Bylaws of Collinswood Condominium Association, Inc., a Wisconsin nonprofit corporation ("Association"). The Articles of Incorporation ("Articles") of the Association were filed with the Wisconsin Department of Financial Institutions on May 6, 1997, as Corp. I.D. No. CO43564. These Bylaws are subject to the provisions of the Declaration ("Declaration") of Collinswood Condominiums ("Property"), which Declaration was filed with the County Recorder, St. Croix County, Wisconsin, on April 11, 1997, in Volume 1232, Page 492, as Document No. 557864. The Association has been organized for the purpose of administering the Property, a condominium organized under the provisions of Wisconsin Statutes, Chapter 703, known as the Wisconsin Condominium Ownership Act, and any amendments thereto ("Act"). The initial mailing address of the Association is 5407 Excelsior Boulevard, Suite B, Minneapolis, Minnesota 55416.

Capitalized terms used herein shall have the same meaning as those set forth in the Declaration, unless otherwise defined herein.

2. Members. The qualifications of members and the manner of their admission into the Association shall be as follows:
  - (a) Owners. Each Owner of a Unit in the Property shall, by virtue of such interest, be a member of the Association. Hereinafter, for purposes of these Bylaws, the term "member" shall mean "Owner" and visa versa.
  - (b) More Than One Owner. When one or more persons are Owners of a Unit, all such persons shall be Owners.
  - (c) Registration. In accordance with Section 703.15(4) of the Act, the Association shall maintain a current roster of the names and addresses of each Owner. It shall be the duty of each Owner to register his or her name, his or her mailing address, and the nature of his or her interest, with the Secretary of the Association. If the Owner of an interest does not register his or her interest, the Association shall be under no duty to recognize such person's interest in the Unit.
  - (d) Transfers. The share of an Owner in the funds and assets of the Association cannot be assigned, pledged, encumbered or transferred in any manner, except as an appurtenance to a Unit.
3. Owners' Meetings - Voting.

SECOND AMENDMENT TO BYLAWS OF  
COLLINSWOOD CONDOMINIUM ASSOCIATION, INC.

Collinswood Condominium Association, Inc., a Wisconsin nonprofit corporation ("Association") hereby amends the Association Bylaws thereof:

Article and Title:       Article 10, Compliance and Default,  
                                  Section (b) Notice

Currently Reads As: "Any Owner who is in default shall be notified in writing of his or her default with a copy of said notice being provided to his or her First Mortgagee. A defaulting Owner shall be given a reasonable opportunity to correct the default except in cases where (i) health and safety is involved, (ii) corrective action must be taken immediately or (iii) the default involved the failure to pay of an assessment. "

Article 10, Section (b) of the Association Bylaws shall be replaced and superseded by the following new section:

Section (b) Notice. "Any Owner who is in default shall be notified in writing of his or her default. A Defaulting Owner shall be given a reasonable opportunity to correct the default except in cases Where (i) health and safety is involved, (ii) corrective action must be taken immediately or (iii) the default involved the failure to pay of an assessment. "

This amendment was approved by a vote of more than 67% of the Owners of the Units by written vote on May 9, 2017. Except as amended hereby, the Association Bylaws of Collinswood Condominium Association, Inc. remain in full force and effect.

**FIRST AMENDMENT TO BYLAWS OF  
COLLINSWOOD CONDOMINIUM ASSOCIATION, INC.**

Collinswood Condominium Association, Inc., a Wisconsin nonprofit corporation ("Association") hereby amends the Association Bylaws thereof:

Article and Title: Article 4, Section (b) Subsequent Directors

Currently Reads As: "After the expiration of the Period of Declarant Control, the number of directors shall automatically be increased from three (3) persons to five (5) persons without the necessity of either an amendment to these Bylaws or to the Articles of Incorporation. **Successive Boards shall be elected by the Owners, and such Boards shall consist of five (5) persons.** Each director, other than those elected or nominated by Declarant, shall be either an owner, an officer or a designated agent of a corporate Owner or a partner of a partnership which is an Owner."

1. Article 4, Section (b) of the Association Bylaws shall be replaced and superseded by the following new section:

Section (b) After the expiration of the Period of Declarant Control, the number of directors shall automatically be increased from three (3) persons to five (5) persons without the necessity of either an amendment to these Bylaws or to the Articles of Incorporation. Successive Boards shall be elected by the Owners. Effective with the passage of an amendment on June 29, 2016, the Board of Directors shall be comprised of seven (7) Directors. Each director, other than those elected or nominated by Declarant, shall be either an owner, an officer or a designated agent of a corporate Owner or a partner of a partnership which is an Owner.

This amendment was approved by a vote of more than 67% of the Owners of the Units by written vote on June 29, 2016. Except as amended hereby, the Association Bylaws of Collinswood Condominium Association, Inc. remain in full force and effect.

COLLINSWOOD CONDOMINIUM ASSOCIATION, INC.,  
A WISCONSIN NONPROFIT CORPORATION

BYLAWS

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## EXHIBIT D TO DECLARATION

### FLOOR PLANS

That certain Condominium Plat of Collinswood, recorded on October 4, 1996, with the County Recorder, St. Croix County, Wisconsin, in Volume 1 of Condominium Plats, Page 43, as Document No. 550414, as amended by that certain Affidavit, recorded on April 9, 1997, with the County Recorder, St. Croix County, Wisconsin, in Volume 1232, Page 017, as Document No. 557717. Said Condominium Plat of Collinswood and Affidavit were prepared and certified to by James M. Weber, Registered Land Surveyor, Wisconsin Registration No. S-1804.

## EXHIBIT C TO DECLARATION

### ALLOCATION OF VOTES IN THE ASSOCIATION; OWNERSHIP OF THE COMMON ELEMENTS AND ALLOCATION OF COMMON EXPENSES

#### ALLOCATION OF VOTES IN THE ASSOCIATION:

Each of the Units shall be allocated one vote in the Association. At the time this Declaration is recorded, two (2) Units have been constructed. Therefore, at the time this Declaration is recorded, there are a total of two (2) votes in the Association. Upon the completion of additional Units, the total number of votes in the Association shall increase by the number of Units completed. Upon the completion of all forty seven (47) Units, there shall be a total of forty seven (47) votes in the Association.

#### OWNERSHIP OF THE COMMON ELEMENTS:

Each of the Units shall have an equal, undivided interest in the Common Elements. At the time this Declaration is recorded, there exists two (2) Units. Therefore, at the time this Declaration is recorded, each of said Units shall have an equal, undivided 1/2 interest in the Common Elements. Upon the completion of additional Units, the ownership of the Common Elements shall be adjusted so that each of the original Units and each of the added Units shall have an equal, undivided interest in the Common Elements. Upon the completion of all forty seven (47) Units, each of said Units shall have an equal, undivided 1/47 interest in the Common Elements.

#### ALLOCATION OF COMMON EXPENSES:

All Units shall pay an equal, undivided share of the Common Expenses. At the time this Declaration is recorded, there exists two (2) Units. Therefore, at the time this Declaration is recorded, each of said Units shall pay an equal, undivided 1/2 of the Common Expenses. Upon the completion of additional Units, the allocation of Common Expenses shall be adjusted so that each of the original Units and each of the added Units shall have an equal, undivided share in the Common Expenses. Upon the completion of all forty seven (47) Units, each of said Units shall have an equal, undivided 1/47 share in the Common Expenses.

**EXHIBIT B TO DECLARATION**

**LEGAL DESCRIPTION OF UNITS**

Unit 1, Building 1; Unit 2, Building 1;	Unit 3, Building 2; Unit 4, Building 2;	Unit 5, Building 3; Unit 6, Building 3;	Unit 7, Building 4; Unit 8, Building 4;
Unit 9, Building 5; Unit 10, Building 5; Unit 11, Building 5;	Unit 12, Building 6; Unit 13, Building 6; Unit 14, Building 6;	Unit 15, Building 7; Unit 16, Building 7;	Unit 17, Building 8; Unit 18, Building 8;
Unit 19, Building 9; Unit 20, Building 9;	Unit 21, Building 10; Unit 22, Building 10;	Unit 23, Building 11; Unit 24, Building 11;	Unit 25, Building 12; Unit 26, Building 12;
Unit 27, Building 13; Unit 28, Building 13;	Unit 29, Building 14; Unit 30, Building 14;	Unit 31, Building 15; Unit 32, Building 15;	Unit 33, Building 16; Unit 34, Building 16;
Unit 35, Building 17; Unit 36, Building 17;	Unit 37, Building 18; Unit 38, Building 18;	Unit 39, Building 19; Unit 40, Building 19;	Unit 41, Building 20; Unit 41, Building 20; Unit 42, Building 20;
Unit 43, Building 21; Unit 44, Building 21; Unit 45, Building 21;	Unit 46, Building 22; Unit 47, Building 22;		

as described in that certain Condominium Plat of Collinswood, recorded on October 4, 1996, with the County Recorder, St. Croix County, Wisconsin, in Volume 1 of Condominium Plats, Page 43, as Document No. 550414, as amended by that certain Affidavit recorded on April 9, 1997, with the County Recorder, St. Croix County, Wisconsin, in Volume 1232, Page 017, as Document No. 557717.

## EXHIBIT A TO DECLARATION

### LEGAL DESCRIPTION OF PROPERTY

A parcel of land located in the NE 1/4 of the SW 1/4 of Section 36, Township 28 North, Range 19 West, City of River Falls, St. Croix County, Wisconsin, more fully described as follows:

Commencing at the W 1/4 corner of said Section 36: Thence S 89 degrees, 31 minutes, 00 seconds E along the East-West Quarter Section Line a distance of 1399.60 feet; Thence S 00 degrees, 22 minutes, 00 seconds W 50.00 feet to the POINT OF BEGINNING:

Thence S 89 degrees, 31 minutes, 00 seconds E 228.00 feet;  
Thence S 43 degrees, 46 minutes, 45 seconds E 99.11 feet;  
Thence S 89 degrees, 38 minutes, 00 seconds E 248.50 feet;  
Thence S 38 degrees, 17 minutes, 35 seconds E 145.73 feet;  
Thence S 07 degrees, 33 minutes, 14 seconds E 159.73 feet;  
Thence S 18 degrees, 47 minutes, 28 seconds W 131.47 feet;  
Thence N 89 degrees, 48 minutes, 00 seconds W 95.00 feet;  
Thence S 00 degrees, 22 minutes, 00 seconds W 95.00 feet;  
Thence S 70 degrees, 58 minutes, 48 seconds W 21.20 feet;  
Thence S 00 degrees, 22 minutes, 00 seconds W 46.00 feet;  
Thence N 89 degrees, 48 minutes, 00 seconds W 532.03 feet to the easterly line of Collins Third Addition to the City of River Falls;  
Thence N 00 degrees, 22 minutes, 00 seconds E along said line 130.00 feet;  
Thence S 89 degrees, 48 minutes, 00 seconds E along the southerly right-of way line of Leroy Lane a distance of 30.00 feet;  
Thence N 00 degrees, 22 minutes, 00 seconds E 488.08 feet to the point of beginning.

Contains 8.00 acres subject to any and all easements, right-of ways or conveyances of record.





the Fair Housing Act, and comply in particular with 42 U.S.C. 3607(b)(3). Compliance with the Fair Housing Act, and said section in particular, allows the Property to be used exclusively for "housing for older person" as defined therein. In the event the Fair Housing Act is amended such that provisions of the Fair Housing Act applicable to the Property, and pursuant to which the Property is able to operate as an elderly person housing project, are modified, the following provisions shall apply:

- (1) In the event the legal requirements defining the phrase "housing for older persons" become less restrictive than those set forth in 42 U.S.C. 3607 (b)(3), as reflected in Subsection 17(a) hereof, the requirements set forth in Subsection 17(a) hereof shall remain unchanged.
- (2) In the event the legal requirements defining the phrase "housing for older persons" become more restrictive than those set forth in 42 U.S.C. 3607 (b)(3), as reflected in Subsection 17 (a) hereof, the Association shall use its best efforts to comply with the more restrictive requirements and, to the extent necessary to effect such compliance, shall propose to the Owners and First Mortgagees necessary amendments to this Declaration. In the event the Association is unable to comply with said requirements without amending this Declaration, and the Owners or First Mortgagees do not amend this Declaration as necessary to effect such compliance, the age requirements herein, including the 18 year old age restriction set forth in Subsection 17(c) hereof, may become unenforceable and the Property may thereupon not be limited to housing exclusively reserved for older persons.
- (3) The foregoing covenants and restrictions in this Section 17 shall expire on December 31, 2027.

18. Agent for Service of Process. In accordance with the provisions of Section 703.23 of the Act, the initial person to receive service of process on the Association in the cases provided for in the Act, or otherwise under applicable law, shall be Charles Pearson. His address is 78 West Woodridge, River Falls, Wisconsin 54022 in St. Croix County, Wisconsin. A successor shall be designated by a majority vote of the Board of Directors upon the expiration of the Period of Declarant Control.

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Unit; and (iii) occupies the Unit as his or her personal residence.

- (e) During the period that the restrictions and covenants of Section 17 hereof are in full force and effect, the Association shall provide "significant facilities and services specifically designed to meet the physical and social needs of older persons" occupying the Property as necessary to comply with the requirements of 42 U.S.C. 3607 and the regulations adopted thereunder, as the same may be amended from time to time. The Association shall be entitled to modify such facilities and services provided to the Owners from time to time to comply with changes in the above described laws. In no event, however, shall the Association be liable to the Owners for any claim, liability or damage resulting from the Association's failure to accurately determine the scope of the "significant facilities and services" necessary to effect said compliance.

17. Elderly Housing Occupancy Restrictions. The following restrictions shall apply through December 31, 2027:

- (a) Each Unit shall have at least one person occupying the Unit who is 55 years of age or older (a "Qualifying Occupant"); provided, in the event the only Qualifying Occupant of a Unit dies or otherwise ceases to occupy the Unit, the spouse of that Qualifying Occupant and any other person residing in the Unit at the time of that Qualifying Occupant's departure (each a "Remaining Occupant") shall be entitled to make written application to the Association for a waiver of the foregoing Qualifying Occupant requirement; provided further, however, that it shall be a condition precedent to any grant of such a waiver by the Association that (i) such Remaining Occupant own some legal or equitable title to the Unit entitling such Remaining Occupant to possession of the Unit; and (ii) such Remaining Occupant occupied the Unit immediately prior to the departure of the Qualifying Occupant as his or her principal residence. The Association may grant or deny such a waiver in its sole discretion, taking into consideration, in part, whether a grant of the waiver would result in the Property's disqualification as "housing for elderly persons" as such term is used in Fair Housing Act, 42 U.S.C. 3607, and the regulations established thereunder. In the event the only Qualifying Occupant of a Unit ceases to occupy a Unit, the Remaining Occupant shall deliver to the Association written notice of the departure of that Qualifying Occupant within thirty (30) days following said departure.
- (b) Unoccupied Units shall be reserved for persons who meet the age requirements of Subsection 17(a) above.
- (c) In no event shall any person younger than 18 years of age occupy any Unit on a long term basis.
- (d) Declarant intends that the Property qualify as "housing for older persons" under

maintained until plans and specifications (showing in reasonable detail the nature, kind, shape, height, materials, location and approximate cost of same) shall have been submitted to and approved in writing (after consideration of the harmony of the proposed exterior additions, removals or alterations in relation to other improvements on the Property with respect to each of the above criteria) by the Board of Directors or an architectural control committee composed of three (3) or more Owners appointed by the Board of Directors. The Board of Directors or its designated architectural control committee shall approve or disapprove such proposed action within sixty (60) days of the submission to it of said plans and specifications, and if it fails to so approve or disapprove within such sixty (60) day period, approval will be deemed to have been given. If no submission has been made to the Board of Directors or its designated architectural control committee, suit to enjoin or remove such additions, removals or alterations may be instituted at any time by the Association or any Owner. Until completion of construction and the sale of all Units by the Declarant, the decisions of the Board of Directors or its designated architectural control committee with respect to such matters must have the written approval of the Declarant.

16. Age Verification.

- (a) The Association shall be entitled to verify the age of the Unit occupants from time to time as a means of ensuring that the Property complies with the elderly housing provisions and restrictions of Section 17 hereof, and the Fair Housing Act, 42 U.S.C. 3607, and the regulations issued in connection therewith.
- (b) Within thirty (30) days following receipt of an age verification form from the Association, an Owner shall accurately complete and deliver said verification form to the Association.
- (c) Upon the occurrence of an "Event of Proposed Transfer," as defined below, an Owner shall notify the Association in writing of the identity and age of the proposed transferee and the intended occupants of the Unit following such transfer, which occupants shall include at least one person 55 years of age or older as provided in Section 17 of this Declaration, as said Section 17 may be amended by an amendment to the federal law relating thereto.
- (d) An "Event of Proposed Transfer" shall mean and include the following: a proposed or actual transfer, voluntary or involuntary, of legal or equitable title, or an interest therein, of a Unit from one or more Owners by sale, gift, foreclosure, inheritance, devise or other transfer or conveyance; provided, if there appears two named owners of record ("Named Owners"), then any such transfer or conveyance which arises out of the death of one of the Named Owners shall not be considered an Event of Proposed Transfer to the extent such transfer or conveyance is to one of the other Named Owners, and such surviving Named Owner (i) is at least 55 years of age; (ii) retains some equitable or legal title in the

exercising its rights, including special Declarant Rights and otherwise, for the completion of the improvements and the making of repairs to the Property, whether on the Common Elements, the Limited Common Elements or the unsold Units. The Declarant shall also have the right to maintain and use offices, facilities and signs upon the Common Elements for the purpose of marketing Units, and to invite and escort the public thereon for such purpose.

- (c) The Declarant may adopt and establish an alternative assessment program as follows:
- (1) During the Period of Declarant Control, the Declarant may adopt and establish an alternative assessment program pursuant to which the Common Expenses owed on Units owned by third parties (i.e. not owned by Declarant) will pay a guaranteed maximum assessment of \$125.00 per month and Declarant shall pay, with respect to the Units owned by the Declarant and not yet sold to third parties, no Common Expense assessments except to the extent that Common Expenses exceed the amounts owed by such third party Owners pursuant to this alternative assessment program.
  - (2) It is understood that Declarant has not yet adopted the above described alternative assessment program and that there is no minimum duration for such alternative assessment program if one is adopted. Thus, the above \$125.00 guaranteed maximum monthly assessment shall not apply if (i) Declarant does not invoke the program or (ii) if it is invoked, after Declarant revokes or terminates it. The maximum duration of any such alternative assessment program shall be two years after the expiration of the Period of Declarant Control. Moreover, if the Declarant desires to commence the alternative assessment program, it must do so no later than the date of the expiration of the Period of Declarant Control. The Declarant may implement the alternative assessment program upon thirty (30) days prior written notice to the Owners. Declarant shall give the Owners at least sixty (60) days prior written notice of the termination of the alternative assessment program. Such alternative assessment program, if any, shall not affect Declarant's obligation to fund the reserves disclosed in the Association's budget, as included in the Disclosure Statement. Any such alternative assessment program will also not have any effect on the level of services provided to Owners with respect to items set forth in the Association's budget.
15. Architectural Controls. Except as such are installed or approved by the Declarant in connection with the initial construction of the improvements on the Property, no exterior additions, removals or alterations (including changes in color or appearance) to any existing or future improvement on the Property shall be commenced, erected or

best interests of the Association and the Owners.

- (i) All insurance premiums shall be paid by the Association as a Common Expense.
12. Severability. The provisions hereof shall be deemed independent and severable, and the invalidity or partial invalidity or unenforceability of any provision or portion thereof, as may be determined by a court of competent jurisdiction, shall not affect the validity or enforceability of any other provision hereof. The singular shall be deemed to include the plural wherever appropriate; and, unless the context clearly indicates to the contrary, any obligation imposed herein shall be joint and several.
13. Gender; Other Terms. As used herein, the male gender shall include the female gender, to the extent that the context so requires. In addition, as used in this Declaration or in the Bylaws, words or terms shall have the meaning ascribed to them in the Act unless otherwise defined herein or unless the context of this Declaration or the Bylaws requires otherwise.
14. Declarant's Rights.
- (a) Notwithstanding anything herein to the contrary, and in accordance with Section 703.15 of the Act, the Declarant shall have a Period of Declarant Control during which the Declarant, or persons designated by the Declarant, may appoint and remove the officers and directors of the Association. The Period of Declarant Control shall not exceed three (3) years, measured from the date of the first conveyance of a Unit to an Owner other than Declarant; provided that the Period of Declarant Control shall terminate thirty (30) days after the conveyance of seventy-five percent (75%) of the current and future Units to Owners other than the Declarant. Moreover, prior to the conveyance of twenty-five percent (25%) of the current and future Units to Owners other than the Declarant, a meeting of the Owners shall be held at which not less than twenty-five percent (25%) of the members of the Board of Directors shall be elected by Owners other than the Declarant or an affiliate of Declarant. In addition, prior to the conveyance of fifty percent (50%) of the current and future Units to Owners other than the Declarant, a meeting of the Owners shall be held at which not less than thirty-three and one-third percent (33 1/3%) of the members of the Board of Directors shall be elected by Owners other than the Declarant or an affiliate of Declarant. And not later than forty-five (45) days after the termination of the Period of Declarant Control, a meeting of the Owners shall be held at which all members of the Board of Directors shall stand for election in conformance with the terms of the Bylaws.
  - (b) In addition to the Period of Declarant Control described in this Section 14, the Declarant shall have the same rights as any Owner as to the Units owned by it. Also, the Declarant shall have the right and easement over and through the Common Elements for the purpose of discharging Declarant's obligations or

membership in the Association;

- (2) The insurer shall waive its right to subrogation under the policy against any Owner or the members of an Owner's household and against the Association and the members of the Board of Directors;
  - (3) No act or omission by any Owner or secured party shall void the policy or be a condition to recovery under the policy;
  - (4) If, at the time of a loss under the policy, there is other insurance in the name of an Owner covering the same property covered by the policy, the Association's policy shall be the primary insurance; and
  - (5) An insurer that has issued an insurance policy under this Section shall issue certificates or memoranda of insurance, upon request, to any Owner or secured party. The insurance may not be cancelled until 30 days after notice of the proposed cancellation has been mailed to the Association and to each secured party to whom certificates of insurance have been issued.
- (d) If the Association shall fail to pay currently the premiums due with respect to such insurance, any Owner or secured party may make payment of such due premiums, and such payment by any Owner or secured party shall be deemed to be a sum immediately due and owing by the Association to such Owner or secured party, together with interest at 8% per annum from the date of payment by the Owner or secured party to the date of reimbursement by the Association. Any Owner or secured party shall have the right to sue upon and enforce the foregoing covenant for its benefit in the event that it shall advance money for the benefit of the Association and the Property, and it shall not be necessary that any separate agreement exist which is signed by the Association and the Owner or secured party advancing funds.
  - (e) The Association shall obtain and maintain such worker's compensation insurance as is required by law.
  - (f) The Association may also obtain and maintain directors' and officers' liability insurance in such amounts as the Board of Directors shall, from time to time, reasonably determine.
  - (g) The Association may obtain fidelity bond coverage for any person or entity handling funds on behalf of the Association naming the Association as obligee in such amount as the Board of Directors shall determine.
  - (h) The Association shall have the authority to obtain and maintain such other insurance as it, in its sole discretion, may determine from time to time to be in the

First Mortgagees shall have the right to examine the books and records of the Association during regular business hours upon reasonable notice, which notice shall not be less than five (5) days. Upon the written request of any First Mortgagee, the Association shall provide copies of the Association's annual financial reports and notices of annual meetings. A representative of the First Mortgagee shall also be entitled to attend any annual or special meetings of the Association's members.

11. Insurance.

- (a) The Association shall obtain and maintain, to the extent reasonably available, property insurance in the amount of the full insurable replacement cost of the Property against loss or damage by fire, wind (including so-called "broad form covered causes of loss"), vandalism, malicious mischief, water damage and such other perils as the Board of Directors may determine. Such insurance may contain a reasonable deductible.

Any loss covered by such property insurance policy shall be adjusted by and with the Association. The insurance proceeds for a covered loss shall be payable to the Association or to any insurance trustee designated by the Association for that purpose. The insurance trustee or the Association shall hold any insurance proceeds in trust for the Owners and the secured parties as their interests may appear. The proceeds shall be disbursed first for the repair or restoration of the damaged Common Elements, Limited Common Elements or Units, and the Owners and secured parties shall not be entitled to receive payment of any portion of the proceeds unless there is a surplus of proceeds after the Common Elements, Limited Common Elements, or Units have been completely repaired or restored, or the condominium is terminated.

- (b) The Association shall also obtain and maintain comprehensive general liability insurance with limits of at least \$1,000,000, with such specific coverages as the Association may from time to time determine, covering the Association and such other persons as the Board of Directors may determine. Such insurance shall cover all occurrences commonly insured against for death, bodily injury and property damage arising out of or in connection with the use, ownership or maintenance of the Property. Declarant shall be included as an additional insured in its capacity as an Owner and Board Member. The Owners shall also be included as additional insureds.
- (c) All policies of insurance required hereunder shall provide as follows:
- (1) Each Owner and secured party, including the holder of a vendor's interest in a contract for deed, shall be an insured person under the policy with respect to liability arising out of the ownership of an undivided interest in the Limited Common Elements and the Common Elements or out of

8. Extinguishment Of Lien On Foreclosure. The purchaser of a Unit pursuant to a foreclosure sale under Section 7 hereof, and the purchaser's successors in interest, shall, upon expiration of the applicable period of redemption, hold title to the Unit free and clear of any lien for assessments payable prior to the expiration of the applicable period of redemption, and any such purchaser and the purchaser's successors in interest shall not be personally liable for assessments payable prior to the expiration of the applicable period of redemption. A First Mortgagee who comes into possession of a Unit through a foreclosure of its mortgage or by virtue of a deed or an assignment in lieu thereof, shall hold title to the Unit free and clear of any lien for assessments payable prior to the expiration of the applicable period of redemption, and any such holder and its successors in interest shall not be personally liable for assessments payable prior to the expiration of the applicable period of redemption.
9. Damage To Property: Eminent Domain.
- (a) Except as otherwise provided by Sections 703.18 and 703.19 of the Act, if all or any portion of the Property is damaged or destroyed, or if a part thereof is taken by power of eminent domain, or by an action or deed in lieu thereof, the Property shall be repaired or restored unless an affirmative vote of Owners to which at least seventy-five percent (75%) of the voting power of the Association is allocated elect to terminate the condominium ownership created hereby or elect not to rebuild in the manner provided by the Act.
  - (b) Any such restoration or repair shall be substantially in accordance with this Declaration and the Floor Plans.
  - (c) If the proceeds of insurance are not sufficient to defray the estimated or actual cost of restoration or repair, special assessments shall be made against all Units in sufficient amounts to provide funds to pay the estimated or actual costs of such restoration or repair.
  - (d) Encroachments upon or in favor of Units which may be created as a result of such restoration or repair shall not constitute a claim or a basis of a proceeding or action by the Owner upon whose property such encroachment exists, provided that such restoration or repair was substantially completed in accordance with the Floor Plans of the Building as originally constructed. Such encroachments shall be allowed to continue in existence for so long as the Building remains.
10. Rights Of First Mortgagees. If requested by a First Mortgagee, the Association shall give notice to such First Mortgagee of an Owner's default, a casualty loss or a condemnation affecting the Unit upon which the First Mortgagee's mortgage exists. Such notice shall be given to the First Mortgagee by mailing the same, postage prepaid, to the last known address of the First Mortgagee.

- (k) No Rentals. No Owner shall be permitted to lease his or her Unit.
- (l) Rules and Regulations. The Board of Directors shall from time to time adopt such Rules and Regulations governing the use and enjoyment of the Property as the Board of Directors in its sole discretion deems appropriate or necessary.
- (m) Trash. Trash, garbage and other waste shall be kept only in sanitary containers, and shall be disposed of in a clean and sanitary manner as prescribed from time to time in the Rules and Regulations. At its option, the Association may contract with a single provider for the removal and disposal of garbage, trash and other solid waste from all Units. Each Owner shall be obligated to purchase such services from the provider designated by the Association upon the terms, conditions and rates negotiated by the Association. Any charges imposed by the provider designated by the Association shall be paid by the Association and shall be a Common Expense. In the event that any Owner requests any services not included within the basic/general charges of the provider, the Association may assess all costs incurred for such additional services against that Owner's Unit.
- (n) Visitor Parking. Except for the driveway Limited Common Elements, all parking areas in the Common Elements are reserved for guests, invitees and visitors to the Property and shall not be used by Owners.
- (o) Blocking of Driveways. Under no circumstances shall any Owner block access to any garage other than the garage allocated to such Owner's Unit.

7. Assessment Lien. All sums assessed by the Association for Common Expenses shall constitute a lien on each Unit, the Limited Common Elements belonging to such Unit and the Unit's share of the Common Elements. Such assessment lien shall be effective in the percentages set forth in Exhibit C. The Association shall file a statement of condominium lien with respect to said assessment in conformance with the provisions of Section 703.16 of the Act. An assessment lien shall be prior to all other liens except for all sums unpaid on a first mortgage recorded prior to the making of the assessment and except as otherwise set forth in Section 703.16 of the Act. An assessment lien may be enforced and foreclosed and shall bear interest, to the full extent provided in Section 703.16 of the Act. An action to recover a money judgment for unpaid Common Expenses may also be brought. Each Owner at the time of the assessment shall, to the full extent permitted by law, be jointly and severally liable for any deficiency judgment, including the costs of collection, foreclosure and reasonable attorneys' fees. The Association shall have the power to bid in at the foreclosure sale, and to hold, lease, mortgage and convey the Unit so acquired. The Association shall notify each First Mortgagee of any default in the payment of an assessment which is uncured for more than 30 days. Before commencing a foreclosure, the Association shall notify the First Mortgagee in writing of the intended action.

of any governmental body. No damage to or waste of the Common Elements, the Limited Common Elements or any part thereof, or to the exterior of any Unit or any Building on the Property, shall be committed by any Owner or his or her guests, invitees, tenants, agents or employees. Each Owner shall indemnify and hold harmless the Association and the other Owners against all loss resulting from such damage or waste caused by such Owner or his guests, invitees, tenants, agents or employees. No noxious, destructive or offensive substance or activity shall be allowed in any Unit, in any Limited Common Element or in the Common Elements or in any part thereof, nor shall anything be done thereon which constitutes a nuisance to any other Owner or to any other person at any time lawfully residing on the Property.

- (e) Fences. No Owner shall relocate, heighten, lower or otherwise move or change any fence upon the Property.
- (f) No Unsightly Uses. No clothes, sheets, blankets, or laundry of any kind or other articles shall be hung on any portion of the Common Elements or the Limited Common Elements, or in a Unit so as to be visible from outside such Unit. The Common Elements and the Limited Common Elements shall be kept free and clear of all rubbish, debris and other unsightly materials.
- (g) Animals. No animals of any kind shall be raised, bred or kept in a Unit or in any Limited Common Element or on the Common Elements or in any part thereof; provided, however, that household pets may be kept in a Unit, subject to the Rules and Regulations, so long as they are not kept, bred or maintained for any commercial purpose.
- (h) Prohibited Structures. No structure of a temporary character, and no trailer, boat, camper, bus, exterior antenna, satellite dish or other apparatus for the transmission or reception of television, radio or other signals, shall be maintained on any Unit or Limited Common Element without the written consent of the Association.
- (i) Storage. Outside storage of any items other than operable motor vehicles, including sporting equipment, toys, outdoor cooking equipment, yard and garden tools and equipment, and trash and garbage containers, shall not be allowed without the written consent of the Association.
- (j) Signs. No sign of any kind shall be displayed to the public view on any Unit, Limited Common Element or the Common Elements except (i) a "For Sale" sign may be displayed, provided that it is in such form as the Association may require, (ii) the designation of the street address and the name of the occupant of a Unit may be displayed, provided that it is in such form as the Association may require and (iii) Declarant's rights under Section 14 hereof.

manner as set forth herein with respect to Common Expense assessments.

- (k) Subject to the provisions of the Act, the Association shall have control over any condemnation proceedings, negotiations, settlements and agreements with the condemning authority relating to the acquisition by the condemning authority of the Common Elements or any part thereof.

6. Additional Use Restrictions.

- (a) Unit Restrictions. Except as provided in Section 14 herein, no Unit shall be used for purposes other than as a residential dwelling, or otherwise contrary to municipal ordinances, or state or federal laws now or hereafter existing. No trade or business of any kind shall be carried on within a Unit, provided that none of the following activities shall be considered a violation of this covenant:
  - (1) The maintenance and operation of a business and sales office by Declarant during the construction and sale periods.
  - (2) The maintenance and operation of an office by the Association or its designated manager for the purpose of management of the Property and the provision of services ancillary thereto.
  - (3) The conduct of services by telephone, computer or correspondence customarily performed from a single family residence incidental to the conduct of a business.
- (b) Common Elements Restrictions. No industry, business, trade, occupation or profession of any kind shall be conducted, maintained or permitted on any part of the Common Elements except for Declarant's Rights under Section 14 hereof. No Unit shall be constructed on the Common Elements, except as specifically permitted by this Declaration.
- (c) Obstructions. There shall be no obstruction to the Common Elements, nor shall anything be kept or stored on any part of the Common Elements, without the prior written consent of the Association; provided, however, that Declarant may keep and store construction materials and equipment during the construction period of a Unit or Units and except as otherwise specifically provided in the Declaration.
- (d) Prohibition of Damage and Certain Activities. Nothing shall be done or kept in any Unit, the Limited Common Elements or the Common Elements or in any part thereof which (i) would increase the rate of insurance on the Property or any part thereof over what the Association would pay but for such activity, without the prior written consent of the Association, or (ii) would be in violation of any statute, rule, ordinance, regulation, permit or other validly imposed requirement

and repair of the Units, the Common Elements and the Limited Common Elements. Access to the Units shall be limited to reasonable hours, except that access may be had at any time in case of an emergency.

- (c) Owners of Units shall by virtue of such interest be members of the Association. When one or more persons own a Unit, all such persons shall be members.
- (d) The administration of the Property shall be in conformity with the Act, this Declaration, the Bylaws and the Rules and Regulations.
- (e) Each Owner or occupant of a Unit shall comply with the provisions of the Act, this Declaration, the Bylaws and the Rules and Regulations, as amended from time to time. Failure to comply with any such provisions shall be grounds for an action by the Association or, in a proper case, by an aggrieved Owner or Owners to recover damages or for injunctive relief.
- (f) No Owner may exempt himself or herself from liability for his or her contribution toward the Common Expenses by waiver of the use or enjoyment of any of the Common Elements or by the abandonment of his or her Unit.
- (g) Each Owner or occupant of a Unit hereby grants an easement to the Declarant, its agents, servants and employees and to the prospective purchasers of a Unit, permitting ingress to and egress from the Property during reasonable times for the purpose of (i) completing improvements to the Property, and any further additions or corrections thereto, and (ii) selling Units at the Property.
- (h) Each Owner shall be responsible for the payment of all real estate taxes and assessments imposed on his or her Unit, and for all utility charges consumed or incurred with respect to his or her Unit, including telephone, natural gas and electricity.
- (i) In addition to such use of the Common Elements as is permitted by this Declaration and the Act, the Common Elements shall be subject to an easement for the construction, repair, replacement and maintenance of, and ingress and egress to, such drainage, ponding, slope and utility improvements as may be installed by the Declarant or the Association.
- (j) Every Owner shall promptly perform all maintenance and repair work within such Owner's Unit which, if not performed, would affect the Common Elements or another Unit or Units. Upon the failure of any Owner to perform such maintenance or repair work, the Association may, but shall not be obligated to, perform the same and such Owner shall be liable to the Association for all costs and expenses incurred by the Association in performing the same, and the amount thereof shall be a lien on such Owner's Unit and shall be collectible in the same

- (c) The ownership of each Unit shall include an undivided interest in the Common Elements, as specified and established in Exhibit C attached hereto; and in the Limited Common Elements, as shown on the Floor Plans.

3. Amendment And Termination.

- (a) Except as otherwise provided herein, this Declaration may be amended by a vote or written agreement of Owners to which at least two-thirds (66 2/3%) of the voting power of the Association is allocated. Such vote or agreement of any Owner shall not be effective unless approved by the First Mortgagee of said Owner's Unit. No amendment shall be effective until recorded with the Register of Deeds for St. Croix County, Wisconsin. An affidavit of the Secretary of the Association stating that the votes or agreements required by this paragraph have occurred shall be attached to the amendment and shall constitute prima facie evidence of the representations contained therein.
- (b) Notwithstanding the foregoing paragraph, the condominium created herein may only be terminated as provided in Section 703.28(1) of the Act.

4. Profits And Expenses. The proportionate share appertaining to each Unit in any profits from the Common Elements and in the Common Expenses shall be in the percentages established for each Unit as provided in Exhibit C attached hereto.

5. Certain Covenants. Declarant, its successors and assigns, by this Declaration, and all future Owners, by their acceptance of their interest in the Property, agree as follows:

- \* (a) If there is a minor encroachment of the Common Elements or the Limited Common Elements upon any Unit, an appurtenant easement for the encroachment and for the maintenance thereof shall and does exist so long as the encroachment remains. If there is a minor encroachment of any Unit upon the Common Elements or the Limited Common Elements, or upon any adjoining Unit, an appurtenant easement for the encroachment and for the maintenance thereof shall and does exist so long as the encroachment remains. In the event the improvements are partially or totally destroyed and then restored, the Owners shall permit minor encroachments of parts of the Common Elements or the Limited Common Elements and of any Unit upon other Units, and of any Unit on the Common Elements or the Limited Common Elements unless the encroachment can be easily eliminated, and appurtenant easements for such encroachments and for the maintenance thereof shall exist so long as the encroachment remains. Such encroachments and easements shall not affect the marketability of title to any Unit.
- (b) Units are subject to and include an appurtenant easement through other Units and the Common Elements and the Limited Common Elements for the maintenance

boundary of the Unit consists of the interior finished side of such perimeter wall, provided further that in the attached garage where an unfinished stud wall faces into the garage, the boundary shall be the vertical plane along such front stud face. The upper horizontal boundary of the Unit is the interior finished side of the ceiling, except in the attached garage where the upper horizontal boundary of the Unit consists of the surface of the underside of the horizontal roof truss beam. The lower horizontal boundary of the Unit consists of the concrete slab or subfloor at elevations shown on the Floor Plans.

Each Unit shall include the individual air-conditioning and heating unit (except the condenser outside the Unit), serving the Unit, the plaster or plasterboard and inner decorated surfaces of the ceiling and perimeter walls, including the glass portion of the windows and doors, paint, wallpaper, paneling and tiles, and the floors and floor coverings above the subfloor. A perimeter wall shall mean any wall, door, glass, or window separating one Unit from another or from the Common Elements, or from the Limited Common Elements, exclusive of the exterior trim, but including the heating controls, thermostat and related equipment designated to serve a particular Unit.

Units depicted on the Floor Plans in areas where a Building is not yet completed have vertical boundaries as shown on the Floor Plans and horizontal boundaries of the floor and ceiling elevations as depicted thereon. After completion of any Building, the boundaries of the Unit are established in accordance with the foregoing provisions of this Section 1(r).

2. Division Of Property. Declarant, in order to establish the Property as a condominium under the Act, hereby divides the Property in the following manner:

- (a) Forty seven (47) separately designated and legally described estates in fee simple absolute, each consisting of a Unit devoted exclusively to residential use as shown on the Floor Plans. The Units are legally described in Exhibit B, which is attached hereto and incorporated herein. Upon sale, a Unit shall be legally described as follows:

Unit \_\_\_\_, Building \_\_\_\_, Collinswood Condominium, as described in that certain Condominium Plat of Collinswood, recorded on October 4, 1996, with the County Recorder, St. Croix County, Wisconsin, in Volume 1 of Condominium Plats, Page 43, as Document No. 550414, as amended by that certain Affidavit recorded on April 9, 1997, with the County Recorder, St. Croix County, Wisconsin, in Volume 1232, Page 017, as Document No. 557717.

- (b) The remaining portion of the Property, other than the Units, is described and referred to herein as the Common Elements or the Limited Common Elements.

- (2) The driveway leading from the Common Element roadway to the garage area of a Unit;
- (3) If any chute, flue, duct, pipe, wire, conduit, bearing wall, bearing column, or any other fixture lies partially within and partially outside of the designated boundaries of a Unit, any portion thereof serving only that Unit is a Limited Common Element allocated solely to that Unit, and any portion thereof serving more than one Unit or any portion of the Common Elements is a part of the Common Elements; and
- (4) All exterior (perimeter) doors and windows and any shutters, air conditioning condenser, awnings, window boxes, doorsteps, stoops, or other fixtures designed to serve a single Unit but located outside the Unit's boundaries, are Limited Common Elements allocated exclusively to that Unit.
- (m) Majority. An amount in excess of fifty percent (50%) of the votes assigned in Exhibit C to the Units for voting purposes, which Exhibit C is attached hereto and incorporated herein.
- (n) Owner. The record owner, whether one or more persons or entities, of fee simple title to any Unit, including the Declarant and contract for deed purchasers, but excluding those having such interest merely as a security for the performance of an obligation. The term Owner as used herein shall have the same meaning as the term "Unit Owner" under the Act.
- (o) Period of Declarant Control. The period of time during which the Declarant may control the operation and administration of the Association, including without limitation the power to appoint and remove the members of the Board of Directors pursuant to Section 14(a).
- (p) Property. The real estate and the improvements constructed thereon as described in Exhibit A attached hereto and incorporated herein.
- (q) Rules and Regulations. The Rules and Regulations of the Association as issued from time to time by the Board of Directors in accordance with the Bylaws.
- (r) Unit. A part of a Building which consists of one or more rooms or enclosed spaces designed and intended for separate ownership as a residential dwelling, including the garage and, for those Units containing a porch, the porch attached thereto, all as described on the Floor Plans by number and location. The location of the perimeter walls that have been or will be built and which constitute the boundaries of each Unit are shown on the Floor Plans. The actual vertical

- (4) Any premises designated on the Floor Plans for the storage of janitorial equipment for the use of persons in charge of the management of the Property;
  - (5) Installations of central services such as power, light, gas, hot and cold water, heating, refrigeration, air conditioning, trash compactors and compactor chutes, television aerials, tanks, pumps, motors, fans, compressors, ducts and, in general, any such apparatus and installations existing for common use;
  - (6) The Club House; and
  - (7) All other parts of the Property necessary or convenient to its existence, maintenance and safety, or normally in common use.
- (g) Common Expenses. Expenditures made or liabilities incurred by or on behalf of the Association, together with any allocations to reserves.
- (h) Declarant. Teasdale & Associates, Ltd., a Minnesota corporation, the owner of the Property at the time of the recording of this Declaration.
- (i) Declaration. This Declaration under which the Property is being submitted to the provisions of the Act, as amended from time to time.
- (j) First Mortgagee. Any person, corporation or other entity named as the mortgagee in any mortgage deed granting a first mortgage lien upon the fee simple title to any Unit.
- (k) Floor Plans. That certain Condominium Plat of Collinswood, recorded on October 4, 1996, with the County Recorder, St. Croix County, Wisconsin, in Volume 1 of Condominium Plats, Page 43, as Document No. 550414, as amended by that certain Affidavit, recorded on April 9, 1997, with the County Recorder, St. Croix County, Wisconsin, in Volume 1232, Page 017, as Document No. 557717, which Floor Plans are identified hereto and incorporated herein as Exhibit D. Said Condominium Plat of Collinswood and Affidavit were prepared and certified to by James M. Weber, Registered Land Surveyor, Wisconsin Registration No. S-1804.
- (l) Limited Common Elements. That portion of the Property which is reserved for the use of certain Units to the exclusion of other Units, is designated as Limited Common Elements, to-wit:
- (1) The patio which has direct access to and from a Unit as shown on the Floor Plans;

interest in or to all or any part of the Property, and their grantees, successors, heirs, personal representatives and assigns.

1. Definitions. Words and terms used herein are defined as follows:

- (a) Association. Collinswood Condominium Association, Inc., a Wisconsin nonprofit corporation, incorporated under Chapter 181, Wisconsin Statutes, the sole voting members of which shall be the Owners of the Units.
- (b) Board of Directors or Board. Initially, the persons named as directors in the Articles of Incorporation of the Association and all subsequent persons elected or appointed to the Board of Directors in accordance with this Declaration and the Bylaws of the Association, including those elected or appointed in accordance with the Period of Declarant Control as defined in Section 14(a) hereof.
- (c) Building(s). The structures built or to be built which contain the Units and, to the extent located thereon or therein, certain Limited Common Elements and certain Common Elements.
- (d) Bylaws. The Bylaws of the Association which are incorporated herein by reference thereto.
- (e) Club House. A club house facility as shown on the Floor Plans which shall be part of the Common Elements and shall be for the use of the Owners, subject to such reasonable rules and regulations and charges therefor as are established by the Association through the Board of Directors. No annual or special assessments otherwise payable under any provision of the Declaration or the Bylaws shall be levied on the Club House. In addition, the provisions of Sections 6(a), (b), (h) and (j) of this Declaration shall not be applicable to the Club House.
- (f) Common Elements. Except for the Units and Limited Common Elements hereafter designated, all other parts of the Property shall be Common Elements and shall include but not be limited to:
  - (1) The Property on which the Buildings are located;
  - (2) The foundations, chimneys, columns, girders, supports, main walls, walls not within a Unit, the subflooring under any Unit, the pipes, wires, conduits or other utility lines running through the Unit which are utilized for or serve more than one Unit, all perimeter walls to a Unit and the roofs of the Buildings;
  - (3) Yards, trees, gardens, outdoor parking areas, corridors and sidewalks;