# WOOD DUCK CONDOMINIUM

## $\mathbf{BY}$

# WOOD DUCK DEVELOPMENT, LLC

205 West Highland, #204 Milwaukee, WI 53203

# PART A DECLARATION OF CONDOMINIUM

**OF** 

WOOD DUCK CONDOMINIUM

VILLAGE OF LAKE DELTON, WISCONSIN

## **DECLARANT**

WOOD DUCK DEVELOPMENT, LLC

205 West Highland, #204 Milwaukee, WI 53203

## CONDOMINIUM DECLARATION

## **OF**

## WOOD DUCK CONDOMINIUM

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## **Exhibits**

Legal Description

- A. Condominium Plat
- B. Building and Floor Plans/Elevations
- C. Identification and Description of Units

Document Number

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CONDOMINIUM DECLARATIONS
OF
CONDITIONS, COVENANTS, RESTRICTIONS AND EASEMENTS
FOR
WOOD DUCK CONDOMINIUM

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Name and Return Address

Robert C. Salzer, Attorney 14380 West Capitol Drive Brookfield, WI 53005-2323

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Parcel Identification Number (PIN)

This information must be completed by submitter: document title, name & return address, and PIN (if required). Other information such as the granding clauses, legal description, etc. may be placed on this first page of the document or may be placed on additional pages of the document. Nate: Use of this cover page adds one page to your document and \$2.00 to the recording fee. Wiccontrol Statutes, 59.517. WRDA 2396

## CONDOMINIUM DECLARATION OF CONDITIONS, COVENANTS, RESTRICTIONS AND EASEMENTS FOR WOOD DUCK CONDOMINIUM, A CONDOMINIUM

This Declaration is made pursuant to the Condominium Ownership Act of the State of Wisconsin, Chapter 703 of Wisconsin Statutes, (hereinafter referred to as the "Act") this 23rd day of June \_\_\_\_\_, 2003, by WOOD DUCK DEVELOPMENT, LLC (hereinafter referred as "Declarant").

#### 1. Statement Of Declaration

The purpose of this Declaration is to submit the lands hereinafter described and the improvements constructed, or to be constructed, thereon to the condominium form of ownership in the manner provided by the Act and by this Declaration.

This Condominium is subject to use restrictions as provided by this Declaration and corresponding Bylaws for Wood Duck Condominium.

Declarant hereby declares that it is the sole owner of the real property described in Section 2.1 hereof, together with all buildings and improvements thereon (hereinafter referred to as the "Property") which is hereby submitted to the Condominium form of use and ownership as provided in the Act and this Declaration, and which property shall be held, conveyed, devised, leased, encumbered, used, improved, and in all respects otherwise effected subject to the provisions, conditions, covenants, restrictions and easements of this Declaration and the Act. All provisions hereof shall be deemed to run with the land and shall constitute benefits and burdens to the Declarant, its successors, and assigns, and to all parties hereinafter having any interest in the property. The property, together with all Buildings and improvements, is hereinafter called the "Condominium".

#### Legal Description and Name

- 2.1 Legal Description. The real estate which is described on that Exhibit attached hereto and designated "Legal Description", is subject to the provisions of this Declaration.
- 2.2 Name. The aforesaid real estate, and all Buildings and improvements thereon, shall be known as Wood Duck Condominium.

#### 3. Description and Location of Buildings

There shall be one (1) Building (referred to as "Building" or "Buildings" hereafter) on the real estate described in Section 2.1, which shall contain a total of eight (8) living units and eight (8) garage units. Each Building shall be three (3) stories in height and shall have eight (8) living units, and are further described on Exhibit C attached hereto. Complete construction details are contained in working plans and drawings available for inspection at the office of the Declarant. Buildings are to be located on the real estate as indicated and designated numerically in the Condominium Plat marked Exhibit "A" attached hereto and made a part of this Declaration. The Buildings and Units are more fully described in the Condominium Plat attached hereto marked Exhibit "A" and made a part hereof. Declarant shall have the right to amend this Declaration at its sole discretion for the purpose of recording a plat of survey or plans depicting the lay-out, location. Unit numbers and dimensions of the Building and Units as finally located and erected, and for the further purpose of correcting and/or changing the name of the Condominium.

#### 4. Number and Identification of Units

- 4.1 Number. There shall be a total of eight (8) condominium Units in Wood Duck Condominium.
- 4.2 Identification. A "Unit" is that completed part of a constructed Building intended for individual, private use as a dwelling unit, comprised of one or more cubicles of air at one or more levels of space having outer boundaries formed by the interior surfaces of the perimeter walls, floors and ceilings of the Building. The interior boundary of adjoining Units shall be the center line between adjoining walls. A Unit shall also consist of the windows, window frames, doors and door frames located within or contiguous with the Unit. Said boundaries are shown on the building and floor plans attached hereto as Exhibit "B", together with all fixtures and improvements therein contained. Each Unit shall also consist of a "Garage Unit" which is intended for individual, private use comprised of one cubicle of air having outer boundaries formed by the interior surfaces of the perimeter walls, floors and ceilings of the Building. The Garage Unit shall also consist of the windows, window frames, doors and door frames which are located within or contiguous with the Unit. Said boundaries are shown on the Condominium Plat and Floor Plans attached hereto, together with all fixtures and improvements therein contained. A Unit and a Garage Unit may not be separated.

Notwithstanding any other provisions contained in this Declaration or otherwise as provided by law, only fully completed Units, for which an Occupancy Permit has been issued by the appropriate governmental authorities, shall be subject to assessment and payment of monthly, annual or other periodic dues, maintenance fees and/or annual or special assessments. For purposes of assessment and payment of monthly, annual or other periodic

dues, maintenance fees and/or annual or special assessments, a Unit is a completed dwelling Unit separate and distinct from the land on which it is constructed or to be constructed.

Condominium land intended for construction, but on which construction has not been started or completed, shall not be subject to assessment and payment of monthly, annual or other periodic dues, maintenance fees and/or annual or special assessments as provided herein. Buildings and Units on condominium land are separate and distinct from the land.

The Units are designated by identifying numbers, and their location, number of rooms, immediate Common Elements to which the Units have access, and further details identifying and describing the Units, are as set forth in Exhibit "C" attached hereto.

The post office address of the Condominium is 414 East Hiawatha Drive, Wisconsin Dells, Wisconsin 53965.

The owner of a Unit shall be known as a "Unit Owner".

#### 5. Common Elements

The "Common Elements" shall consist of all of the Condominium, except the Units as defined hereunder, including without limitation; bearing walls, floors and ceilings (except the interior surfaces thereof, which form the outer boundaries of each Unit), roofs, foundations, entrances and exits, pipes, ducts, electrical wiring and conduits, centralized utility services, public utility lines, water and sewer laterals, outside walls, girders, beams and support and structural parts of the Building.

Each Unit Owner shall have a vaiid, exclusive easement to the space between the interior and exterior walls for purposes of adding additional utility outlets, wall hangings, erection of non-bearing partition walls and the like, where space between the walls may be necessary for such uses, provided that the Unit Owner shall do nothing to impair the structural integrity of the Building or the soundproofing of common walls between the Units, and provided further that the Common Elements be restored to their former condition by the Unit Owner at the sole expense of the Unit Owner upon completion or termination of the use requiring the easement. Easements are hereby granted and declared for the benefit of the Unit Owners, and the Association of Unit Owners (hereinafter described) for the installation, maintenance and repair of common utility services in and on any part of the Common Elements or Units.

#### 6. Limited Common Elements

6.1 Description. A portion of the Common Elements is designated or described as "Limited Common Elements" as shown on Exhibit "A". Such Limited Common Elements are the patios or balconies which are adjacent to the Units as indicated on the Plat and

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the driveway aprons in front of the garage assigned to the Unit as shown on the Plat, and as further shown on Exhibit A attached hereto. Such Limited Common Elements shall be reserved for the exclusive use of the Unit to which they are appurtenant, as shown on Exhibit "A".

The pier, designated as Pier A on the Condominium Plat shall be a Common Element. The pier shall contain four (4) slips, which shall be assigned by the Association to a specific Unit for use by that Unit. Each slip so assigned shall be a Limited Common Element as to the Unit to which the slip is assigned. No pier, slip, or any portion of any pier or slip shall be rented at any time, except in conjunction with the rental of any Unit as permitted under this Declaration and/or the Bylaws.

- 6.2 Use. The manner of use of the Limited Common Elements shall be governed by the Bylaws of the Wood Duck Condominium Owners' Association, and such rules and regulations as they be established by, the Association of Unit Owners, and no Unit Owner shall decorate, landscape or adorn any Limited Common Elements, or permit such, in any manner contrary to such Bylaws and rules and regulations.
- space. At no time shall a Unit Owner allow boats, trucks, motor homes, recreational vehicles or trailers to be parked overnight in such assigned parking space without first obtaining the written consent of the Association. No automobiles, boats, trucks, motorhomes, recreational vehicles, trailers or other vehicles of any kind shall at any time be parked in those areas in front of the garages marked as firelanes or in any other marked as a firelane.
- o.4 Satellite Dish. There shall be no television satellite dish of any type placed upon any of the Common Elements or Limited Common Elements without complying with this paragraph. The Unit Owner shall place the satellite dish in such a location as to minimize its obstruction and offensiveness to other Unit Owners, either by location or by use of screening appropriate to the design, decoration and landscaping of the Condominium. The installation shall not affect the structural soundness or integrity of any Building. The Unit Owner shall bear all costs associated with the installation of the satellite dish and with concealing the satellite dish from public view, including, but not limited to, the installation of shrubbery, partition wall or other such costs associated with the concealment of the satellite dish. Satellite dishes shall not exceed one (1) meter in diameter. The intention of this paragraph is to harmonize aesthetics with the Unit Owner's right to receive satellite signals to the extent possible. Any disputes under this paragraph shall be resolved by binding arbitration.

#### 7. Percentage of Ownership in Common Elements

Each Unit Owner shall own an undivided interest in the Common Elements and Limited Common Elements as a tenant in common with all other Unit Owners and, except as otherwise limited in this Declaration, shall have the right to use and occupy the Common Elements and Limited Common Elements for all purposes incident to the use and occupancy of the Unit as a place of residence, and such other incidental uses permitted by this Declaration, which right shall be appurtenant to and run with the Unit. The percentage of such undivided interest in the Common Elements and Limited Common Elements appertaining to each Unit shall be as follows:

| Unit 101 | 1/8 |
|----------|-----|
| Unit 102 | 1/8 |
| Unit 103 | 1/8 |
| Unit 104 | 1/8 |
| Unit 105 | 1/8 |
| Unit 106 | 1/8 |
| Unit 107 | 1/8 |
| Unit 108 | 1/8 |

In the event of partial or complete destruction, a partition action, or payment of insurance proceeds as a result of partial or complete destruction, any surpluses or expenses shall be shared among the Unit Owners in accordance with the percentage of the Unit ownership of the Common Elements as set forth above.

#### 8. Residential Purpose

All Buildings and the Units therein contained are intended for, and restricted exclusively to, residential use as governed by the terms and conditions contained herein and the Bylaws of the Association.

#### 9. Association of Unit Owners

9.1 Duties and Obligations. All Unit Owners shall be entitled and required to be a member of the Association of Unit Owners (hereinafter "Association"). The affairs of the Association shall be managed by a Board of Directors (the "Board of Directors") consisting of such number of persons as provided in the Bylaws of the Association. The Association will be incorporated as a non-profit corporation under the Laws of the State of Wisconsin. Each Unit Owner and the occupants of the Units shall abide by and be subject to all of the rules, regulations, duties and obligations of this Declaration and the Bylaws and rules and regulations of the Association.

9.2 Voting Rights/Control of Association. Each Unit Owner shall be a member of the Association, and membership shall commence and terminate with ownership. In cases of multiple ownership of a Unit, there shall be one (1) vote per Unit. The manner of casting ballots shall be set forth in the By-Laws. The manner of election of the Directors shall be as set forth in the By-Laws of the Association.

Notwithstanding the foregoing provisions, the Declarant shall have control of the Association until the expiration of the earlier of three (3) years from the date the first Unit is conveyed to any person other than the Declarant, or thirty (30) days after the conveyance of Seventy-five Percent (75.0%) of the common element interests to purchasers. During Declarant control, the Declarant may authorize the Declarant or persons designated by him, her or it to appoint and remove the Officers of the Association, or to exercise the powers and responsibilities otherwise assigned by the Declaration, or the Act to the Association or its Officers. The period of Declarant control shall begin on the date that the first condominium Unit is conveyed by the Declarant to any person other than the Declarant. If there is any other Unit Owner other than a Declarant, this Declaration may not be amended to increase the scope or the period of the Declarant control.

Prior to the conveyance of Twenty-five Percent (25.0%) of the common element interests to purchasers, the Association shall hold a meeting and the Unit Owners, other than the Declarant, shall elect at least Twenty-five Percent (25.0%) of the Board of Directors. Prior to the conveyance of Fifty Percent (50.0%) of the common element interests to purchasers, the Association shall hold a meeting and the Unit Owners, other than the Declarant, shall elect at least Thirty-three and One-Third Percent (33.3%) of the Board of Directors. Upon the expiration of the earlier of three (3) years from the date the first Unit is conveyed to any person other than the Declarant, or forty-five (45) days after the conveyance of Seventy-five Percent (75.0%) of the common element interests to purchasers, the Association shall hold a meeting, and the Unit Owners shall elect at least three (3) Directors and the Officers of the Association. The Directors and Officers shall take office upon election.

- 9.3 Association Personnel. The Association may obtain and pay for the services of any person or entity to manage its affairs to the extent it deems advisable and may hire such other personnel as it shall determine to be necessary or advisable for the proper operation of the Condominium. The Association may contract for lighting, heating, trash collection, and such other common services as may be required for each Unit.
- 9.4 Condominium Documentation. The Association shall be required to make available to Unit Owners, lenders and the holders and insurers of the first mortgage on any Unit, current copies of the Declaration, Bylaws and other rules governing the Condominium, and other books, records and financial statements of the Association. The Association shall be required to make available to prospective purchasers current copies of the Declaration, Bylaws.

and other rules governing the Condominium, and the most recent annual financial statement, if such is prepared. Upon written request from any of the agencies or corporations which have an interest or prospective interest in the Condominium, the Association shall be required to prepare and furnish within a reasonable time a financial statement of the Association for the immediately preceding fiscal year.

#### 10. Repairs and Maintenance

- 10.1 Common Elements. The Association shall be responsible for the management and control of the Common Elements, and shall cause the same to be kept in good, clean, attractive and sanitary condition, order and repair. Without in any way limiting the foregoing, this shall include all painting, repairing and decorating of exteriors.
- Individual Units and Limited Common Elements. Each Unit Owner shall be responsible for keeping the interior of the Owner's Unit and all of its equipment, fixtures and appurtenances in good order, condition and repair and in a clean and sanitary condition, and shall be responsible for decorating, painting and varnishing which may at any time be necessary to maintain the good appearance and condition of the Owner's Unit. Without in any way limiting the foregoing, in addition to decorating and keeping the interior of the Unit in good repair, each Unit Owner shall be responsible for the replacement of windows, doors, lighting fixtures, retrigerators, air-conditioning equipment, furnaces or heating equipment, dishwashers, disposal, laundry equipment such as washers and dryers, ranges, or other equipment which may be in, or connect with, the Unit. The replacement of the fixtures shall be of comparable quality to that of the original Unit and shall be approved by the Association in the case of fixtures exposed in whole or in part to the exterior of the Unit. Each Unit Owner shall keep the Limited Common Elements appurtenant to his Unit, as defined in Section 6 hereof and as described in Exhibit "A" in a good, clean, sanitary and attractive condition, and shall furthermore be responsible for all repairs and maintenance of such Limited Common Elements. In addition, the Association shall regulate the use of the Limited Common Elements to ensure proper and attractive conditions.
- 10.3 Prohibition Against Structural Changes by Owner. A Unit Owner shall not, without first obtaining the written consent of the Association, make or permit to be made any structural alterations, changes or improvements to his or her Unit, or to the exterior of any Building, or to any Common or Limited Common Elements. A Unit Owner shall not perform, or allow to be performed, any act or work which would impair the structural soundness or integrity of any Building, or the safety of the property, or impair any easement or hereditament, without the prior written consent of the Association.
- 10.4 Entry for Repairs. The Association shall have an irrevocable right and easement to enter any Unit at reasonable times and under reasonable conditions when necessary to make repairs to Common Elements when the repairs reasonably appear necessary for public

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safety or to prevent damage to other portions of the condominium. The Association shall make a reasonable effort to give prior notice to the Owner(s) of the Unit to be entered (except in cases involving manifest danger to public safety or property), and with as little inconvenience to the Owner(s) as practical, and any damage caused thereby shall be repaired by the Association and be treated as a common expense. No entry by the Association for the purposes specified in this paragraph may be considered a trespass.

#### 11. Unit Owner's Rights with Respect to Interiors

Each Unit Owner shall have the exclusive right to paint, repaint, tile, panel, paper or otherwise refurnish and decorate the interior surfaces of the walls, ceilings, floors and doors forming the boundaries of the Owner's Unit, and all walls, ceilings, floors and doors within such boundaries, and to erect partition walls of a non-structural nature, provided that such Unit Owner shall take no action which in any way will materially change any common walls.

#### 12. Restriction on Use and Occupancy

Each Unit shall be occupied and used only for single family private dwelling purposes as provided in the Bylaws of the Association. No trade shall be carried on anywhere within the Condominium, except as otherwise provided herein. Units may be leased or rented provided that the term of any such lease shall be not less than six (6) months nor more than one (1) year in length.

#### 13. Destruction and Reconstruction

In the event of a partial or total destruction affecting one or more of the Units of a Building or Buildings, the Association shall promptly undertake to repair or reconstruct it to a condition compatible with the remainder of the Condominium. On reconstruction the design, plan and specifications of any Building or Unit may vary from that of the original upon the approval of the Association and the Declarant, provided, however, that the number of square feet of any Unit may not vary more than five percent (5%) from the number of square feet for such Unit as originally constructed, and the location of the Building(s) shall be substantially the same as prior to damage or destruction.

If the Condominium is damaged to an extent more than the available insurance proceeds, the Condominium shall be subject to an action for partition upon obtaining the written consent of the Unit Owners having seventy-five percent (75%) or more of the votes. A determination as to whether or not to reconstruct and repair the damaged premises, or to subject the Condominium to an action for partition, shall be made within ninety (90) days from the date of the fire, casualty or disaster. In the case of partition, the net proceeds of sale, together with any net proceeds of insurance, shall be considered as one fund and shall be divided among all Unit Owners in

proportion to the percentage interest in the Common Elements, and shall be distributed in accordance with the priority of interest in each Unit.

If the insurance proceeds are insufficient to reconstruct or repair the damaged premises, and the necessary seventy-five percent (75%) or more of the votes necessary to subject the Condominium to an action for partition are not obtained, then the damaged premises shall be reconstructed and repaired by the Association with the insurance proceeds, and the owners of Units shall be assessed for the deficiency in accordance with the percentage of ownership in the Common Elements.

#### 14. Insurance

The Board of Directors of the Association, shall obtain and maintain insurance for the Building against loss or damage by fire and other hazards for not less than full replacement value of the property insured. The Board of Directors shall review, at least annually, the insurance coverage provided by the Wood Duck Condominium Owners' Association, Inc., to assure it meets the requirements of full insurable value. The insurance shall also cover the replacement of interior walls, heating and air conditioning units, electrical wires and conduit, plumbing pipes, and heating and air conditioning duct work in the interior and exterior walls. The insurance shall be obtained in the name of Wood Duck Condominium Owners' Association, Inc., as trustee for the Association, and the respective mortgagees, as their interests may appear. Premiums shall be a common expense. To the extent possible, the insurance shall provide that the insurer waives its right of subrogation as to any claim against Unit Owners, the Association, and their respective servants, agents and guests, and that the insurance cannot be cancelled, invalidated or suspended on account of conduct of any one or more Unit Owners, or the Association, or their servants, agents and guests, without thirty (30) days prior written notice to the Association, giving it opportunity to cure the defect within that time.

The Unit Owner shall be responsible for, and shall obtain insurance coverage for, personal property and the replacement of fixtures, appliances and all other improvements and furnishings not within the Condominium's original building specifications, and not covered by the Association's insurance policy.

In the event of partial or total destruction of a Unit or Building and it is determined to repair or reconstruct such Unit or Building in accordance with Section 13 hereof, the proceeds of such insurance shall be applied to the cost thereof and the Unit Owners and mortgagees shall not be entitled to receive payment of any portion of insurance proceeds. If it is determined not to reconstruct or repair or the Court has ordered partition of the Condominum property, then the proceeds shall be distributed to the Unit Owners and their mortgagees, if any, as their respective interests may appear in the manner provided by the Act. If there is a surplus of insurance proceeds after the Common Elements have been completely repaired or restored, the surplus

shall be considered a common surplus and may, at the direction of the Board of Directors, be distributed to the Unit Owners and their mortgagees, if any, in accordance with their percentage of ownership in the Common Elements.

A Unit Owner is not prohibited from obtaining additional insurance coverage on his or her improvements which will duplicate any insurance provided by the Association. The Board of Directors shall assure that Wood Duck Condominium Owner's Association. Inc., shall provide and maintain public liability insurance covering the Common Elements and the Limited Common Elements in such amounts as may be determined at the discretion of the Wood Duck Condominium Owner's Association, Inc., from time to time, but in any event such coverage shall be for at least \$1,000,000.00 for bodily injury, including deaths of persons, and property damage arising out of a single occurrence. The Board of Directors may also provide workmen's compensation insurance and fidelity bonds on such officers and employees and in such amounts as is determined by the Board of Directors to be necessary from time to time.

#### 15. Liability for Common Expenses

Liability of Unit Owners The Board of Directors shall determine the 15.1 amount of funds necessary for the expenses of the Association. The Association shall make assessments or otherwise require the payment of monthly, annual or other periodic dues, maintenance fees and/or annual or special assessments against the Unit Owners, except the Declarant, as well as the Units themselves, for such common expenses and for the creation of reserves for the payment of future common expenses with each Unit subject to said assessment paying an equal share of the assessment. No Unit Owner may exempt himself or herself, or the Owner's Unit, from liability for contribution toward the common expenses by waiver of the use or enjoyment of any Common or Limited Common Elements or services, or by the abandonmen: of the Owner's Unit. A Unit Owner, except Declarant, shall be liable for all monthly, annual or other periodic dues, maintenance fees and/or annual or special assessments, or installments thereof, coming due while owning a Unit. In a voluntary grant, the grantee shall be jointly and severally liable with the grantor for all unpaid assessments against the grantor for his or her share of the common expenses up to the time of the voluntary grant for which a statement of condominium lien is recorded, without prejudice to the rights of the grantee to recover from the grantor the amounts paid by the grantce for such assessments.

15.2 Declarant Exemption. The Declarant shall not be liable for any monthly, annual or other periodic dues, maintenance fees and/or annual or special assessments of any kind on or for any Units within an uncompleted Building, partially completed Units and/or any vacant land. No monthly, annual or other periodic dues, maintenance fees and/or annual or special assessments of any kind shall be charged to or assessed against any vacant land, work in progress, partially constructed Units, or completed Units under the Declarant's control.

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15.3 Lien Rights. All common expenses and assessments, when due, shall immediately become a personal debt of the Unit Owner, and also a lien against the Unit to which the charges are assessed, until paid, if a statement of lien is filed within two years after the date the assessment becomes due. The lien is effective against a Unit at the time the assessment became due, regardless of when within the two year period it is filed. The Association must serve the Declarant with a notice of dues within thirty (30) days of assessment.

All sums assessed by the association, but unpaid, for the share of the common expenses chargeable to any Unit, constitutes a lien on the Unit and on the undivided interest in the Common Elements appurtenant thereto, prior to all other liens except:

- A. Liens of general and specific taxes:
- B. All sums unpaid on a first mortgage recorded prior to the making of the assessment.
- C. Mechanics liens filed prior to the making of the assessment:
- D. All sums unpaid on any mortgage loan made under Section 45.86 of the Wisconsin Statutes:
- E. A lien under Sections 292.31(8)(i) or 292.81, of the Wisconsin Statutes.

The common surpluses resulting from the operation of the Condominium shall be credited to the Unit Owner's assessments for common expenses, or shall be used for any other purposes as the Association decides, or shall be refunded to the Unit Owners, with each Unit receiving a share of said surplus in proportion to the dues paid by the Unit Owner during the preceding 12-month period.

#### 16. Partition of Common Elements Prohibited

Except as otherwise provided herein, there shall be no partition of the Common Elements and Limited Common Elements through judicial proceedings or otherwise until this agreement is terminated and the property is withdrawn from its terms or from the terms of the applicable statutes regarding unit ownership or condominium ownership, provided, however, that if any Unit shall be owned by two or more co-owners as tenants in common, or as joint tenants, nothing contained herein shall be deemed to prohibit a voluntary or judicial partition of said single Units as between such co-owners. Ownership shall be limited to 4 or fewer co-owners as tenants in common or as joint tenants.

# 17. Conveyance to Include Interest in Common Elements and Limited Common Elements

The percentage of the undivided interest in the Common and Limited Common Elements shall not be separated from the Unit to which it appertains. No Unit Owner shall execute any deed, mortgage, lease or other instrument affecting title to such Unit without including therein both the Owner's interest in the Unit and the corresponding percentage of ownership in the Common and Limited Common Elements, it being the intention hereof to prevent any severance of such combined ownership. Any such deed, mortgage, lease or other instrument purporting to affect the one, without including also the other, shall be deemed and taken to include the interest so omitted, even though the latter is not expressly mentioned or described therein.

#### 18. Easements, Reservations and Encroachments

- 18.1 Utilities. Easements are hereby declared and granted for the benefit of the Unit Owners and this Association and reserved for the benefit of the Declarant for utility purposes, including the right to install, lay, maintain, repair and replace water mains and pipes, heating ducts and piping, sewer lines, gas mains, telephone wires and equipment, master television antenna system wires and equipment, cable television equipment, and electrical conduits and wires and equipment, including power transformers, over, under, along, and on any part of the Common Elements and Limited Common Elements.
- 18.2 Encroachments. If, by reason of the construction, reconstruction, settlement, or shifting of any Building, or the design or construction of any Unit, any part of the Common Elements or Limited Common Elements, encroaches or shall hereafter encroach upon any part of any Unit, or if any part of any Unit encroaches or shall hereafter encroach upon any part of the Common Elements or Limited Common Elements, or if any portion of any Unit encroaches upon any part of any other Unit, valid easements for the maintenance of such encroachment are hereby established and shall exist for the benefit of such Unit so long as all or any part of the Building containing such Unit shall remain standing. In no event, however, shall a valid easement for any encroachment be created in favor of the Unit Owner or in favor of the owner or owners of the Common Elements or Limited Common Elements, if such encroachments occurred due to the willful conduct of said owner or owners.
- 18.3 Declarant's Easements. Declarant reserves an easement (until Declarant shall have satisfied all of its obligations under any Condominium Document and all commitments in favor of a Unit Owner) to use portions of the Common Elements and any Units owned by Declarant for construction, repair or renovation related purposes, including the storage of tools, machinery, equipment, building materials, appliances, supplies and fixtures, and the performance of work respecting the completion of the Buildings and Units comprising the Condominium. Notwithstanding anything to the contrary contained in this Declaration, the

Bylaws, or the Rules and Regulations, no provision in the Condominium Documents, or amendment thereto, shall limit or restrict the Declarant's rights pursuant to this paragraph 18.3.

18.4 Common Elements Easement. The Common Elements and Limited Common Elements shall be, and hereby are, made subject to easements in favor of the Association and the Unit(s) benefitted for (a) the installation, maintenance and use of pipes. wires, ducis, cables, heating and air conditioning systems, electrical conduits, telephone and other communication systems. (b) the installation, maintenance and use of lighting fixtures. electrical receptacles, panel boards and other electrical installations which are part of, or serve, any Unit, but which encroach into a part of a Common Element adjacent to such Unit. (c) driving and removing nails, screws, bolts and other attachments bounding the Unit and the Unit side surface of studs which support the drywall perimeter walls bounding the Unit, the bottom surface of joists above the Unit, or (d) the installation, maintenance and use of any lighting devices. outlets, medicine cabinets, exhaust fans, ventilation ducts, registers, grilles and similar fixtures which serve only one Unit, but which encroach into any part of any Common Elements. The foregoing easement is limited to the extent that the described work cannot be undertaken without unreasonably interfering, in any material adverse respect for any significant time period, with the common use of any part of the Common Elements, adversely affect the thermal or acoustic character of a Unit, or impair or structurally weaken a Building or a Unit. Any such work shall be performed in a good workmanlike manner, consistent with the quality of work in the rest of the Condominium.

18.5 Binding Effect. All easements and rights described herein are easements appurtenant, running with the land, and are subject to the reasonable control of the Association. All easements and rights described herein are granted and reserved to, and shall inure to the benefit of, and be binding on, the undersigned, its successors and assigns, and on all Unit Owners, purchasers and mortgagees and their heirs, executors, administrators, successors and assigns. The Association shall have the authority to execute all documents necessary to carry out the intent of this Section 18.

#### 19. Failure of Association to Insist on Strict Performance Not a Waiver

The failure of the Association to insist, in any one or more instances, upon the strict performance of any of the terms, covenants, conditions or restrictions of this Declaration, or to exercise any right or option herein contained, or to serve any notice or to institute any action, shall not be construed as a waiver or a relinquishment for the future of such term, covenant, condition or restriction, but such term, covenant, condition or restriction shall remain in full force and effect. The receipt by the Association of payment of any assessment from a Unit Owner, with knowledge of the breach of any covenant hereof, shall not be deemed a waiver of such breach, and no waiver by the Association of any provision hereof shall be deemed to have been made unless expressed in writing and signed by the Association.

#### 20. Amendments to Declaration

Except as otherwise provided by the Act or this Declaration, this Declaration may be amended with the written consent of Sixty-six and Two-thirds Percent (66-2/3%) of the Unit Owners and mortgagees. Consent of both the Unit Owner and the mortgagee is required in meeting the requisite Sixty-six and Two-thirds Percent (66-2/3%) approval. Copies of amendments shall be certified by the President and Secretary of the Association in a form suitable for recording. A copy of the amendment shall be recorded with the Register of Deeds for Sauk County and a copy of the amendment shall also be mailed, or personally delivered, to each Unit Owner at the address on file with the Association. The Condominium Documents may be amended only in accordance with the Act and the Condominium Documents. Notwithstanding any other provisions of this Declaration to the contrary, if any amendment is necessary in the judgment of the Board of Directors to cure any ambiguity or to correct or supplement any provisions of the Condominium Documents that are defective, missing or inconsistent with any other provisions thereof, the Board of Directors may effect an appropriate corrective amendment without the approval of the Unit Owners or the holder of any lien on all or any part of the Property. Each amendment of the type described in this Section 20 shall be effective upon the recording of an appropriate instrument setting forth the amendment and its due adoption, which instrument has been executed and acknowledged by one or more officers of the Board of Directors.

Notwithstanding the foregoing provisions, until control of the Association has been transferred to the Unit Owners other than the Declarant pursuant to the provisions of Article 9 herein, the Declarant shall have the sole right to amend this Declaration.

#### 21. Voluntary Termination of Condominium

Upon the written consent of all Unit Owners, all or any part of the property may be removed from the provisions of the Act by an instrument to that effect, duly recorded with the Register of Deeds for Sauk County, provided that the holders of all liens affecting any of the Units consent thereto or agree, in either case, by instrument duly recorded with the Register of Deeds of Sauk County, that their liens be transferred to the percentage of the undivided interest of the Unit Owner in the property. Upon removal of any property from the Act, the property shall be deemed to be owned in common by the Unit Owners. The undivided interest in the property owned in common which appertains to each Unit Owner shall be the percentage of undivided interest previously owned by the owner in the Common Elements.

#### 22. Mortgage Holders

22.1 Approval of Mortgagees. Subject to the provisions of paragraphs 22.2 through 22.5, except as provided by law in the case of dissolution, condemnation or substantial

loss to Units and/or Common Elements, unless at least Sixty-seven Percent (67%) of the holders of first mortgages (based on one vote for each first mortgage owned), and Sixty-seven Percent (67%) of Unit Owners other than the Declarant have given their prior written consent, the Association and Board of Directors shall not be entitled to:

- A. By act or omission, seek to abandon or terminate the Condominium regime;
- B. Change the prorata interest or obligations of any Unit for the purpose of (1) levying assessments or charges or allocating distributions of hazard insurance proceeds or condemnation awards, or (2) determining the prorata share of ownership of each Unit in the Common Elements:
  - C. Partition or subdivide any Unit:
- D. By act or omission, seek to abandon, partition, subdivide, encumber, sell or transfer the Common Elements (the granting of easements for public utilities or other public purposes of dedication of private streets consistent with the intended use of the Common Elements shall not be deemed a transfer within the meaning of this clause); or
- E. Use hazard insurance proceeds for losses to any property of the Condominium (whether to Units or to Common Elements) for other than the repair, replacement or reconstruction of such property.

Notwithstanding anything to the contrary contained in the foregoing, in accordance with \$703.28 of the Act, no portion of the Property may be removed from the provisions of the Act unless said removal is consented to by one hundred percent (100%) of the Unit Owners and one hundred percent (100%) of the holders of liens affecting any of the Units.

- 22.2 Priority of First Mortgagees. Except as otherwise provided by the Act. no provision of this Declaration, the Bylaws, or the Rules and Regulations, shall be construed to grant to any Unit Owner, or to any other party, any priority over any rights of holders of first mortgages pursuant to their first mortgages in case of the distribution to Unit Owners of insurance proceeds or condemnation awards for losses to, or a taking of. Units and/or the Common Elements or any portions thereof.
- 22.3 Federal National Mortgage Association Compliance. Subject to the provisions of paragraphs 22.1, 22.2, 22.4 and 22.5 of this Section, unless at least fifty-one percent (51%) of Mortgagees holding first mortgages on Units (or junior mortgages to the Declarant or the seller of a Unit) have given their prior written consent, no amendment to this Declaration, the Bylaws or the Rules and Regulations shall be adopted that would affect any provision thereof relating to any of the following matters:

- A. Voting rights:
- B. Assessments, liens for assessments or subordination of assessment liens:
- C. Reserves for maintenance, repair and replacement of Common Elements:
- D. Responsibility for maintenance and repair of the Units and the Common Elements:
- E. The reallocation of Percentage Interests or the reallocation, in any material way, of Limited Common Elements or rights related to the use of the Common Elements:
  - F. The boundaries of any Unit:
- G. The convertibility of any Unit into Common Elements or of any Common Elements into a Unit:
- H. Any expansion or contraction of the Condominium, or any addition, annexation or withdrawal of any property to or from the Condominium;
  - insurance or fidelity bonds:
  - J. Leasing of Units:
- K. The imposition of any restrictions on the right of any Unit Owner to sell or transfer his or her Unit:
- L. A decision by the Association to establish self-management when professional management had been required previously by an Eligible Mortgagee:
- M. The restoration or repair of all or any part of the Condominium rafter a hazard damage or partial condemnation) in a manner other than the manner set forth in the Condominium Documents;
- N. Any action to terminate the Condominium regime after an occurrence of substantial destruction or condomination of the Condominium; or

O. Any provision of this Declaration, the Bylaws or Rules and Regulations which expressly benefit Eligible Mortgagees.

In addition to, and not in limitation of the foregoing, the Condominium regime shall not be terminated for any reason other than an occurrence of substantial destruction or condemnation of the Condominium, and no action in furtherance of such termination shall be taken or considered by Unit Owners, unless at least one hundred percent (100%) of Mortgagees holding first mortgages on Units (or junior mortgages to the Declarant or the seller of a Unit) have given their prior written consent.

- 22.4 Implied Approval. The approval of an Eligible Mortgagee to any of the foregoing amendments, modifications, or revisions may be assumed when any Eligible Mortgagee fails to submit a response to any written proposal for any such amendment, modification or revision within thirty (30) days after proper notice has been delivered to the Eligible Mortgagee, by certified or registered mail, return receipt requested.
- 22.5 Application and Effect. The provisions of this Section 22 shall supersede any inconsistent provision or provisions of this Declaration, the Bylaws or the Rules and Regulations, provided, however, that said provisions shall not be deemed to limit or expand, and shall not supersede the following:
  - A. The amendment provisions of Section 20 of this Declaration:
- B. The right granted to the Declarant in this Declaration to subdivide or relocate the boundaries of Units and to designate Reserved General Common Elements.

#### 23. Notices

- 23.1 Notices to Unit Owners. All notice and other documents required to be given by this Declaration, or by the Bylaws of the Association, shall be sufficient if given to one (I) registered owner of a Unit regardless of the number of owners who have an interest therein. All Unit Owners shall provide the Secretary of the Association with an address for the mailing or service of any notice or other documents, and the Secretary shall be deemed to have discharged the Secretary's duty with respect to the giving of notice by mailing it, or having it delivered personally, to such address as is on file with the Secretary.
- 23.2 Notices to First Lien Holders. A holder, insurer or guarantor of a first mortgage, upon written request to the Association, will be entitled to timely written notice of:
- A. Any proposed amendment of the Condominium Declaration affecting a change in (1) the boundaries of any Unit or the exclusive easement rights appertaining thereto. (2) the interest in the general or Limited Common Elements appertaining to any Unit or

the liability for common expenses appertaining thereto. (3) the number of votes in the Association appertaining to any Unit. or (4) the purposes to which any Unit. or the Common Elements, are restricted:

- B. Any proposed termination of the Condominium regime:
- C. Any condemnation loss, or any casualty loss, which affects a material portion of the Condominium or which affects any Unit on which there is a first mortgage held, insured or guaranteed by such eligible holder:
- D. Any delinquency in the payment of assessments or charges owned by a Unit Owner subject to the mortgage of such eligible holder, insurer or guarantor, where such delinquency has continued for a period of sixty (60) days:
- E. Any lapse, cancellation or material modification of any insurance policy maintained by the Association.

#### 24. Further Matters

- A. All present and future owners of Units, tenants of such owners, and any other occupants of Units, employees of owners, or any other persons that in any manner use or come upon the Condominium or any part thereof shall be subject to and shall comply with the provisions of this Declaration, the Articles of Incorporation of the Association, the Bylaws of the Association, and rules and regulations adopted pursuant thereto, as those instruments may be amended from time to time. The acceptance of a deed or conveyance, or the entering into of a lease, or the entering into of occupancy of any Unit, shall constitute an acceptance of the provisions of such instruments, as they may be amended from time to time, by such owner, tenant or occupant. The provisions contained in such instrument shall be covenants running with the land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and fully stipulated in each deed, conveyance or lease thereof. The enforcement thereof may be by such judicial proceedings as the Board of Directors of the Association may deem appropriate, as well as by the provisions of the Condominium Ownership Act.
- B. The Declarant hereby reserves the right, for a period of three (3) years from the date hereof, to cause one or more of the Units it owns to be maintained as a model Unit and to display such model(s) and the Common Elements of the Condominium. The Declarant further reserves the right to maintain signs offering the sale of Units in the Condominium until all Units are sold.

C. If entered into before the officers elected by the Unit Owners pursuant to the Bylaws take office, any management contract, lease of recreational or parking areas or facilities, any contract or lease to which the Declarant, or any person affiliated with the Declarant, is a party and any contract or lease which is not bona fide or which was not commercially reasonable to Unit Owners, when entered into under the circumstances then prevailing, may be terminated by the Association or its Board of Directors at any time without penalty upon not less than ninety (90) days notice to the other party thereto.

#### 25. Service of Process

The person to receive service of process shall be Brian Kliesmet, 205 West Highland, #204, Milwaukee. Wisconsin 53203, or such other person as may be designated from time to time by the Board of Directors of the Association, which designation shall be filed with the Register of Deeds of Sauk County, Wisconsin.

#### 26. Number and Gender

Whenever used herein unless the context shall otherwise provide, the singular number shall include the plural, the plural shall include the singular, and the use of any gender shall include all genders.

#### 27. Captions

The captions and section headings herein are inserted only as matters of convenience and for reference, and in no way define or limit the scope or intent of the various provisions hereof.

#### 28. Severability

The provisions hereof shall be deemed independent and severable, and the invalidity or partial invalidity or unemorecability of any one provision or portion thereof shall not affect the validity or enforceability of the remaining portion of said provisions or of any other provision hereof.

#### 29. Conflicts in Provisions

If there is any conflict between any provision in this Declaration and the provisions of the Condominium Plat or any provisions of the Bylaws, the provisions of this Declaration shall control. If there is any conflict between any provisions of any Condominium instruments and any provisions of any Bylaws, the provisions of the Condominium instruments shall control. If there is any conflict between any provisions of any Condominium instruments or any provisions of

any Bylaws and any provisions of Wisconsin Statutes Chapter 703, the provisions of Wisconsin Statutes Chapter 703 shall control.

#### 30. Homestead

This is not homestead property.

#### 31. Water Meters/Access.

Water meters for each unit shall be located within Unit 101. A right of access is hereby granted to all Unit Owners, water utility representatives and/or repairmen in, on and upon Unit 101 for the limited purpose of reading, servicing, repairing and/or replacing said water meters servicing the Units.

IN WITNESS WHEREOF, the said Declarant. Wood Duck Development, LLC, has caused this Declaration to be executed at Brookfield, Wisconsin this 23rd day of June . 2003.

WOOD DUCK DEVELOPMENT, LLC

By: Brian Kliesmet Member - Manager

State of Wisconsin ) ss.

Waukesha County )

On this 23rd day of June . 2003, before me personally came Brian Kliesmet . to me known to be the person described in and who executed the foregoing instrument and said person acknowledged that said person executed the same freely and voluntarily. for the uses and purposes therein expressed.

Notary Public, State of Wisconsin Robert C. Salzer My Commission is permanent.

This document was drafted by: Attorney Robert C. Salzer

#### LEGAL DESCRIPTION

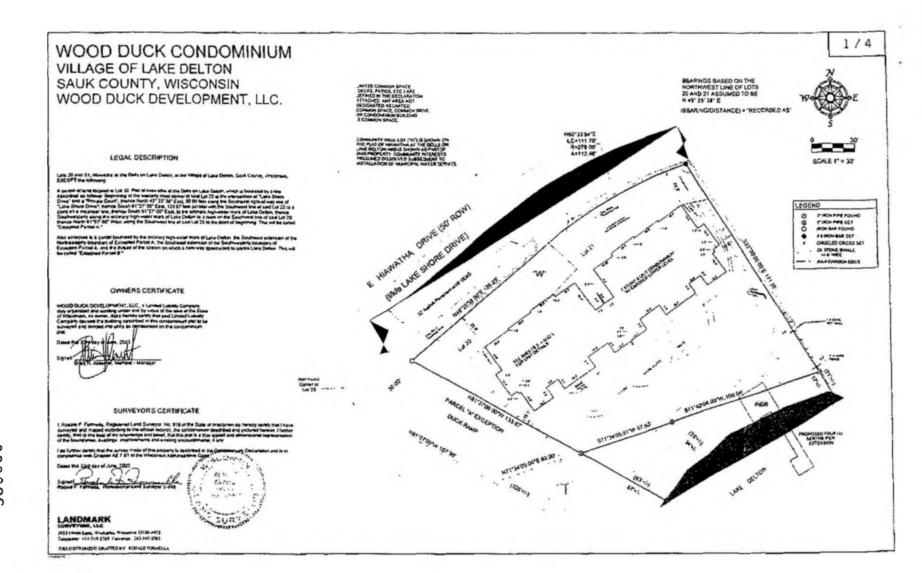
Lots 20 and 21. Hiawatha at the Dells on Lake Delton, in the Village of Lake Delton, Sauk County, Wisconsin, EXCEPT the following:

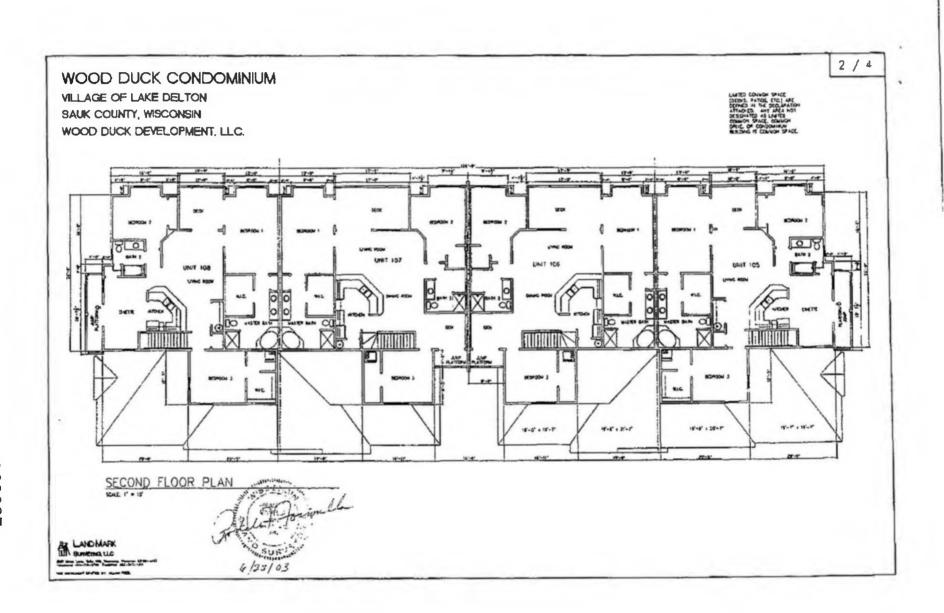
A parcel of land located in Lot 20, Plat of Hiawatha at the Dells on Lake Delton, which is bounded by a line described as follows: Beginning at the Westerly most corner of said Lot 20 at the intersection of "Lake Shore Drive" and a "Private Court": thence North 49° 25' 38" East, 50.00 feet along the Southeast right-of-way line of "Lake Shore Drive"; thence South 61° 27' 00" East, 133.67 feet parallel with the Southwest line of said Lot 20 to a point on a meander line; thence South 61° 27' 00" East, to the ordinary high-water mark of Lake Delton; thence Southwesterly along the ordinary high-water mark of Lake Delton to a point on the Southwest line of said Lot 20; thence North 61° 27' 00" West along the Southwest line of said Lot 20 to the point of beginning. This will be called "Excepted Parcel A."

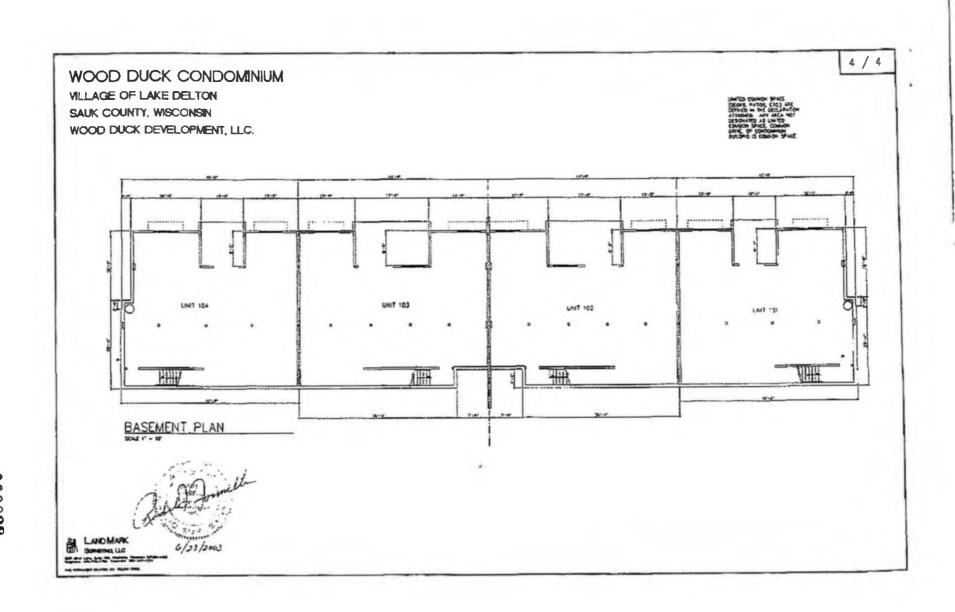
Also excepted is a parcel bounded by the ordinary high-water mark of Lake Delton, the Southeast extension of the Northeasterly boundary of Excepted Parcel A, the Southeast extension of the Southwesterly boundary of Excepted Parcel A, and the thread of the stream on which a dam was constructed to create Lake Delton. This will be called "Excepted Parcel B."

# EXHIBIT A

## **CONDOMINIUM PLAT**

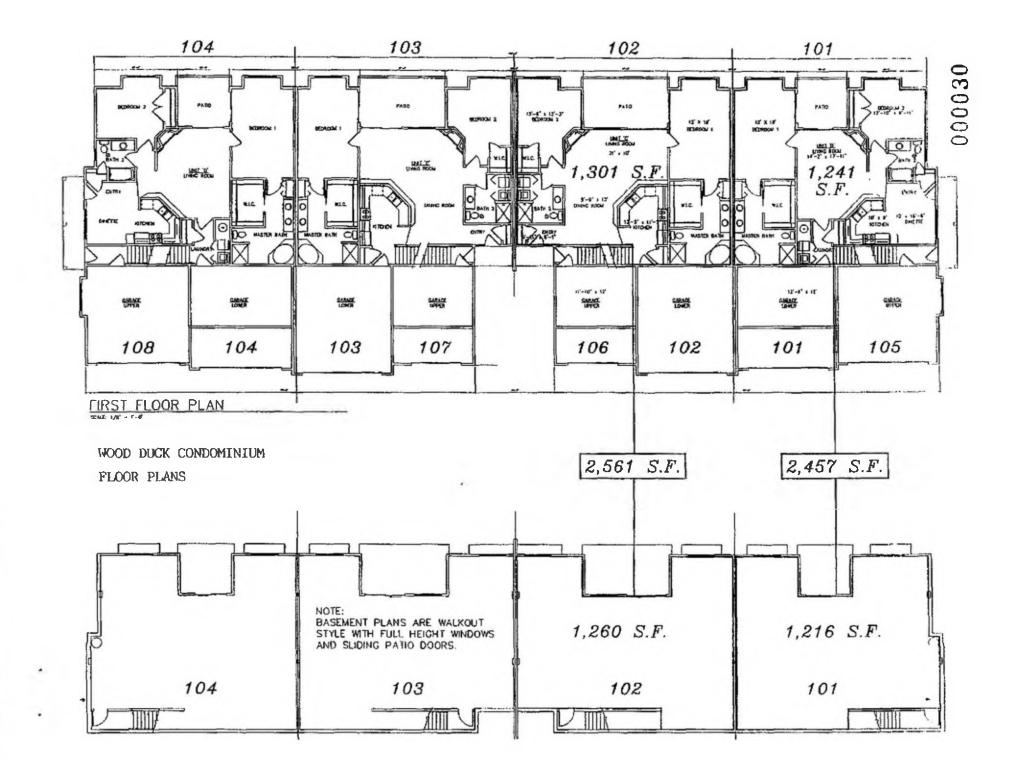


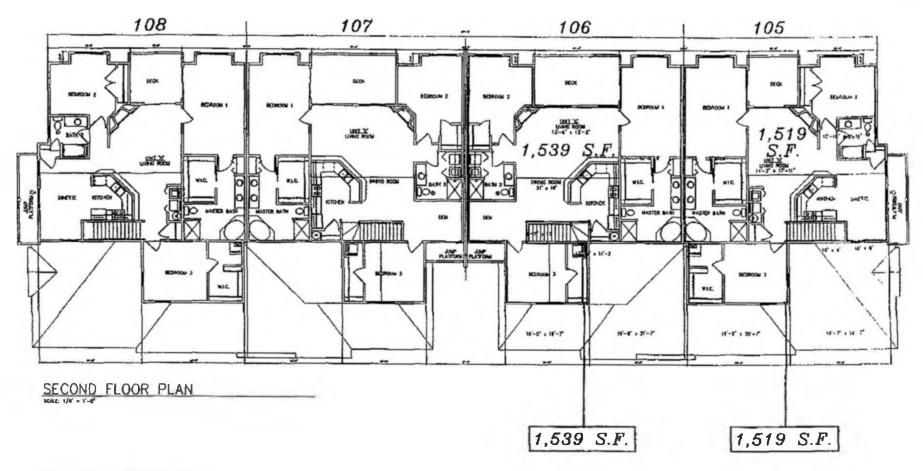




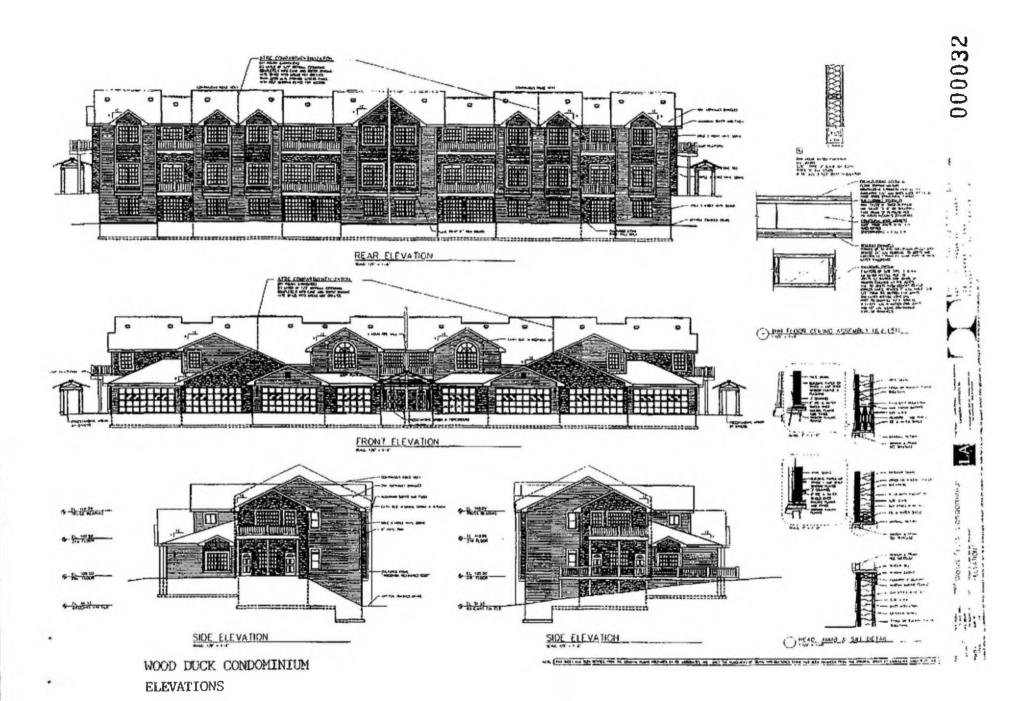
## EXHIBIT B

## BUILDING AND FLOOR PLANS/ELEVATIONS





WOOD DUCK CONDOMINIUM FLOOR PLAN



#### **EXHIBIT** C

#### IDENTIFICATION AND DESCRIPTION OF UNITS

Units 101, 102, 103 and 104 shall contain one living unit each shall consist of two (2) levels, each of which shall generally consist of the following

Lower/Basement Level

Walk-out Basement

First Floor Level

Kitchen, Dinette, Living Room, Two Bedrooms, One Master Bathroom, One Additional Bathroom and

Patio: One 2-Car Garage

Units 105 and 108 shall contain one living unit each on the upper-most level of the building, and shall generall consist of the following:

Kitchen, Dinette, Living Room, Two Bedrooms. One Master Bathroom. One Additional Bathroom and Deck: One 2-Car Garage

Units 106 and 107 shall contain one living unit each on the upper-most level of the building, and shall generally consist of the following:

Kitchen, Dining Room, Den, Living Room, Two Bedrooms, Master Bathroom, Additional Bathroom, Deck, Jump Platform and One 1-Car Garage

# PART B

## **BYLAWS**

**OF** 

## WOOD DUCK CONDOMINIUM

VILLAGE OF LAKE DELTON, WISCONSIN

## **DECLARANT**

## WOOD DUCK DEVELOPMENT, LLC

205 West Highland, #204 Milwaukee, WI 53203

# BY-LAWS OF WOOD DUCK CONDOMINIUM OWNERS' ASSOCIATION

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## **BYLAWS**

**OF** 

## WOOD DUCK CONDOMINIUM OWNERS' ASSOCIATION, INC.

#### ARTICLE I

#### NAME AND PURPOSE

Pursuant to the Articles of Incorporation of Wood Duck Condominium Owners' Association, Inc. and the Condominium Declaration of Wood Duck Condominium, recorded in the office of the Register of Deeds for Sauk County, Wisconsin (hereinafter called the "Declaration") by WOOD DUCK DEVELOPMENT, LLC, (together with its successors and assigns hereinafter "Declarant"), the following are adopted as the Bylaws of Wood Duck Condominium Owners' Association, Inc. (hereinafter referred to as the "Association"), which is a non-profit corporation, formed and organized to serve as an Association of Unit Owners who own real estate and improvements (hereinafter the "Property") under the condominium form of use and ownership, as provided in the Condominium Ownership Act under the laws of the State of Wisconsin and subject to the terms and conditions of the Declaration.

These Bylaws shall be deemed covenants running with the land and shall be binding on the Unit Owners, their heirs, administrators, personal representatives, successors and assigns.

#### ARTICLE II

## MEMBERS, VOTING AND MEETINGS

2.1 Members. Each Unit Owner shall be a member of the Association, and membership shall commence and terminate with ownership. In cases of multiple ownership of a Unit, there shall be one (1) vote per Unit. The manner of casting ballots is further described in these By-Laws. Notwithstanding any other provisions contained herein, the Declarant shall have and maintain control of the Association as provided in the Condominium Declaration and, in the event of any ambiguity or inconsistency between the Condominium Declaration and these Bylaws, the terms and provisions of the Condominium Declaration shall control.

- 1. Voting Rights. There shall be one vote for each Unit owned. Every Unit Owner, upon acquiring ownership, automatically becomes a member of the Association and shall remain a member thereof until such time as his or her ownership of such Unit ceases for any reason, at which time membership in the Association shall automatically cease. If title to a Unit is held by more than one person, the membership related to that Unit shall be shared by such owners in the same proportionate interests and by the same type of tenancy in which the title to the Unit is held. Voting rights may not be split, and shared membership interest must be voted pursuant to the nomination contained in the Membership List. The Association may prohibit any Unit Owner from voting at a meeting if the Association has a recorded statement of condominium lien on the Owner's Unit and the amount necessary to release the lien has not been paid at the time of the meeting.
- 2. Membership List. The Association shall maintain a current Membership List showing the membership pertaining to each Unit and the person designated to cast the one vote pertaining to such Unit. Only the person so designated shall be entitled to cast a vote in person or by proxy. A designation may be changed by notice in writing to the Secretary of the Association signed by a majority of the persons having an ownership interest in the Unit. Every Unit Owner shall furnish the Association with his or her name and current mailing address. No Unit Owner may vote at a meeting of the Association unless this information is furnished.
- 3. Transfer of Membership. Each membership shall be appurtenant to the Unit upon which it is based and shall be transferred automatically upon conveyance of that Unit. Membership in the Association may not be transferred, except in connection with the transfer of a Unit. Upon transfer of a Unit, the Association shall, as soon as possible thereafter, be given written notice of such transfer, including the name of the new owner, identification of Unit, date of transfer, name of the person designated to vote, and any other information about the transfer which the Association may deem pertinent and the Association shall make appropriate changes to the Membership List effective as of the date of transfer.
- 2.3 Quorum and Proxies for Members' Meetings. A quorum for members' meeting shall consist of a majority of votes entitled to vote. Votes may be cast in person or by proxy in accordance with designations in the Membership List. The act of a majority of votes present in person, or by proxy, at any meeting at which a quorum is present, shall be the act of the members. Proxies shall be valid only for the particular meeting(s) or time period designated therein, unless sooner revoked, and must be filed with the Secretary before the appointed time of the meeting. If any meeting of members cannot be organized because a quorum is not present, a majority of the members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present, without further notice. At such adjourned meeting at which a quorum shall be present or represented any business may be transacted which might have been transacted at the meeting as originally noticed.

2.4 Time, Place, Notice and Calling of Members' Meetings. Written notice of all meetings stating the time, place and the purposes for which the meeting is called shall be given by the President or Secretary, unless waived in writing, to each member at the Member's address as it appears on the books of the Association, and shall be mailed or personally delivered not less than ten (10) days, nor more than thirty (30) days, prior to the date of the meeting. Notice of meetings may be waived before or after meetings. Meetings shall be held at such time and place as may be designated by the Board of Directors. The annual meeting shall be held on the third Monday in January of each year for the purpose of electing directors and of transacting any other business authorized to be transacted by the members. Special meetings of the members shall be held whenever called by the President or any two members of the Board of Directors, and must be called by such officers upon receipt of a written request signed by members with one-third (1/3) or more of all votes entitled to be cast.

#### ARTICLE HI

#### BOARD OF DIRECTORS

- Number and Qualifications of Directors. The initial Board of Directors shall consist of three (3) persons appointed by Declarant, who need not be members of the Association, to serve as hereinafter set forth. Prior to the conveyance of twenty-five percent (25%) of the Common Element interest to purchasers, the Association shall hold a meeting and the Unit Owners other than the Declarant shall elect at least twenty-five percent (25%) of the members of the Board of Directors. Prior to the conveyance of fifty percent (50%) of the Common Element interest to purchasers, the Association shall hold a meeting and the Unit Owners other than the Declarant shall elect at least thirty-three and one-third percent (33 1/3%) of the members of the Board of Directors. Upon the expiration of the earlier of three (3) years from the date the first Unit is conveyed to any person other than the Declarant, or forty-five (45) days after conveyance of Seventy-five Percent (75.0%) of the Common Element interests to purchasers, the Association shall hold a meeting, and the Unit Owners shall elect at least three (3) Directors and the Officers of the Association. The Directors and Officers shall take office upon election. Thereafter, the Board of Directors shall consist of three (3) persons, to be classified with respect to the terms for which they severally hold office as set forth in Paragraph 3.3 below. Each member of the Board of Directors shall be a member of the Association or, in the event that such member of the Association is not a natural person, the appointee of such member of the Association.
- 3.2 Powers and Duties of The Board of Directors. The affairs of the Association shall be governed by the Board of Directors. All powers and duties as shall be necessary for the administration of the affairs of the Association shall be exercised by the Board of Directors. Such powers and duties shall be exercised in accordance with the provisions of the Declaration, the Articles of Incorporation, and these Bylaws.

- 3.3 Election and Term of Directors. At the first annual meeting of the Association after the termination of Declarant's control thereof, the members shall elect three (3) Directors to be classified with respect to the terms for which they hold office by dividing them into three (3) classes as follows:
  - (a) One (1) director whose term will expire after one (l) year, at the next annual meeting of the Association.
  - (b) One (1) director whose term will expire after two (2) years, at the second annual meeting of the Association after the director's election.
  - (c) One (1) director whose term will expire after three (3) years, at the third annual meeting of the Association after the director's election.

The successors to the class of directors whose terms expire, as set forth above, shall be elected to hold office for a term of three (3) years, or until their successors are duly elected and qualified, or until any of said directors shall have been removed in the manner hereinafter provided, so that the term of one class of directors shall expire in each year.

- 3.4 Vacancies on Board. Vacancies on the Board of Directors caused by any reason, other than the removal of a director by a vote of the members, shall be filled by a vote of the majority of the remaining directors, even though they may constitute less than a quorum, and each person so elected shall be a director until a successor is elected at the next annual meeting of the members at which that class of directors is to be elected.
- 3.5 Removal of Directors. At any regular or special meeting duly called, any one or more of the directors may be removed, with or without cause, by a majority of the votes of the members entitled to be cast and a successor may then and there be elected to fill the vacancy thus created.
- 3.6 Regular Meetings and Notice. A regular annual meeting of the Board of Directors shall be held immediately after, and at the same place as, the annual meeting of the members. Notice of the regular annual meeting of the Board of Directors shall not be required.
- 3.7 Special Meetings and Notice. Special meetings of the Board of Directors may be called by the President, or by two (2) directors on three (3) days prior written notice to each director, given personally or by mail, which notice shall state the time, place and purpose of the meeting.
- 3.8 Waiver of Notice. Before, at, or after, any meeting of the Board of Directors, any director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a director at any meeting of the Board shall be a waiver of notice by the director of the time and place thereof. If all directors are

present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

- 3.9 Quorum of Directors Adjournments. At all meetings of the Board of Directors, a majority of the directors shall constitute a quorum for the transaction of business, and the act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors. If, at any meeting of the Board of Directors, there shall be less than a quorum present, the majority of those present may adjourn the meeting from time to time without further notice. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting as originally called may be transacted.
- 3.10 Fidelity Bonds. The Board of Directors may require that some or all officers and/or employees of the Association handling or responsible for Association's funds shall furnish adequate fidelity bonds. The premiums on any such bonds shall be paid for by the Association.
- 3.11 Compensation. No director of the corporation shall receive any fee or other compensation for such services rendered to the Association, except by specific resolution of the membership.
- 3.12 Informal Action. Any action which is required to be taken at a meeting of the Board of Directors or which may be taken at such meeting, may be taken without a meeting, if a consent in writing setting forth the action so taken shall be signed by all of the directors entitled to vote with respect to the subject matter. Such consent shall have the same force and effect as unanimous vote.

#### ARTICLE IV

### **OFFICERS**

- 4.1 Designation, Election and Removal. The principal officers of the Association shall be a President, Vice-President, Secretary and Treasurer, to be elected annually by the Board of Directors. 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 the officer's successor shall be elected at the regular meeting of the Board of Directors, or at any special meeting called for that purpose. Any two or more offices, except a combination of the offices of President and Secretary and a combination of the offices of President and Vice-President, may be held by the same person.
- 4.2 President. The President shall be selected from among the members of the Board of Directors and shall be the chief executive officer of the Association. The President shall preside at all meetings of the Association and of the Board of Directors, and shall have all the general powers and duties which are usually vested in the office of President, including, but not

limited to, the power to sign, together with any other officer designated by the Board, any contracts, checks, drafts, or other instruments on behalf of the Association in accordance with the provisions herein.

- 4.3 Vice-President. The Vice-President shall take the place of the President and perform the President's duties whenever the President shall be absent or unable to act. If both the President and Vice-President are unable to act, the Board of Directors shall appoint some other member of the Board to do so on an interim basis. The Vice-President shall also perform such other duties as shall from time to time be imposed upon the Board of Directors.
- 4.4 Secretary. The Secretary shall keep the minutes of all meetings of the Board of Directors and of the Association, shall have charge of the Association's books and records, and shall, in general, perform all duties incident to the office of Secretary.
- 4.5 Treasurer. The Treasurer shall have responsibility for the Association's funds and shall be responsible for keeping full and accurate accounts of all receipts and disbursements and financial records and books of account on behalf of the Association. The Treasurer shall be responsible for the deposit of all monies and all valuable effects in the name, and to the credit, of the Association in such depositories as may from time to time be designated by the Board of Directors. The Treasurer shall also be responsible for the billing and collection of all common charges and assessments made by the Association.
- 4.6 Liability of Directors and Officers. No person shall be liable to the Association for any loss or damage suffered by it on account of any action taken or omitted to be taken by that person as a director or officer of the Association, if such person (a) exercised and used the same degree of care and skill as a prudent person would have exercised or used under the circumstances in the conduct of the person's own affairs, or (b) took or omitted take such action in reliance upon advice of counsel for the Association, or upon statements made or information furnished by officers or employees of the Association which he or she has reasonable grounds to believe to be true. The foregoing shall not be exclusive of other rights and defenses to which the director of officer may be entitled as a matter of law.
- 4.7 Compensation. No officer of the corporation shall receive any fee or other compensation for services rendered to the Association, except by specific resolution of the membership.

#### ARTICLE V

#### OPERATION OF THE PROPERTY

5.1 The Association. The Association, acting through the Board of Directors, shall be responsible for administration and operation of the condominium property, in accordance with the Declaration, the Articles of Incorporation, and these Bylaws. The Association may contract

for management services and a managing agent with respect to the administration and operation of the condominium.

- 5.2 Rules and Regulations. The Association, through the Board of Directors, shall from time to time adopt rules and regulations governing the operation, maintenance and use of the Units, Common Elements and Limited Common Elements by the Unit Owners and occupants. Such rules and regulations of the Association shall not be inconsistent with the terms of the Declaration or the contracts, documents, and easements referred to in the Declaration, and shall be designed to prevent unreasonable interference with the use of the respective Units, Common Elements and Limited Common Elements by persons entitled thereto.
- 5.3 Common Expenses. The Board of Directors shall determine the common expenses of the Association, and shall prepare an annual operating budget for the Association in order to determine the amount of the common charges payable by each Unit to meet the estimated common expenses of the Association for the ensuing year. The amounts required by such budget shall be assessed and charged against the Units and allocated among the members of the Association according to their respective percentages of ownership in the Common Elements and facilities of the condominium as set forth in the Declaration. The common charges shall be prorated and paid monthly to the Association, on or before the first day of each month. If any payment is not made within ten (10) days of the due date, the charges shall bear interest at the rate of twelve percent (12%) per annum on the unpaid balance until paid in full.
  - 5.4 Operating Budget. The annual operating budget shall provide for two funds, one of which shall be designated the "operating fund" and the other the "reserve fund." The operating fund shall be used for all common expenses which occur with greater than annual frequency, such as amounts required for the cost of maintenance of the Common Elements, common services, administration, materials and supplies. The reserve fund shall be used for contingencies and periodic expenses, such as painting or renovation. If the Association incurs extraordinary expenditures not originally included in the annual budget, then such sums as may be required in addition to the operating fund shall be first charged against the reserve fund. If both funds prove inadequate to meet the necessary common expenses, the directors may levy a further assessment which shall be charged equally against the Units.

The reserve fund may include such amounts as the Board of Directors may deem necessary to provide for the purchase or lease of any Unit whose owner wishes to sell or lease to the Association. The reserve fund may also be used to discharge mechanic's liens or other encumbrances levied against the entire property, or against each Unit, if resulting from action by the Association. The Unit Owner or Unit Owners responsible for any lien which is paid by the Association, but not the obligation of the Association, shall be specially assessed for the full amount thereof.

The directors may also use the reserve fund for the maintenance and repair of any Unit if such maintenance and repair is necessary to protect the common property. The full amount of the cost of any such maintenance or repair shall be specially assessed to the Unit Owner responsible thereof.

The annual budget shall be prepared and determined by December 15 of each calendar year. The Board of Directors shall advise all members of the Association in writing of the amount of common charges payable on behalf of each Unit by the date of the annual members' meeting, and shall furnish to each member copies of the budget on which such common charges are based.

If, within fifteen (15) days after the annual membership meeting, a petition is presented to the Board of Directors protesting such charges or the budget upon which they are based, and the petition is signed by members representing more than fifty percent (50%) of the membership entitled to vote with respect to such charges, then the directors shall notify all members of a meeting called for the sole purpose of reviewing such charges or budget. At such meeting, the vote of more than fifty percent (50%) of the membership entitled to vote may revise the budget and charges, and such revised budget and corresponding charges shall replace for all purposes the ones previously established; provided, however, that the annual budget and charges may not be revised downward to a point lower than the average total budget for the preceding two years and provided further, that if a budget and charges have not been established and made for any two preceding years, then the budget and charges may not be revised downward until two years of experience exist.

- 5.5 **Default.** If a member of the Association is in default in payment of any charges or assessments for a period of more than thirty (30) days, the Board of Directors, in the name of the Association, may bring suit for, and on behalf of, the Association, as representative of all members, to enforce collection of such delinquencies, or to foreclose the lien therefor, as provided by law, and there shall be added to the amount due the costs of suit and the legal interest, together with a reasonable attorney's fee.
- 5.6 Manner of Borrowing Money. Upon the affirmative vote of Unit Owners having seventy-five percent (75%) or more of the votes at a meeting called for such purpose, the Association may borrow money for Association needs and assess Unit Owners according to their respective percentages a charge sufficient to cover monthly principal and interest amortization. The President and Secretary on behalf of the Association shall be authorized to execute the necessary loan documents.

### ARTICLE VI

## **DUTIES AND OBLIGATIONS OF UNIT OWNERS**

- 6.1 Rules and Regulations. The Units, Common Elements and Limited Common Elements shall be occupied and used in accordance with the Declaration, the Articles of Incorporation, these Bylaws, and the rules and regulations of the Association, including the following:
- a) Use. No Unit shall be occupied or used for any purposes other than a single family private residence.
- b) Obstructions. There shall be no obstruction of the Common Elements. nor shall anything be stored therein, without the prior consent of the Association.
- c) Increase of Insurance Rates. Nothing shall be done or kept in any Unit or in the Common Elements, which will increase the rate of insurance on the Common Elements, without the prior consent of the Association. No Unit Owner shall permit anything to be done or kept in the Owner's Unit, or in the Common Elements, which will result in the cancellation of insurance on any Unit, or any part of the Common Elements, or which would be in violation of any law or ordinance. No waste will be committed in the Common Elements.
- d) Signs. No sign of any kind shall be displayed to the public view on or from any Unit, without prior consent of the Association.
- e) Animals. No reptiles or uncaged birds shall be permitted within the Condominium. Unit Owners may keep no more than two (2) pets per Unit; provided, however, that:
  - (i) Each pet is under twenty-six (26") inches in height when measured from the base of its fore-paw to the top of the corresponding shoulder;
  - (ii) The pet is not permitted on any of the Common Elements while unattended or unleased:
  - (iii) The individual attending the pet immediately disposes of any and all of the pet's solid waste in the manner prescribed by the Association;
  - (iv) The owner of the pet complies with such rules of pet ownership as may be promulgated by the Association; and
    - (v) A pet must immediately and permanently be removed from the Condominium if, in the sole judgment of the Board of Directors.

the pet is or becomes offensive, a nuisance or harmful in any way to the Condominium or those owning or occupying therein, or otherwise violates the terms of this subparagraph (e).

(vi) Any and all costs of repairing damage caused by a pet shall be borne by its owner. Any Unit Owner failing to comply with this Section shall, absent unusual circumstances under which the Board of Directors determines that some lesser or other remedial action is appropriate, be assessed a monthly pet fee in an amount of Five hundred Dollars (\$500.00) per month, or part thereof, until the owner has complied. Such pet fee may be collected in the same manner as assessments under Section 5.3.

Notwithstanding any of the foregoing provisions, if, at any time, by the affirmative vote of Unit Owners having seventy-five percent (75%) or more of the votes at a meeting called for such purpose, the Association reasonably determines that any one or more Unit Owner's pet or animal is a nuisance, dangerous, or otherwise disrupts or impairs the peaceful enjoyment of any other Unit Owner's use of his or her Unit, the Association may vote to ban any animal or pet from the Units, Common Elements and/or Limited Common Elements. Upon such vote, the Board of Directors shall notify the owner of such animal or pet, who shall promptly undertake all necessary steps to remove the animal or pet from his or her Unit, Common Elements and Limited Common Elements.

- f) Noxious Activity. No noxious or offensive activity shall be carried on in any Unit, the Common Elements or Limited Common Elements, nor shall anything be done therein which may be or become an annoyance or nuisance to others.
- g) Leasing of Units. Units may be leased or rented provided that the term of any such lease shall be not less than six (6) months nor more than one (1) year in length.
- h) Alteration, Construction or Removal. Nothing shall be altered or constructed in, or removed from, the Common Elements and Limited Common Elements, except upon the written consent of the Association.
- i) Fireworks. The discharge and/or display of fireworks shall be permitted to the extent and in the manner provided by law. In no event, however, shall any fireworkds be discharged or displayed on any day before 10 o'clock A.M. or after 10 o'clock P.M.
- j) Firearms. The discharge or firing of any firearms, of any kind, shall not be permitted on the Property.
- k) Conflict. The above rules and regulations and those which may be hereafter adopted by The Association, are in addition to the Declaration, and the documents, contracts.

declarations, and easements set forth in the Declaration, and in the event of a conflict, the Declaration and contracts, declarations, and easements set forth and referenced therein shall govern.

- l) Remedies. Failure to comply with any of these Bylaws or any other rules, regulations, covenants, conditions or restrictions imposed by the Act, the Declaration or the Board shall be grounds for action to recover sums due for damages or injunctive relief or both, maintainable for the Association or, in a proper case, by an aggrieved member.
- 6.2 Maintenance and Repair of Units. Every Unit Owner must perform properly, or cause to be performed, all maintenance and repair work within the Owner's Unit which, if omitted, would affect the project in its entirety or in a portion belonging to other Unit Owners, and such Unit Owners shall be personally liable to the Association for any damages caused by failure to do so.
- Common Elements appurtenant to the Owner's Unit in clean and proper condition. No objects or structures other than approved moveable furniture or decorative pieces, shall be placed thereon without the prior written consent of the Board of Directors of the Association. Every Unit Owner shall have the right to decorate the Limited Common Elements appurtenant to the Owner's Unit in a nonstructural manner, provided that decorations which are visible to other Units or to the public shall have the prior written approval of the Board of Directors of the Association. Until all Units are sold by Declarant, or twenty-four (24) months after the sale of the first Unit to be sold, whichever shall occur first, the Declarant shall have the sole and exclusive right to either approve or disapprove decorations, moveable furniture or other decorative pieces in the Limited Common Elements as set forth in this paragraph. As soon as all Units are sold, or the expiration of twenty-four (24) months after the sale of the first Unit, whichever shall occur first, the right of approval or disapproval shall rest with the Board of Directors of the Association.
- 6.4 Additional Rules and Regulations. Additional rules and regulations concerning the use of the Common and Limited Common Elements may be promulgated and amended by the Board of Directors. Copies of such rules and regulations shall be furnished by the Board of Directors to each Unit Owner prior to their effective date.

#### ARTICLE VII

#### GENERAL

7.1 Fiscal Year. The fiscal year of the Corporation shall begin on the first day of January and end on the last day of December in each year.

7.2 Seal. The Board of Directors may provide a corporate seal which shall be circular in form and shall have inscribed thereon the name of the corporation and the words "Corporate Seal, Wisconsin".

### ARTICLE VIII

#### **AMENDMENTS**

- 8.1 By Members. These Bylaws may be altered, amended or repealed and new Bylaws may be adopted by the members, at any meeting called for such purpose, by an affirmative vote of Unit Owners having sixty-six and two-thirds percent (66%%), or more, of the votes.
- 8.2 Rights of Declarant. No amendment of these Bylaws shall alter or abrogate the rights of Declarant, without the Declarant's consent, as contained in these Bylaws. Declarant shall have the right to amend these Bylaws, at its sole discretion, until the Class B membership shall cease.

### ARTICLE IX

#### MISCELLANEOUS

- 9.1 Record of Ownership. Every Unit Owner shall promptly cause to be duly recorded or filed of record the deed, lease, assignment or other conveyance to the Owner of such Unit or other evidence of title thereto, and shall file such lease with, and present such other evidence of this title to the Board of Directors, and the Secretary shall maintain all such information in the record of ownership of the Association.
- 9.2 Mortgages. Any Unit Owner who mortgages a Unit, or any interest therein, shall notify the Board of Directors of the name and address of the mortgagee, and shall maintain all such information in the record of ownership of the Association. The Board of Directors, at the written request of any mortgagee, shall furnish timely written notice of:
  - A. Any condemnation loss or any casualty loss which affects the material portion of the property or any Unit on which there is a first mortgage held, insured, or guaranteed by such mortgagee, insurer or guarantor, as applicable;
  - B. Any delinquency in the payment of assessments or charges owed by an owner of a Unit subject to a first mortgage held, insured or guaranteed by such mortgagee, insurer or guarantor, which may remain uncured for a period of sixty (60) days.

- C. Any lapse, cancellation or material modification of any insurance policy maintained by the Association;
- D. Any proposed action which will require the consent of a specified percentage of eligible mortgagees.

The Board of Directors at the request of any prospective purchaser of any Unit or interest therein shall report to such person the amount of any assessments against such Unit then due and unpaid.

The Association shall be required to make available to Unit Owners and mortgagees, and to holders, insurers or guarantors of any mortgage, current copies of the Declaration, Bylaws, other rules concerning the project and the books records and financial statements of the Association. "Available" means available for inspection, upon request, during normal business hours or under other reasonable circumstances.

- 9.3 Books of Receipts and Expenditures; Availability for Examination. The Association shall keep detailed, accurate records using standard bookkeeping procedures or receipts and expenditures affecting the Common Elements, specifying and itemizing the maintenance and repair expenses of the Common Elements and any other expenses incurred. The records and the vouchers authorizing the payments shall be available for examination by the Unit Owners at convenient hours.
- Indemnity of Officers and Directors. Every person who is, or was, a director or officer of the Association (together with the heirs, executors and administrators of such person) shall be indemnified by the Association against all loss, costs, damages and expenses (including reasonable attorneys fees) asserted against, incurred by, or imposed upon, such person in connection with or resulting from any claim action, suit or proceeding, including criminal proceedings, to which the person is made, or threatened to be made, a party by reason of being or having been such director or officer, except as to matters as to which such person shall be finally adjudged in such action, suit or proceeding to be liable for gross negligence or willful misconduct. In the event of a settlement, indemnification shall be provided only in connection with such matters covered by the settlement as to which the Association is advised by counsel that the person to be indemnified has not been guilty of gross negligence or willful misconduct in the performance of his duty as such director or officer in relation to the matter involved. The Association, by its Board of Directors, may indemnify in like manner, or with any limitations, any employee or former employee of the Association with respect to any action taken or not taken in his or her capacity as such employee. The foregoing rights of indemnification shall be in addition to all rights to which officers, directors or employees may be entitled as a matter of law.

All liability, loss, damage, costs and expenses incurred or suffered by the Association by reason or arising out of or in connection with the foregoing indemnification provisions shall be treated and handled by the Association as common expenses: provided, however, that nothing

contained in this Article IX shall be deemed to obligate the Association to indemnify any member or owner of a condominium Unit who is, or has been, an employee, director or officer of the Association with respect to any duties or obligations assumed or liabilities incurred under and by virtue of the Declaration, Wisconsin's Condominium Ownership Act, the Article and Bylaws of the Association, as a member of the Association, or owner of a condominium Unit covered thereby.

- 9.5 Subordination. These Bylaws are subordinate and subject to all provisions of the Declaration and any amendments thereto, and the Condominium Ownership Act under the laws of the State of Wisconsin, which shall control in case of any conflict. All terms herein (except where clearly repugnant to the context) shall have the same meaning as in the Declaration or said Condominium Ownership Act.
- 9.6 Interpretation. If any provision of these Bylaws shall be held invalid, such invalidity shall not render invalid any other provision hereof which can be given effect. Nothing in these Bylaws shall be deemed or construed to authorize the Association or Board of Directors to conduct or engage in any active business for profit on behalf of any or all of the Unit Owner.
- 9.7 Association Mailing Address. The mailing address of the association is 205 West Highland, #204. Milwaukee, WI 53203.

END OF BYLAWS

## **PART C**

11000

## ARTICLES OF INCORPORATION

**OF** 

WOOD DUCK CONDOMINIUM OWNERS' ASSOCIATION, INC.

## DECLARANT

## WOOD DUCK DEVELOPMENT, LLC

205 West Highland, #204 Milwaukee, WI 53203

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## ARTICLES OF INCORPORATION

## WOOD DUCK CONDOMINIUM OWNERS' ASSOCIATION, INC.

The undersigned, being an adult resident of the State of Wisconsin, acting as incorporator for the purpose of forming a non-stock, non-profit corporation under the provisions of Chapter 181 of the Wisconsin Statutes (the "Law"), does hereby adopt these Articles of Incorporation.

#### ARTICLE I

### **NAME**

The name of the corporation shall be WOOD DUCK CONDOMINIUM OWNERS' ASSOCIATION, INC.

### ARTICLE II

## PERIOD OF EXISTENCE

The corporation shall have perpetual existence.

### ARTICLE III

## **PURPOSES**

The purposes for which this corporation is organized are as follows:

- (a) To serve as an association of unit owners who own real estate and improvements under the condominium form of use and ownership as provided in Chapter 703 of the Wisconsin Statutes as the same may be amended, renumbered or renamed from time to time (the "Act"), and subject to the terms and conditions of the Declaration of Condominium (the "Declaration") of Wood Duck Condominium, (the "Condominium") as recorded in the office of the Register of Deeds for Sauk County, Wisconsin.
- (b) To provide for the administration, maintenance, preservation and control of the Condominium in accordance with and in furtherance of the Declaration created under and pursuant to the Act; and
- (c) To engage in any lawful activity within the purposes for which a non-stock, non-profit corporation may be organized under the law, subject to the Act and the Declaration.

#### ARTICLE IV

### MEMBERS AND VOTING

The record owner of the fee title to any Unit and an undivided interest in the Common Elements, as defined in the Declaration, shall automatically be a member of this corporation upon becoming such owner and shall remain a member thereof until such time as his ownership ceases for any reason, at which time his membership in this corporation shall automatically cease. The respective rights and qualifications of each of the members of this corporation are set forth in the By-Laws of this corporation.

## ARTICLE V

#### PRINCIPAL OFFICE AND REGISTERED AGENT

The location of the principal office of this corporation shall be 205 West Highland, #204, Milwaukee, WI 53202, and the initial registered agent shall be BRIAN R. KLIESMET at the same address.

#### ARTICLE VI

## DIRECTORS

The number of directors of this corporation shall be fixed in the By-Laws, but in no event shall be less than three (3). The manner in which the directors shall be elected, appointed or removed shall be provided in the Declaration and By-Laws of this corporation.

The number of directors constituting the initial Board of Directors shall be three (3), and the names and addresses of the initial directors are:

- Brian R. Kliesmet
   205 West Highland, #204,
   Milwaukee, WI 53202
- Christopher Kliesmet
   205 West Highland, #204,
   Milwaukee, WI 53202
- Mary Kliesmet
   205 West Highland, #204,
   Milwaukee, WI 53202

## ARTICLE VII

#### INCORPORATOR

The name and address of the incorporator of this corporation is:

BRIAN R. KLIESMET 2518 North Newhall Avenue Milwaukee, WI 53211

#### ARTICLE VIII

#### AMENDMENTS

Amendment of these Articles of Incorporation shall require the assent of Seventy-five Percent (75.0%) of the entire membership of the corporation.

#### ARTICLE IX

## STOCKS, DIVIDENDS AND DISSOLUTION

This corporation shall not have nor issue shares of stock. No dividend shall ever be paid and no part of the assets or surplus of this corporation shall be distributed to its members, directors, or officers. This corporation may pay compensation in reasonable amounts to employees, members, directors, or officers. This corporation may pay compensation in reasonable amounts to employees, members, directors, or officers for services rendered and may confer benefits upon its members in conformity with its purposes.

This corporation may be dissolved with the assent given in writing and signed by not less than Seventy-five Percent (75.0%) of the members. Upon dissolution of this corporation, other than incident to a merger or consolidation, all of its assets, after payment of its liabilities, shall be distributed to one or more non-profit corporations, societies, trusts, or other organizations and/or dedicated to an appropriate public agency or agencies, provided, however, that any such non-profit corporation, society, trust, other organization, or public agency has purposes deemed by a majority of the directors of this corporation to be similar to those of this corporation and that if none of the foregoing entities are deemed to exist, then all

of the assets of this corporation, after payment of its liabilities, shall be distributed to a non-profit corporation, society, association, trust, other organization, or any one or more of the foregoing, devoted to the promotion of aesthetic, cultural or educational purposes.

Executed this 27 day of August, 2003.

Robert C. Salzei

STATE OF WISCONSIN ) ss. COUNTY OF WAUKESHA )

Personally came before me this  $27^{\text{T}}$  day of August, 2003, the above-named ROBERT C. SALZER, to me known to be the person who executed the foregoing Articles of Incorporation, and acknowledged that he executed the same for the purposes therein contained.



Notary Public

Waukesha County, State of Wisconsin My commission: いろ アミアルのもして

This instrument drafted by:

ROBERT C. SALZER

Attorney at Law 14380 West Capitol Drive Brookfield, WI 53005-2323 (262) 781-4040 State Bar #01016308

## PART D

## PROPOSED MANAGEMENT CONTRACT

## **FOR**

## WOOD DUCK CONDOMINIUM

VILLAGE OF LAKE DELTON, WISCONSIN

## **DECLARANT**

## WOOD DUCK DEVELOPMENT, LLC

205 West Highland, #204 Milwaukee, WI 53203

## Wood Duck MANAGEMENT AGREEMENT

#### APPOINTMENT:

This agreement is entered into between the Wood Duck Concominium Owners Association, here in referred to as the Association, and PMC Management of South Central Wisconsin, LLC, here in referred to as the MANAGER. This contract is entered into because the ASSOCIATION has a need for management services to manage and operate the Property and Common Elements for all of the Unit Owners upon the terms and with such authority as the BOARD has hereinafter set forth. The MANAGER is desirous of providing those management services. Further, it is understood by and between the parties that the MANAGER is working pursuant to a contractual agreement for the ASSOCIATION, therefore, there is no Employer-Employee relationship, but it is understood that this agreement shall require the MANAGER to act under the supervision and direction of the BOARD OF DIRECTORS for the ASSOCIATION: and that any and all action taken by the MANAGER shall be in compliance with the documents of the Wood Duck Condominium

#### I. MANAGERS DUTIES:

## A. GENERAL:

- 1. Establish liaison and negotiate contracts with contractors for
  - a. Corrective and preventative work on common elements.
  - b. For new projects.
- 2. Negotiate and retain contracts for services, including painting, carpentry, plumbing, electric, ground care (lawn, trees, shrubs, sprinkler system), jacuzzi service, janitorial service, insurance, elevator, snow removal, emergency lighting, trash removal, fire equipment, exterminating, utilities, as may be required.
- 3. Conduct site inspections on all maintenance, repair or new projects and report on same to the BOARD, and advise the BOARD or any deferred maintenance.
- 4. For any one item of repair or replacement, the expenses incurred shall not exceed the sum of \$500.00, unless specifically authorized by the President and the Treasurer or another Director if either the President or the Treasurer is absent; excepting, however, that the emergency repairs involving manifest danger to life and property, or immediately necessary for the preservation and safety of the project, or for safety of the occupants, or required to avoid the suspension of any necessary service to the project, may be made by the MANAGER irrespective of the cost limitation imposed by this paragraph.

- 5. Not withstanding this authority as to emergency repairs, it is understood and agreed upon that MANAGER will, if at all possible, confer immediately with the BOARD OF DIRECTORS regarding every expenditure.
- 6. Shall systematically and promptly receive and investigate all service requests from the BOARD OF DIRECTORS, taken such action thereon as may be justified, and will keep records of the same. Emergency requests will be received on a twenty-four (24) hour basis.
- 7. Maintain business like relations with OWNERS, TENANTS, and GUESTS to ensure compliance with the Declaration, Bylaws and Rules and Regulations. MANAGER may deal direct with any OWNER, TENANT. or GUEST found in violation and will notify OWNER, by letter of any violation.

## B. FISCAL AND ACCOUNTING SERVICES FOR THE PROJECT WILL INCLUDE THE FOLLOWING:

- 1. The ASSOCIATION is liable for the payment of all routine expenses and utilities.
- 2. MANAGER shall be responsible for collecting established monthly maintenance fees and assessments and posting of same on owner's individual ledgers.
- 3. Monthly preparation and distribution of Statement of Cash Receipts and Disbursements:
  - a. Operating Fund.
  - b. Reserve Fund.
- 4. MANAGER shall maintain all financial records of the ASSOCIATION.
- 5. Preparation and mailing or delinquency notices.
- 6. Follow up on all delinguencies to effectuate collection of all amounts owed.
- 7. Pay all bills authorized by BOARD OF DIRECTORS. Checks to be signed by the MANAGER. Budgeted items may be paid by the MANAGER without consultation with the BOARD, unbudgeted expenses over the amount specified in Section I. A. (5), must be approved in advance by the President.
- 8. Preparation of the Annual Budget by November 1, which will serve as the basis for monthly maintenance fees and assessments for the ensuing year. Each owner shall be notified in writing as to such estimate on or before December 15.
- 9. Assist in performance of audits in consonance with suditors appointed by the BOARD OF DIRECTORS.

- 10. Distributions to all owners of Annual Financial Reports prepared by CPA firm, if one is retained by the BOARD.
  - 11. Timely preparation and submission of reports and forms to governmental agencies.

## C. MEETINGS-BOARD OF DIRECTORS ANNUAL MEETINGS OF ASSOCIATION OF CONDOMINIUM OWNERS, AND SPECIAL MEETINGS.

- 1. Agents shall prepare and mail notices, proxies, ballots and agendas in accordance with the requirements and provisions of the Bylaws.
- 2. Duplication and mailing of notices of meetings, agendas, ballots, proxies, minutes, officers reports, ect. shall be at the expense of the ASSOCIATION, at a charge mutually agreed upon.
- 3. Attend meetings of the BOARD OF DIRECTORS, which shall not meet in excess of four times annually except in the event of an emergency. The MANAGER will record the minutes of said meetings. The MANAGER will duplicate the minutes of the meeting and distribute them to the appropriate parties.
- 4. Prepare and present for approval, all requests for reports such as financial, contractual, operational, and others of a regular nature.
- 5. Arrange for and schedule places, dates, and times for the conduct of the meetings called by the BOARD OF DIRECTORS.
- 6. Special reports shall be repaired in accordance with requests by the BOARD OF DIRECTORS, at a charge to be mutually agreed upon.

## D. RECORDS AND CORRESPONDENCE

- 1. MANAGER shall maintain a current roster of names and addresses of every unit owner and their mortgage.
- 2. MANAGER shall maintain for the ASSOCIATION file, a current updated set of documents which reflect any amendments made to the DECLARATION, BYLAWS, RULES AND REGULATIONS, and any other disclosure documents required under 703 Wisconsin Statutes.
- 3. MANAGER shall maintain complete files of all correspondence and contracts.
- 4. Special mailings of any other information requested by the BOARD OF DIRECTORS shall be prepared... duplicated and mailed at the expense of the ASSOCIATION at a charge to be mutually agreed upon.

5. All requests for duplication of additional copies of project documents, reports etc. shall be at the expense of the ASSOCIATION at a charge mutually agreed upon.

## E. UNDISCLOSED FEES - CONFLICTS OF INTEREST

MANAGER agrees not to collect or charge any undisclosed fees, rebates, or discounts; and same shall be credited to the account of the ASSOCIATION. Notwithstanding any other provision of this agreement, the agent is given no authority or responsibility for maintenance of or repairs to individual dwelling units in the condominium. Such maintenance and repairs shall be the sole responsibility of the OWNERS individually. Each individual dwelling unit owner may contract with the AGENT on an individual basis for the provision of certain maintenance, property management, rental and other related service which will be paid in accordance with the agreement between the AGENT and the individual unit owner. Such shall not be considered to be a conflict of interest or otherwise obligate the agent to take amy action except as he may agree to with the individual owner.

MANAGER may contract with and manage any properties within or outside the trade area of the ASSOCIATION, and such agreements need not be disclosed, nor are such services considered to be a conflict of interest.

## F. FORMS AND REPORTS AND RETURNS REQUIRED BY LAW:

MANAGER shall prepare for execution and filling all forms, reports, and returns required by the law and retain a copy of such for the ASSOCIATION FILES.

### G. COLLECTION OF MAINTENANCE FEES:

All owners of record, whether occupying units or not, shall be responsible for the payment of established maintenance fund assessments. Manager shall not be obligated to enforce collection of assessments against any party other than the record owner of the unit.

#### II. TERM

## A. INITIAL TERM

The term of this AGREEMENT shall be from August 1, 2003 to July 31, 2004 subject to ratification by the unit owners after the association is turned over to the unit owners. After this term, the AGREEMENT shall continue indefinitely unless terminated as provided below:

The AGREEMENT may be terminated by the BOARD OF DIRECTORS on behalf of the ASSOCIATION upon (30) days written notice and by the MANAGER upon (60) days written notice without penalty, provided however, this agreement has been in effect for at least 12 months. In the event of cancellation—prior to completion of the initial 12

month period, the ASSOCIATION may terminate by the payment to the MANAGER a fee equal to 1/3 of the fee that would have accrued over for the remaining term of this agreement

## B. TERMINATION OF CAUSE:

If there arises a dispute between the ASSOCIATION and MANAGER and if in the opinion of the grieved party, the offended party has committed a material breach of AGREEMENT, the grieved party will serve a written notice upon the offending party, acting forth the details of such alleged breach. If the party does not, within (30) days setting forth the details of such alleged breach. If the party does not, within (30) days after the mailing of such notice by cartified mail with return receipt requested, cure such breach, or if such breach is of a nature that it cannot be cured within the (30) day period commenced and at all times thereafter continue diligently to proceed with all acts. Required to cure such breach, this contract may be terminated, without prejudice after (30) days written notice by certified mail with return receipt requested, subject however, to any and all rights and remedies available to the grieved party.

## III. MANAGER'S FEE:

The compensation which the MANAGER shall be entitled to receive for all services performed under this agreement shall be Two Hundred and no/100 Dollars per month. Such fees will be payable on or before the 15th day of each month for the preceding month. Attendance at no more than 4 meetings of the BOARD and one Annual meeting shall be required of the MANAGER.

## IV. DEFINITIONS:

As used in the Agreement.

- 1. The term "Monthly Maintenance Fee" shall mean those monthly mees budgeted, established and approved by the BOARD OF DIRECTORS, which the OWNERS are bound to pay as their share of the common expenses.
- 2. The term "ASSOCIATION" as used herein shall mean an Association consisting of all of the OWNERS of units in the project organized under the laws of the State of Wisconsin for the purpose of administering the project established by the Declaration.
- 3. The term "Project" as used herein shall mean the property and improvements belonging to the Association.
- 4. The term BOARD OF DIRECTORS, shall be the Board of Directors as established by the Declaration. If, however, such Board of Directors is comprised of more than four persons, then the term shall mean the President. Secretary and Treasurer of said association.

## VU. NOTICES:

Any notice by either party to the other shall be in writing and be given, and be deemed to have been duly given, if either delivered personally or mailed in a registered or certified postpaid envelope addressed to the party at its last known address.

## VIII. SUCCESSORS AND ASSIGNS:

This agreement shall inure to the benefit of and constitute a binding obligation upon the Board of Directors and the Association's, administrators, successors and assigns.

## IV. VENUE:

Both the OWNER and the MANAGER expressly agree that this agreement, its terms and all performances thereunder shall be governed by the Laws of the State of Wisconsin.

## V. RESPONSIBILITY:

MANAGER shall be responsible for any willful misconduct or gross negligence, but shall not be held responsible for amy matters relating to error of judgment, of any mistake of fact of law, or for anything which it may do or refrain from doing, which does not include willful misconduct or gross negligence.

| Dated and signed at La Crosse, Wisconsin, this 22nd day of July, 2003 |
|---|
| MANAGER   |
| PMC Management of South Central Wisconsin, LLC                        |
|   |
| President   |
| Wood Duck Condominium Association                                     |
| President   |
| Secretary   |

## PART E

## PROJECTED OPERATING BUDGET

OF

## WOOD DUCK CONDOMINIUM

VILLAGE OF LAKE DELTON, WISCONSIN

## **DECLARANT**

## WOOD DUCK DEVELOPMENT, LLC

205 West Highland, #204 Milwaukee, WI 53203

## PROJECTED ANNUAL OPERATING BUDGET

## OF

## WOOD DUCK CONDOMINIUM

| Common Services           |                 |           |
|---------------------------|-----------------|-----------|
| Electric                  | 480.00          |           |
| Insurance                 | 5,100.00        |           |
| Maintenance               | 3,360.00        |           |
| Materials and Supplies    | 960.00          |           |
| Dock Removal and Storage  | 100.00          |           |
| Administration/Accounting | <u>2,400.00</u> |           |
| ·                         |                 | 12,400.00 |
| Reserve Fund              |                 |           |
| Contingencies             | 480.00          |           |
| Periodic/Repair Expenses  | <u>960.00</u>   |           |
|                           |                 | 1,440.00  |
|                           |                 | 13,840.00 |

Initial monthly dues shall be \$144.17/month/unit

## PART F

## CONDOMINIUM PLAT, FLOOR PLANS AND MAP

OF

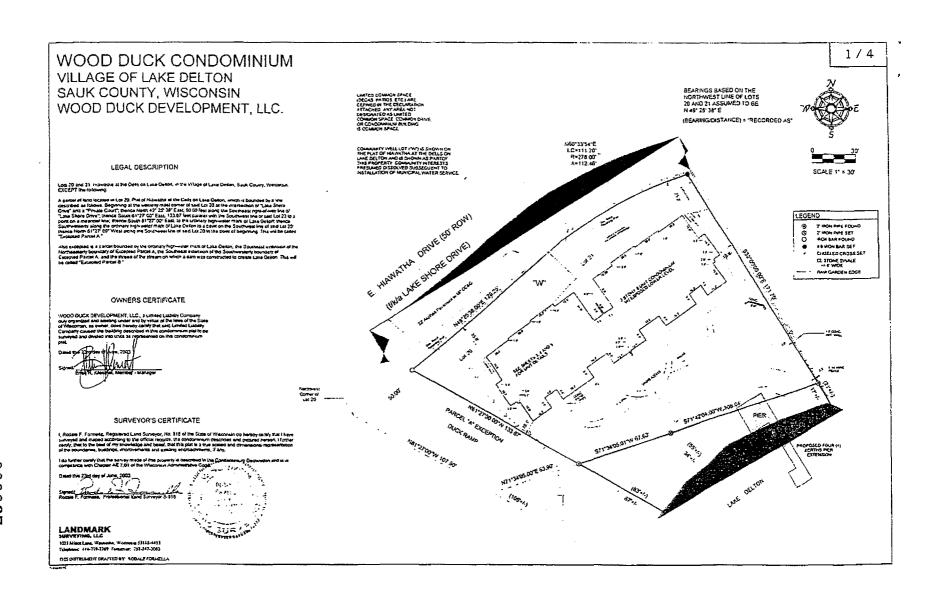
## WOOD DUCK CONDOMINIUM

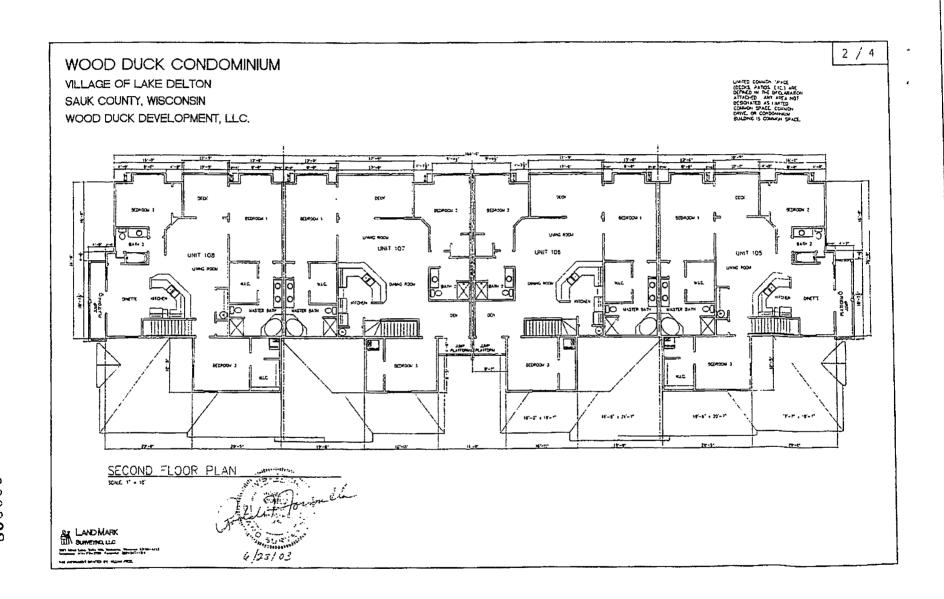
VILLAGE OF LAKE DELTON, WISCONSIN

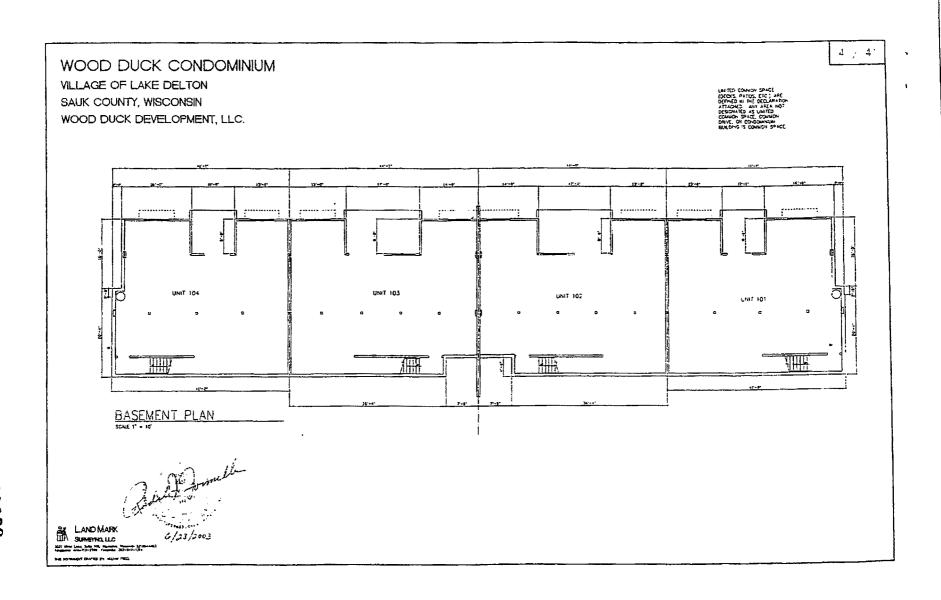
## **DECLARANT**

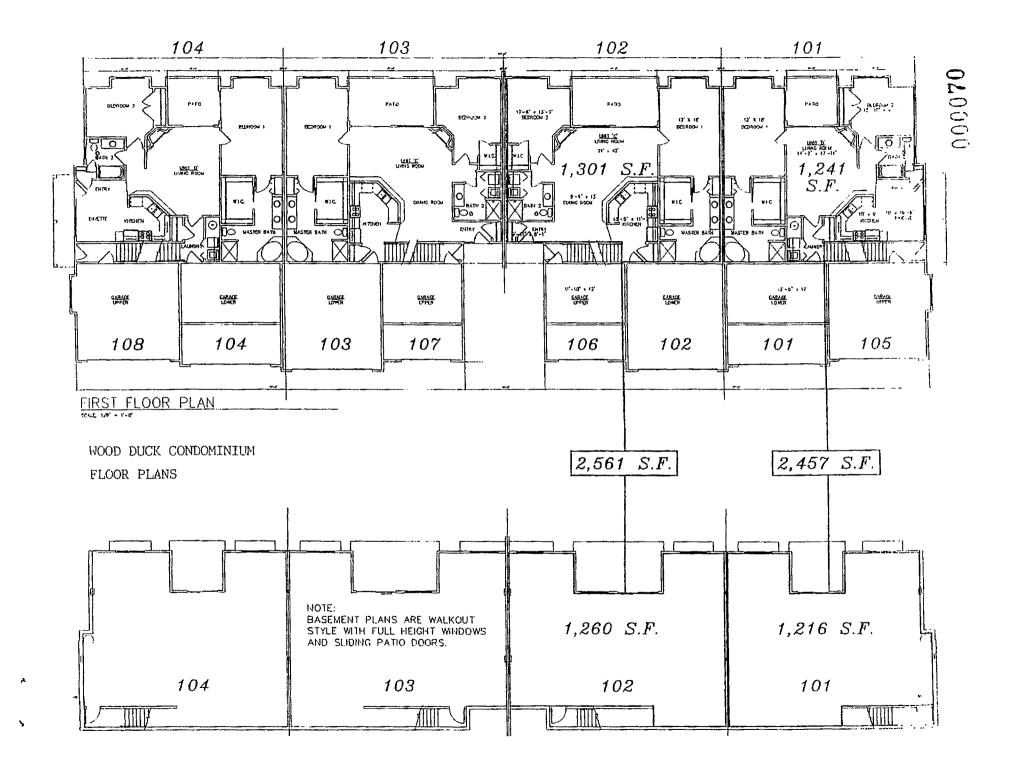
## WOOD DUCK DEVELOPMENT, LLC

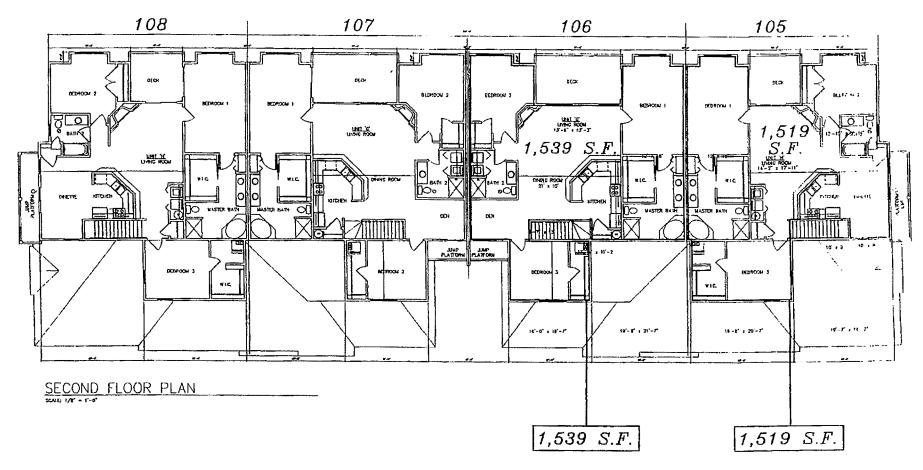
205 West Highland, #204 Milwaukee, WI 53203



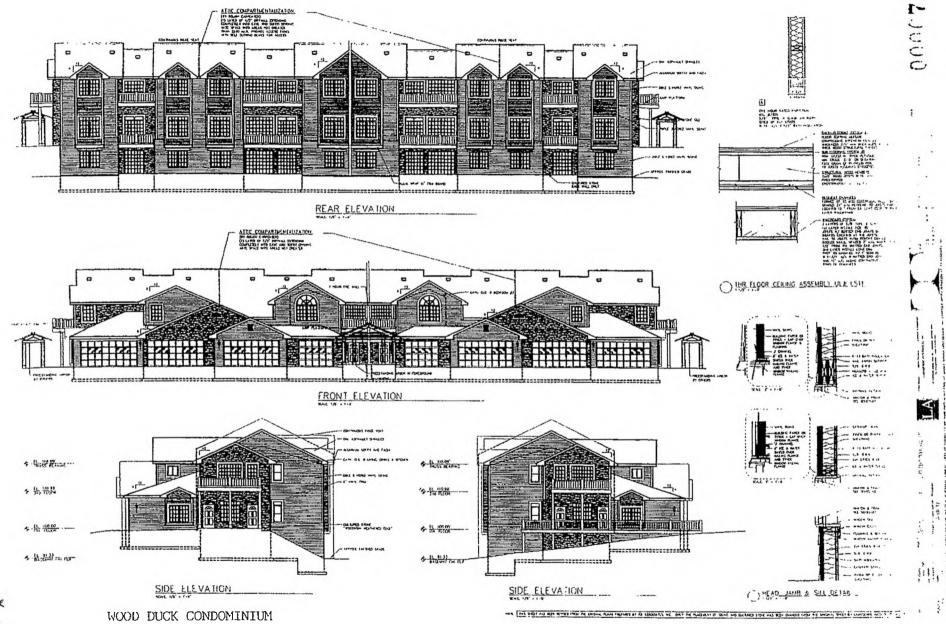








WOOD DUCK CONDOMINIUM FLOOR PLAN



**ELEVATIONS**