

BY-LAWS

OF EDGEWATER CABIN ASSOCIATION

CONDOMINIUM ASSOCIATION

ARTICLE 1

Name and Purpose

1.1 Pursuant to the Declaration of Edgewater Cabin Association Condominium, recorded in the Office of the Register of Deeds of Sawyer County, Wisconsin, (hereinafter called the "Declaration") by Edgewater Cabin Association, hereinafter referred to as "Declarant", the following are adopted as the By-Laws of the Edgewater Cabin Association Condominium Association, (hereinafter sometimes referred to as the "Association"), which is a non-profit association formed and organized to serve as an Association of Unit Owners who own real estate and improvements (hereinafter referred to as the "Property") under the condominium form of use and ownership, as provided in the Wisconsin Condominium Ownership Act under the laws of the State of Wisconsin and subject to the terms and conditions of the Declaration.

These By-Laws 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. The Association shall have two classes of members and the rights and qualifications of the members are as follows:

a. CLASS A MEMBERS

1. Defined. Class A members shall be all Unit Owners, with the

initial exception of the Declarant, and shall have one vote for each Unit owned. Every Unit Owner upon acquiring automatically becomes a member of the Association and shall remain a member thereof until such time as his ownership of such Unit ceases for any reason, at which time his membership in the Association shall automatically cease.

2. One Membership Per Unit. One Class A membership and one vote shall exist for each Unit, excepting those Units owned by Declarant. 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 interests must be voted pursuant to the nomination contained in the Membership List.

3. 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.

4. 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 a 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.

b. CLASS B MEMBERS.

Class B Member(s) shall be the Declarant and shall be entitled to two votes for each Unit owned. The Class B membership shall cease and be converted to Class A membership when the total votes outstanding in Class A membership equal or exceed the total votes outstanding in Class B membership, or three years from the date of the Declaration, whichever first

occurs.

2.2 Quorum and Proxies for the Members Meetings. A quorum for members meetings 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 vote 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.

2.3 Time, Place, Notice and Calling of Members' Meetings. Written notice of all meetings stating the time and 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 his/her address as it appears on the books of the Association and shall be mailed or personally delivered not less than five (5) 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 and an annual meeting shall be held 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 III

Board of Directors

3.1 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 until Class B membership

ceases and is converted to Class A Membership as provided in Article II herein. 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 in accordance with the provisions of the Declaration, and these By-Laws.

3.3 Election and Term of Directors. At the first annual meeting of the Association after the Termination of Class B membership, 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 (1) year, at the 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 his/her election.
- c) One (1) Director whose term will expire after three (3) years, at the third annual meeting of the Association after his/her 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 membership 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 the 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 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 Meeting 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, 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 him of the time and place thereof. If all of the 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.

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 his/her 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 officers, except a combination of the offices of President and Secretary and a combination of the officers 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. He shall preside at all meetings of the Association and of the Board of Directors. He 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 contract, 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 his duties whenever the President shall be absent or unable to act. If both the President and the 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 him by 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 and shall have charge of the Association's books and records, and shall, in general, perform all duties incident to the office of the 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. He 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 him 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 man would have exercised or used under the circumstances in the control of his own affairs, or (b) took or omitted to 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 had reasonable grounds to believe to be true. The foregoing shall not be exclusive of other rights and defenses to which he may be entitled as a matter of law.

4.7 Compensation. No director or 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 and these By-Laws. 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 and the common areas and facilities 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 and the common areas and facilities by persons entitled thereto. The Association members, their guests, and any occupants of the Units shall conform to and abide by all such rules and regulations. A violation of any such rules or regulations shall constitute a violation of the Declaration. The Association through its Board of Directors shall designate such means of enforcement thereof as it deems necessary and appropriate. The rules and regulations may be altered and amended or repealed in the same manner as these By-Laws. (See Article VIII)

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 amount required by such budgets 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 areas and facilities of the condominium as set forth in the Declaration. The common charges will be prorated and paid monthly to the Association on or before the first day of each month. If not paid on or before the due date, the charges shall bear interest at the rate of twelve per cent (12%) per annum 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 the annual frequency, such as amounts required for the cost of maintenance of the common areas, management services, insurance, common services, administration, materials and supplies. The reserve fund shall be used for contingencies and period expenses such as painting or renovation. In the event the Association incurs extraordinary expenditures not originally included in the annual budget, then the sums as may be required in addition to the operating fund shall be first charged against the reserve fund. In the event that both funds prove inadequate to meet the necessary common expenses, the directors may levy a further assessment which shall be charges to each owner in proportion to his ownership interest as set forth in the Declaration.

The reserve fund may be used to discharge mechanics' liens or other encumbrances levied against the entire property, or any part thereof which may constitute a lien against the common property rather than against the

Unit interest of Unit Owners. The Unit Owner responsible for any such lien shall be specifically assessed for the full amount thereof.

5.5 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 specifically assessed to the Unit responsible thereof.

5.6 All of the preceding shall constitute common expenses and charges and shall be prorated and paid monthly to the Association on or before the first day of each month. If not paid on or before the due date, the charges shall bear interest at the rate of twelve (12%) per annum until paid in full.

If within fifteen (15) days of the determination of such charges by the Board of Directors, a petition is presented to the Board of Directors protesting against such charges or the budget upon which they are based, and the petition signed by the Association's members representing more than fifty (50) percent of the membership interests 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 before the charges become due. At such meeting, the vote of more than fifty (50%) of the membership interests entitled to vote may revise the budget and charges, and such revised budget and corresponding charges shall replace for all purposes the one previously established; provided, however, that the annual budget and charges may not be revised downward to a point lower than the amount equal to the aggregate of the average total budgets for each of the preceding two years and provided further that if a budget and charges have not been established and made for any two (2) preceding years, then the budget and charges may not be revised downward until two (2) years of experience exists.

5.7 The annual budget shall be prepared and determined by the Association by June 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 copies of the budget on which such common charges are based to each member.

5.8 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 (2) years and, provided further that if a budget and charges have not been established and made for any two (2) preceding years, then the budget and charges may not be revised downward until two (2) years of experience exist.

5.9 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 therefore, as provided by law, and therefore shall be added to the amount due the costs of suit and the legal interest, together with a reasonable attorney's fee.

ARTICLE VI

Duties and Obligations of Unit Owners

6.1 Rules and Regulations. The Unit and the common areas and facilities (hereinafter in this paragraph sometimes collectively referred to as "commons") shall be occupied and used in accordance with the Declaration, these By-Laws, and the Rules and Regulations of the Association, including the following:

(a) Unless the Association shall otherwise permit, as provided in Article IX below, no Unit Owner shall occupy or use his Unit or permit the same or any part thereof to be occupied or used for any purpose other than as a private residence for the owner, the owner's family, the owner's tenants or the owner's guests.

(b) Obstructions. There shall be no obstruction of the common areas

and facilities or limited common areas, and nothing shall be stored in those areas without prior consent of the Association.

(c) Increase of Insurance Rates. Nothing shall be done or kept in any Unit or in the commons which would increase the rate of the insurance on the commons, without the prior consent of the Association. No Unit Owner shall permit anything to be done or kept in his Unit or in the commons which will result in the cancellation of insurance on any Unit or any part of the commons, or which would be in violation of any law or ordinance. No waste will be committed in the commons.

(d) Signs. No sign of any kind shall be displayed to the public view on or from any Unit or the commons without the prior consent of the Association, except that Unit Owners wishing to rent or sell their Units may exhibit signs so indicating.

(e) Satellite Dish Receivers. Unit Owners may install, with the approval of the Association, in the Common Area adjacent to their Units, or in Common Area in close proximity to their Units, satellite dish receivers not to exceed 18 inches in width.

(f) Noxious Activities. No noxious or offensive activity shall be carried on in any Units or in the commons, nor shall anything be done therein which may be or become an annoyance or nuisance to others.

(g) Alteration, Construction or Removal. Nothing shall be altered or constructed in or removed from the common areas and facilities, except upon the written consent of the Association.

(h) Animals. House pets shall be permitted, but shall be kept within the Units; Owners may take pets outside, but Owner shall accompany the pet which shall be on a leash or similar restraint.

(i) 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.

6.2 Maintenance and Repairs of Units. Every Unit Owner must

perform properly or cause to be performed all maintenance and repair work within his own Unit which if omitted would affect the project in its entirety or a portion belonging to other owners, and such owner shall be personally liable to the Association for any damages caused by his failure to do so.

6.3 Amendment and Adoption of Additional Rules and Regulations. The Board may from time to time adopt additional rules and regulations governing the operation, maintenance, beautification and use of the common areas and facilities, the limited common areas, and the Units, not inconsistent with the terms of the Declarations and easements referred to in the Declaration, and the Association's members shall conform to and abide by all such rules and regulations. A violation of any of such rules and regulations shall constitute a violation of the Declaration.

ARTICLE VII

General

7.1 Fiscal Year. The fiscal year of the Association shall begin on the 1st day of January, in each year.

7.2 Notice to Mortgage Lenders. Upon written request to the Association, the holder of a recorded mortgage against any Unit shall be given a copy of any and all notices permitted or required by the Declaration to be given to the Unit Owner whose Unit is subject to such mortgage.

7.3 Service of Notice to Devisees and Personal Representatives. Notices required or to be given to any devisee or personal representatives of a deceased Unit Owner may be delivered either personally or by mail to such part to his or its address appearing in the records of the court wherein the estate of such deceased Unit Owner is being administered.

7.4 Covenants to Run with the Land. Each grantee (purchaser of a Unit), of the Declarant by acceptance of a deed of conveyance, or each purchaser under a Land Contract, or any contract for any deed of conveyance, accepts the same subject to all restrictions, conditions, covenants, reservations, liens and charges, and the jurisdiction, rights, benefits and privileges of every character hereby granted, created, reserved or declared, and all impositions and obligations hereby imposed shall be

deemed and taken to be covenants running with the land, and shall bind any person having at any time any interest or estate in said land or any Unit therein, and shall inure to the benefit of such Unit Owner in like manner as though the provisions of his Declaration were recited at length in each and every deed of conveyance or instrument of title.

7.5 Non-Waiver of Covenants. No covenants, restrictions, conditions, obligations or provisions contained in the Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur or any time lapse.

7.6 Waiver of Damages. Neither the Declarant or his agents, representatives or employees shall be liable for any claim whatsoever arising out of or by reason of any actions performed pursuant to any authority reserved, granted or delegated to him, or pursuant to, this Declaration, or in the Declarant's capacity as developer, owner, manager or seller of the project whether or not such claim (a) shall be asserted by a Unit Owner, Unit Occupant, Unit Mortgagee, the Association, or by any person or entity claiming through any of them; or (b) shall be on account of injury to person or damage to or loss of property, wherever located and however caused.

ARTICLE VIII

Amendments

8.1 By Members. These By-Laws may be altered, amended or repealed and new By-Laws may be adopted by the members, at a meeting called for such purposes, by an affirmative vote of two-thirds (2/3) of all of the votes entitled to be cast.

8.2 By Directors. These By-Laws may also be altered, amended or repealed and new By-Laws may be adopted by the Board of Directors, by an affirmative vote of the majority of the directors present at any meeting at which a quorum is in attendance. No By-Law adopted by the members of the Association shall be amended or repealed by the Board of Directors if the By-Laws so adopted so provided.

8.3 Rights of Declarant. No amendment of these By-Laws shall alter

or abrogate the rights of the Declarant as contained in these By-Laws.

ARTICLE IX

Covenants and Restrictions as to Use and Occupancy

9.1 Use of Premises. All Units in the Association shall be used exclusively for residential purposes.

9.2 Use of Common Areas. Each Unit Owner shall have the right to use the Common Areas in common with all other Unit Owners for the purposes of ingress and egress to and use, occupancy and enjoyment of his Unit and Common Areas, which right shall extend to the Unit Owner, the members of his immediate family, and his guests. Provided, however, such use shall be subject to and be governed by the Declaration, By-Laws, contracts, and documents, to the end that the Association may be kept in an uncluttered and attractive condition consistent with an attractive residential complex.

ARTICLE X

Miscellaneous

10.1 Record of Ownership. Every Unit Owner shall promptly cause to be duly recorded or filed of record the deed, assignment or other conveyance to him of such Unit or other evidence of his title thereto, and shall file such document with and present such other evidence of his title to the Board of Directors, and the Secretary shall maintain all such information in the record of ownership of the Association.

10.2 Mortgages. Any Unit Owner who mortgages his Unit or any interest therein shall notify the Board of Directors of the name and address of his mortgagees, and also of any release of such mortgage, and the Secretary shall maintain all such information in the record of ownership of the Association. The Board of Directors at the request of any mortgagee or 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.

10.3 Indemnity of Officers and Directors. Every person who is or was a director or an 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 attorney's fees) asserted against, incurred by or imposed upon him in connection with or resulting from any claim, action, suit or proceeding, including criminal proceedings, to which he is made or threatened to be made a party by reason of his being or having been such director or officer, except as to matters as to which he 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 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 capacity as such employee. The foregoing right of indemnification shall be in addition to all rights to which officers, directors or employers 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 in this Article IX contained 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 by him under and by virtue of the Declaration, Wisconsin's Condominium Ownership Act, and By-Laws of the Association, as a member of the Association, or owner of a condominium unit covered thereby.

10.4 Subordination. These By-Laws are subordinate and subject to all provisions of the Declaration and any amendments thereto and the Wisconsin Condominium Ownership Act, 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 Wisconsin

Condominium Ownership Act.

10.5 Interpretation. In the case any provision of these By-Laws shall be held invalid, such invalidity shall not render invalid any other provision of these By-Laws invalid. Nothing in these By-Laws 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 Owners.

10.6 Mailing Address. The mailing address of the Association shall be: 15633 W. Swede Alley, Birchwood, Wisconsin, 54817-4031.

ARTICLE XI

Assessments for Common Expenses

11.1 Covenant to Pay Assessments. In accordance with the Statutory liability created, the owner of each Unit by the acceptance of a deed thereof, whether or not it be so expressed in the deed, shall be conclusively deemed to have covenanted and agreed with every other Unit Owner and with the Association to personally and individually pay to the Association all assessments, general or special, in accordance with the provisions of the Declaration and the By-Laws.

11.2 Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the residents in the Association, to provide for the repair, maintenance and improvements of the Common Areas of the Association, to provide for such emergency repairs as the Association may deem necessary, and to maintain a reserve fund for the purposes authorized by his Declaration.

11.3 Annual Project Budget. Each year, on or before June 15, the Association shall prepare a budget in the manner provided in the By-Laws. Each Unit Owner's monthly assessment for the ensuing year shall be based upon such budget. In addition to the normal operating expenses, the budget may provide for reserves, working capital and other sums deemed reasonably necessary by the Association for the proper conduct of the affairs of the Association and for the protection of the Common Areas, Buildings and Units thereof.

11.4 Failure to Prepare Annual Budget. The failure or delay of the Association to prepare the Annual Budget, or notify any Unit Owner of his assessment, shall not constitute a waiver or release of such Unit Owner's obligation to pay his proportionate share of the Common expenses, necessary reserves, working capital and emergency requirements as herein provided, whenever the same shall be determined; and, to that end each Unit Owner shall continue to pay his assessment at the then existing rate established for the previous year until the new assessment shall have been mailed or delivered to the Unit Owner.

11.5 Initial Monthly Assessments for Common Expenses. Until 75% of the Units are conveyed or three (3) years from the date of the Declaration of Edgewater Cabin Association Condominium the monthly assessment shall be fixed by the Association in the manner provided in the By-Laws.

11.6 Special Assessments. In addition to the regular monthly assessment, the Association may levy, once in any calendar year only, for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of capital improvements of the Common Areas and Limited Common Areas, including fixtures and personal property related thereto. All of such special assessments shall be made only in the manner provided in these By-Laws. Any special assessments made shall be used only for the purpose for which the same were levied.

11.7 Uniform Rate Assessment. The monthly assessments and any special assessments shall be levied at uniform rate for each 1/7 fractional interest.

11.8 Lien for Assessments.

A. Priority. All sums assessed to any Unit Owner pursuant to this article, together with interest thereon at the maximum rate provided by law, shall be secured by a lien on such Unit in favor of the Association without the necessity of filing such lien. This section shall constitute sufficient notice of such lien to all successors in title of the Units. Such lien shall be superior to all other liens and encumbrances on such Unit, except only for:

1. Liens of general and special taxes;

2. Liens of first mortgage recorded prior to the making of the assessment.

3. Construction liens filed prior to the making of the assessment.

All other liens on any Unit created after the date of the recording of the Declaration shall be inferior in priority to liens of the Association for any assessments whether or not so specifically set forth in the instruments creating such liens.

B. Record of Lien. The existence of any lien for unpaid Association assessments shall be established by the assessment records of the Association kept on file in the Office of the Association. The Association shall have the right, in its discretion, to file a written notice of lien in the Office of the Register of Deeds for Sawyer County, Wisconsin, but no such notice of liens shall be so recorded until there is a delinquency in payment of the assessment.

11.9 Remedies for Failure to Pay Assessments. If any Unit Owner shall default in the payment of any assessment levied by the Association, as provided in the Declaration and these By-Laws, the Association shall have authority for and on behalf of itself and as the representative of all Unit Owners to exercise and enforce any and all rights and remedies which may be provided in the Declaration, the By-Laws, or be otherwise available at law or in equity, legal interest for the collection of all such unpaid Association assessments, together with the costs and reasonable attorney fees. In addition, if an owner is in default in the payment of such assessments for thirty (30) days, the Board may bring suit for and in behalf of itself and as representative of all Unit Owners, to enforce collection thereof or to foreclose the lien therefore as in the case of foreclosure of a mortgage against real estate, and there shall be added to the amount due, together with legal interest, costs, and reasonable attorneys fees to be fixed by the court.

11.10 Remedy of Lienor. Any Lienor holding a lien on a Unit may pay any unpaid assessments with respect to such Unit and upon such payment such lienor shall have a lien on such Unit for the amounts paid at the same priority as his lien.

11.11 Rental During Foreclosure. In the event of the foreclosure of a lien for any unpaid assessment, the Unit Owner, who is the Defendant in such proceedings, shall be required to pay a reasonable rental for such Unit during such foreclosure.

11.12 Avoidance of Assessments. No Unit Owner may exempt himself from liability for his contribution towards the Common expenses or the payments of any assessments by waiver of the use and enjoyment of any of the Common Areas or by the abandonment of his Unit.

ARTICLE XII

Remedies for Breach of Covenants, Restrictions and Regulations

12.1 Abatement and Enjoyment. The violation of any rule restriction, condition or regulation adopted by the Association, or the breach or default of any covenant, By-Laws or provisions contained in his Declaration or contained in the Act, shall give the Association the right, in addition to the rights set forth in Article XII in paragraph 12.2, hereof;

A. To enter into the Unit or into or upon the Common Areas or Limited Common Areas whenever or as to which such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition that may exist thereon contrary to the intent and meaning of the provisions of this Declaration and the Declarant or his successors or assigns, or the Association, or its officers and agents, shall not thereby be deemed guilty in any manner of trespass; and

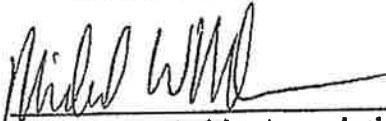
B. To enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any breach.

12.2 Involuntary Sale. If any Unit Owner (either by his own conduct or by the conduct of occupants of his Unit), shall violate or breach any of the covenants, By-Laws, restrictions or provisions of his Declaration or of the Act, or the Rules and Regulations adopted by the Association, and such violation shall continue for thirty (30) days after notice in writing from the Association, or shall occur or shall re-occur more than once thereafter, then the Association shall have the power to issue to the defaulting Unit Owner a thirty (30) day notice in writing to terminate the rights of said defaulting

Unit Owner to continue as a Unit Owner and to continue to occupy, use or control his Unit and thereupon an action in equity may be filed by the Association against the defaulting Unit Owner for a decree of mandatory injunction against the Unit Owner or Unit occupant or in the alternative a decree declaring the termination of the defaulting Unit Owner's right to occupy, use or control the Unit owned by him on account of any such breach, and ordering that all the right, title and interest of the Unit Owner in the project shall be sold at a judicial sale upon such notice and terms as the court shall establish; except that the court shall enjoin and restrain the defaulting Unit Owner from re-acquiring his interest as such judicial sale. The proceeds of any such judicial sale shall first be paid to discharge the lien of any then existing mortgage, court costs, reasonable attorney's fees, and all other expenses of the proceeding and sale, and all such items shall be taxed against the defaulting Unit Owner in said decree. Any balance of proceeds after satisfaction of such charges and any unpaid assessments hereunder or any liens, shall be paid to the Unit Owner. Upon the confirmation of such sale, the purchaser shall thereupon be entitled to a deed of the Unit, to immediate possession of the Unit sold and may apply to the court for a writ of assistance for the purpose of acquiring such possession and it shall be a condition of any such sale, and the decree shall so provide, that the purchaser shall take the interest in the Project Unit subject to the Act, his Declaration, the By-Laws, and the Rules and Regulations, and the purchaser shall thereupon become a member of the Association in the place and stead of the defaulting Unit Owner.

IN WITNESS WHEREOF, the Declarant has caused these By-Laws to be executed this 16th day of April, 2008.

EDGEWATER CABIN ASSOCIATION CONDOMINIUM



Edgewater Cabin Association, Declarant, By:
Michael W. Nelson



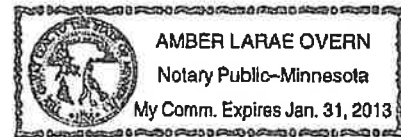
The First National Bank of LeCenter Kilkenny, By:
Brad O'Keefe

ACKNOWLEDGMENT

STATE OF MINNESOTA)
COUNTY OF LeSueur) SS.

Personally came before me this 16th day of April, 2008, Michael W. Nelson and Brad O'Keefe to me known to be the persons who executed the foregoing By-Laws and acknowledged the same.

Amber L Overn



THIS DOCUMENT DRAFTED BY;
Gordon K. Morris, Attorney at Law
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Bruce, WI 54819
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