

**BYLAWS  
OF  
THE FORTITUDE  
CONDOMINIUM OWNERS ASSOCIATION, INC.**

The following Bylaws are accepted by The Fortitude Condominium Owners Association, Inc. (the “Association”) as of the \_\_\_\_ day of July, 2018.

All defined terms used herein but not otherwise defined herein shall have the same meaning ascribed to them in the Declaration of Condominium for The Fortitude Condominium (the “Declaration”) as recorded in the Milwaukee County Register of Deeds Office.

**Article I.  
Purposes and Operation**

**Section 1. Purposes.** The Association is organized and shall be operated for the following purposes:

(a) to serve as an association of Unit Owners in The Fortitude Condominium (the “Condominium”) under Chapter 703 of the Wisconsin Statutes, also known as the Wisconsin Condominium Ownership Act (the “Act”);

(b) to serve as a means through which the Unit Owners may collectively and efficiently administer, manage, operate and control the Condominium in accordance with the Act and the Declaration;

(c) to engage in any lawful activity included in and permitted under the Act, the Declaration and the purposes for which a nonstock, nonprofit corporation may be organized under Chapter 181 of the Wisconsin Statutes (“Chapter 181”); and

(d) unless otherwise agreed by all members of the Board of Directors, to exist, for the limited purposes of creating Units that may be separately owned, transferred and established as separate tax parcels, and of administering certain insurance obligations and establishing certain easements and other rights and restrictions that are expressly provided for in the Declaration and these Bylaws.

**Section 2. Small Condominium.** The Condominium shall operate as a small condominium pursuant to Section 703.365 of the Act and as further defined in the Declaration.

**Article II.  
Offices**

**Section 1. Principal Office.** The initial principal office of the Association shall be located at Royal Capital Group, LLC, 710 North Plankinton Avenue, Suite 300, Milwaukee, WI 53203. The Association may have such other offices, either within or without the State of Wisconsin, as the Board of Directors may designate from time to time.

**Section 2. Registered Office.** The initial registered office shall be the same as the principal office.

**Article III.  
Board of Directors**

**Section 1. General Powers.** The management, operation and duties of the Association are hereby delegated to its Board of Directors pursuant to Section 703.365(3)(a) of the Act. The Board of Directors may elect to retain a manager to carry out some of these duties at the direction of the Board of Directors (“Manager”).

**Section 2. Number.** The Board of Directors shall be composed of two representative from each Unit appointed by the Unit Owner of that Unit, and, for the purposes of these Bylaws, the Directors shall sometimes be referred to as follows: (a) the Directors appointed by the Unit Owner of Unit 100 shall sometimes be referred to as the “Unit 100 Directors;” and (b) the Directors appointed by the Unit Owner of Unit 200 shall sometimes be referred to as the “Unit 200 Directors.” A Director must be a Unit Owner or, if a Unit Owner is not a natural person, a shareholder, partner, member, officer, director, trustee, agent, or employee of such Unit Owner.

**Section 3. Term of Office.** As long as a Unit Owner who is a natural person is a Unit Owner, then that person shall be a Director. As long as the Unit Owner who appointed a Director is a Unit Owner, the representative shall be a member of the Board of Directors, unless removed by such Unit Owner in accordance with the Act and Chapter 181. In the event that a Unit Owner removes the Director it previously appointed, it shall immediately replace such Director by appointing in writing another representative to act as a Director and shall provide notice of such removal and replacement to the other Directors.

**Section 4. Powers and Duties.** The Condominium has been established for the limited purposes of creating Units that may be separately owned, transferred and established as separate tax parcels, and to administer certain insurance obligations and establish certain easements and other rights and restrictions that are expressly provided for in the Declaration and these Bylaws. Unless otherwise agreed by all members of the Board of Directors, the Association shall have only those powers enumerated in the Act that are reasonably necessary to effect the foregoing limited purpose of the Condominium or to effect such other matters that are expressly provided for in the Declaration and these Bylaws.

**Section 5. Meetings.** Meetings of the Association shall be held as required by the Act or as agreed upon by the Unit Owners. Except as otherwise set forth in Section 8 and Section 11 of this Article, meetings shall be held at any reasonable time or place, within the City of Milwaukee, State of Wisconsin, as determined by the Board or Directors or at the Principal Office of the Association.

**Section 6. Incapacity or Death of a Director.** If a Director who is a natural person and an actual Unit Owner is incapacitated to the extent that person is unable to perform its duties as a Director or if such a Director dies during its term as a Director, then a court of competent

jurisdiction shall select the Director's successor-in-interest. If a Director is a natural person appointed by a Unit Owner and is incapacitated to the extent that person is unable to perform its duties as a Director or if such a Director dies during its term as a Director, then such Unit Owner shall remove the Director in accordance with the Act and Chapter 181 and shall immediately appoint a new Director and provide written notice thereof to the Association, provided such Unit Owner is able to act despite the incapacity or death of such Director. If a Unit Owner that is not a natural person is unable to act due to the death or incapacity of a Director, then a court of competent jurisdiction shall select the Director's successor-in-interest.

**Section 7. Notice.** Notice of any meetings held by the Association shall be given and deemed delivered, as applicable, pursuant to and in accordance with the Act. The attendance of a Director at a meeting shall constitute a waiver of notice of such meeting except where a Director attends a meeting and objects thereafter to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting.

**Section 8. Telephone Meetings.** The Board of Directors may conduct its meetings by means of a conference telephone or similar communication equipment if all persons participating in such meeting can hear and talk to each other at the same time. Such participation shall constitute presence in person at any such meeting.

**Section 9. Quorum.** One Unit 100 Director and one Unit 200 Director shall together constitute a quorum for the transaction of business at any meeting of the Board of Directors.

**Section 10. Manner of Acting.** The vote of the Unit 100 Director(s) and Unit 200 Director(s) shall constitute the decision of the Board of Directors.

**Section 11. Action Without Meeting.** Any action by the Board of Directors required or permitted to be taken at a meeting may be taken without a meeting if at least one Unit 100 Director and one Unit 200 Director consent in writing to such action. Any such written consent shall be filed with the minutes of the proceedings of the meetings of the Association.

**Section 12. Conduct of Meetings.** The minutes of all meetings shall be held in a minute book maintained for the Association by the Secretary. The then current Robert's Rules of Order, or any other rules of procedure approved by the Board of Directors, shall govern the conduct of all meetings when not in conflict with these Bylaws, the Declaration or the Act.

#### **Article IV. Officers**

**Section 1. Appointment of Officers.** The Association shall have such Officers as may be required pursuant to the Condominium Documents or the Act, by unanimous consent of the Board of Directors. Any Officers of the Association previously appointed shall continue to serve until the next meeting of the Association at which Officers are appointed, or until such Officers are removed and replaced by unanimous consent of the Board of Directors, unless any

such Officer shall sooner resign. All such Officers shall be appointed, and may be removed and replaced with or without cause, by the unanimous consent of the Board of Directors. All officers shall be Unit Owners or shareholders, partners, members, officers, directors, trustees, agents, or employees of Unit Owners who are not natural persons.

**Section 2. Salaries.** Officers shall serve without compensation.

## **Article V. Indemnification**

**Section 1. Definitions Relating to Indemnification.** For the purposes of this Article V, the following terms shall have the meanings ascribed to them in this Section:

(a) “Director” or “Officer” shall mean any of the following:

(i) a natural person who is or was a Director or Officer of the Association;

(ii) unless the context requires otherwise, the estate or personal representative of a Director or Officer.

(b) “Expenses” shall include fees, costs, charges, disbursements, attorney fees and any other expenses incurred in connection with a proceeding.

(c) “Liability” shall include the obligation to pay a judgment, settlement, penalty, assessment, forfeiture or fine, including any excise tax assessed with respect to an employee benefit plan, and reasonable expenses.

(d) “Party” shall mean a natural person who was or is, or who is threatened to be made, a named defendant or respondent in a proceeding.

(e) “Proceeding” shall mean any threatened, pending or completed civil, criminal, administrative or investigative action, suit, arbitration or other proceeding, whether formal or informal, that involves foreign, federal, state or local law and that is brought by or in the right of the Association or by any other person.

**Section 2. Indemnification of Directors and Officers.** Every Director and Officer of the Association shall be indemnified by the Association against all expenses and liabilities, including attorneys’ fees reasonably incurred by or imposed upon such Director or Officer in connection with any proceedings or any settlement thereof, to which such Director or Officer may be a party, or in which such Director or Officer may become involved by reason of such Director or Officer being or having been a Director or Officer of the Association, whether or not such Director or Officer is a Director or Officer at the time such expenses are incurred, except in such cases wherein the Director or Officer is adjudged guilty of willful misfeasance or malfeasance in the performance of such Director’s or Officer’s duties; provided that in the event of a settlement, the indemnification herein shall apply only when the Board of Directors

approves such settlement and reimbursement as being in the best interests of the Association. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such Director or Officers may be entitled.

**Section 3. Right to Indemnification.** The assumption by a person of a term of office as a Director or Officer of the Association shall entitle that person during such term of office or service to all of the rights and privileges of indemnification afforded by this Article V, but such right shall not prevent, and shall be subject to modification by, amendment of this Article V at any time prior to receipt by the Association of actual notice of a claim giving rise to any such person's entitlement to indemnification hereunder.

**Section 4. Insurance.** The Association shall have power to purchase and maintain insurance on behalf of any person who is or was a Director or Officer of the Association against any liability asserted against it and incurred by it in any such capacity or arising out of its status as such, regardless of whether the Association would have the power to indemnify it against such liability under the provisions of this Article V or Chapter 181.

**Section 9. Effect of Invalidity.** The invalidity or unenforceability of any provision of this Article V shall not affect the validity or enforceability of any other provision of this Article V or of these Bylaws.

## **Article VI. Assessments**

**Section 1. Fiscal Year.** The fiscal year of the Association shall commence on January 1 of each year (except that the first fiscal year shall commence upon the recording of the Declaration) and terminate on December 31 of such year unless otherwise determined by the Board of Directors.

**Section 2. Budget.** Each year, the Board of Directors shall adopt a budget at least thirty (30) days before the beginning of the new fiscal year. The annual budget shall provide for the payment of all Common Expenses, as such term is defined in the Declaration.

**Section 3. General Assessments.** Each Unit shall receive a notice of annual Assessment promptly after the final budget is prepared. The final budget will show the amount assessed to the particular Unit, how that amount was determined and that one-twelfth (1/12th) of the amount of the Assessment is due on the first day of each month of the year. The amount due on the first day of each month shall be paid by the Unit Owner to the Association or the Manager; provided, however, any Unit Owner may elect to pay its entire annual Assessment in one lump sum payment. Within ninety (90) days after the end of each fiscal year, the Board of Directors shall supply to all Unit Owners an itemized accounting of the expenses incurred and paid by the Association for such fiscal year, together with a tabulation of the amounts collected pursuant to the budget adopted by the Board of Directors for such fiscal year.

**Section 4. Special Assessments.** Special Assessments shall be approved, levied and collected as set forth in the Declaration.

**Section 5. Penalty and Default in Payment.** If any payment for any General Assessment or Special Assessment is not received by the Association within thirty (30) days after the date such payment is due, a late payment penalty equal to Fifty Dollars (\$50.00) shall be assessed against the Unit; and if any payment for any General Assessment or Special Assessment is not received by the Association within forty-five (45) days after the date such payment is due, a late payment penalty equal to One Hundred Dollars (\$100.00) shall be assessed against the Unit for each thirty (30) day period the payment is late. In addition, the Board of Directors shall have the right and duty to attempt to recover such Assessments, together with interest thereon and penalties, and the expenses of the proceedings, including attorneys' fees, in an action brought against such Unit Owner, and/or by foreclosure of the lien on such Unit granted by Section 703.16 of the Act. A suit to recover a money judgment for any unpaid Assessment(s) shall be maintainable without foreclosing or waiving the lien securing the same. In the event an arbitration proceeding is brought by a Unit Owner in regards to a claim against the other Unit Owner's for a failure to pay one or more assessments on which the arbitrator directs the Association to record and enforce a statement of condominium lien against the defaulting Unit Owner's Unit and the Association fails to so act, regardless of the reason for such failure to so act, the non-defaulting Unit Owner shall have the right, unilaterally, to cause the Association to record and enforce a statement of condominium lien against the defaulting Unit Owner's Unit. The non-defaulting may effectuate its foregoing rights and cause the Association to so act by unilaterally executing a resolution of the Association, directing the foregoing action in lieu of a meeting.

**Section 6. Books and Accounts.** An officer designated by the Board to act as treasurer shall keep the books and accounts of the Association in accordance with generally accepted accounting practices. The books and accounts of the Association shall be available for examination by the Unit Owners and contract purchasers, and/or their duly authorized agents or attorneys, and to the holder of any Mortgage, and/or its duly authorized agents or attorneys, during normal business hours.

## **Article VIII. Insurance**

**Section 1. Generally.** The Board shall obtain and maintain, in a reasonable amount, such insurance coverages as required from time to time by the Act and the Condominium Documents.

## **Article IX. Compliance and Default**

**Section 1. Unit Owners.** All Unit Owners shall be governed by and shall comply with the provisions of the Act and the Condominium Documents, as any of the same may be amended from time to time. A default by a Unit Owner shall entitle the Association or an aggrieved Unit Owner to the relief as provided in this Article IX.

**Section 2. Waiver.** No restriction, condition, obligation or provision contained in these Bylaws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches thereof that may occur.

## **Article X. Amendments**

**Section 1. Amendments.** These Bylaws may be altered, amended or repealed and new Bylaws adopted by the Board of Directors, at a meeting called for such purpose, by an affirmative vote of all of the Directors. The amendment shall be effective when it is duly adopted and notice of such amendment is delivered to the Unit Owners.

**Section 2. Notices.** All notices required under these Bylaws shall be in writing and shall be deemed to have been duly given upon delivery if delivered personally or upon mailing if sent by United States mail, first-class postage prepaid or otherwise as the Act may require or permit at the following:

- (a) if to the Unit Owner, at the address of the Unit owned by such Unit Owner or at such other address as the Unit Owner has provided to the Board; and
- (b) if to the Association or its Manager, at the registered office of the Association.

## **Article XI. Miscellaneous**

**Section 1. Invalidity.** The invalidity or unenforceability of any portion of these Bylaws shall not affect the validity or enforceability of any other provision of these Bylaws.

**Section 2. Captions.** The captions and headings of various paragraphs and sections of these Bylaws are for convenience only and are not to be construed as defining or limiting the scope or intent of the provisions thereof.

**Section 3. Internal Revenue Code.** Notwithstanding anything herein contained to the contrary, no action shall be required or permitted to be taken under these Bylaws or by the officers or Directors of this Association that would not be permitted to be taken by an organization described in Section 528 of the Internal Revenue Code of 1986, as amended.

**Section 4. Number and Gender.** Whenever used herein, the singular number shall include the plural, the plural the singular and use of any gender shall include all genders.

**Section 5. Defined Terms.** Terms defined in the Declaration shall have the same meaning herein unless the context clearly indicates to the contrary.

IN WITNESS WHEREOF, the Association has caused these Bylaws to be executed this \_\_\_\_\_ day of July, 2018.

**THE FORTITUDE CONDOMINIUM  
OWNERS ASSOCIATION, INC.**

By: \_\_\_\_\_  
Kevin Newell, Board Member

By: \_\_\_\_\_  
Melissa Goins, Board Member