

**BYLAWS
OF
BAY RIDGE UPPER TIER COMMON INTEREST COMMUNITY ASSOCIATION**

**Article I
Plan of Unit Ownership**

Section 1.1. **Applicability.** These Bylaws provide for the governance of the Bay Ridge Upper Tier Common Interest Community (the "Condominium") located in Shelburne, Vermont, and being more particularly described in the Bay Ridge Upper Tier Common Interest Community Condominium Declaration, as amended from time to time and of record in the Town of Shelburne Land Records (the "Declaration").

Section 1.2. **Compliance.** Every Unit Owner shall comply with these Bylaws.

Section 1.3. **Office.** The office of the Condominium, the Association, and the Board of Directors shall be located at the Condominium Property located at 3164 Shelburne Road, in the Town of Shelburne and State of Vermont, or at such other place as may be designated from time to time by the Board of Directors.

Section 1.4. **Definitions.** Each capitalized term used herein without definition shall have the meanings specified in the Declaration, as it may be amended from time to time, or as provided in the Vermont Common Interest Ownership Act (the "Act").

**Article II
Association**

Section 2.1. **Composition.** The Bay Ridge Upper Tier Condominium Association (the "Association") shall consist of all Unit Owners acting as a group. Each Unit Owner shall have one membership in the Association (the "Member").

The Association shall have the responsibility for administering the Condominium, establishing the means and methods of collecting Assessments for Common Expenses, arranging for the management of the Condominium, and performing all of the other acts that may be required or permitted to be performed by the Association pursuant to the Act and/or Declaration. Except as to those matters which the Act specifically requires to be performed by the vote of the Members of the Association, the foregoing shall be performed by the Board of Directors or its designee.

Section 2.2. **Annual Meetings.** An annual meeting of the Association shall be held each year at a time to be determined by the Board of Directors. At such annual meetings the Board of Directors for the next year shall be elected. If, in any year, an annual meeting is not held, a special meeting may be held in lieu thereof, and any elections or business transacted in an annual meeting may be transacted at the special meeting.

Section 2.3. Special Meetings. A special meeting of Unit Owners shall be held to address any matter affecting the Condominium or the Association if the President, a majority of the Board of Directors or Unit Owners having at least fifty percent (50%) of the votes in the Association request that the Secretary call the meeting. If the Association does not notify Unit Owners of a special meeting within thirty (30) days after the requisite percentage of Unit Owners request the Secretary to do so, the requesting Unit Owners may directly notify all Unit Owners of the meeting. Only matters described in the meeting notice may be considered at the special meeting.

Section 2.4. Place of Meetings. Meetings of the Association shall be held at the principal office of the Association or at such other suitable place convenient to the Unit Owners as may be designated by the Board of Directors.

Section 2.5. Notice of Meetings.

- (a) The Secretary shall deliver to each Unit Owner a notice of the place, date, hour and purpose or purposes of each annual and special meeting of the Unit Owners. The notice must state the items on the agenda, including a statement of the general nature of any proposed amendment to the Declaration or the By-Laws, any budget changes, or any proposal to remove an officer of a member of the Board of Directors. The notice shall be delivered not less than ten (10) days nor more than sixty (60) days before the date of such meeting, provided that the minimum time to give notice may be reduced or waived for a meeting called in the event of an emergency.
- (b) Any Unit Owner may at any time, in writing, waive notice of any meeting of the Association, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Unit Owner at any meeting of the Association without objection to the notice of the meeting shall constitute a waiver of notice by him or her of the time, place and purpose of such meeting.

Section 2.6. Adjournment of Meetings. If at any meeting of the Association a quorum is not present, Unit Owners having a majority of the votes who are present at such meeting in person or by proxy may adjourn the meeting to a time not less than 48 hours after the time the original meeting was called.

Section 2.7. Voting. Unit Owners shall be entitled to vote on Association matters as provided in the Declaration and the Act. The number of votes associated with a Unit are as assigned in the Declaration. The person entitled to vote on behalf of a Unit Owner shall be known as the "Voting Member" of a Unit and shall be designated in a writing signed the Unit Owner and delivered to the Association.

Section 2.8. Quorum of the Members. The presence of the Voting Member of each Unit Owner at a meeting of the Association shall be necessary to constitute a quorum.

Section 2.9. Conduct of Meetings. The President shall preside over all meetings of the Association. The Secretary shall keep the minutes of the meetings and shall record in a minute book all resolutions adopted at the meetings as well as keep a record of all transactions occurring at the meetings. Meetings of Unit Owners may be conducted by telephonic, video or other conferencing process if (i) the meeting notice states the conferencing process to be used and provides information explaining how Unit Owners may participate in the conference directly or by meeting at a central location or conference connection, and (ii) the process provides all Unit Owners the opportunity to hear or perceive the discussion and to comment.

Section 2.10. Action Without Meeting. Any action by the Unit Owners required or permitted to be taken at any meeting may be taken without a meeting if all of the Unit Owners entitled to vote on such matter(s) shall individually or collectively consent in writing to such action. Any such written consent shall be filed with the minutes of the proceedings of the Unit Owners.

Article III **Board of Directors**

Section 3.1. Number and Qualifications. The affairs of the Association shall be governed by a Board of Directors. The Board of Directors shall be composed of three (3) persons, two (2) appointed by the Unit Owner of Unit 1 and one (1) appointed by the Unit Owner of Unit 2. Each Director shall serve at the pleasure of the Unit Owner appointing such Director and shall serve until such time as a Unit Owner appoints a replacement Director.

Section 3.2. Powers and Duties. The Board of Directors shall have all of the powers and duties necessary for the administration of the affairs of the Association and may do all such acts and things as are not prohibited by the Act, including the following:

- (a) Prepare an annual budget, in which there shall be established the Assessment for each Unit for the Common Expenses of the Condominium (the "Common Expenses"). Except as otherwise provided in the Declaration, assessments will be charged to the Owners of each Unit according to the Unit's Allocated Interest in the Common Elements and Common Expenses.
- (b) Make Assessments against Unit Owners to defray the Common Expenses of the Condominium, establish the means and methods of collecting such Assessments from the Unit Owners including reasonable discounts, late fees, interest, penalties, and other costs of the collection, including attorneys' fees, and establish the period of the installment payment of the Assessment for Common Expenses. Unless otherwise determined by the Board of Directors, the Assessments against each Unit Owner for each Unit Owner's proportionate share of the Common Expenses shall be payable in equal quarterly installments, each such installment to be due and payable in advance on the first day of January, April, July, and October, or such other quarterly schedule as may be determined by the Board of Directors.

- (c) Provide for the operation, care, upkeep and maintenance of all of the Common Elements and services for the Condominium.
- (d) Designate, hire and dismiss the personnel necessary for the maintenance, operation, repair and replacement of the Common Elements, provide services for the Common Elements and, where appropriate, provide for the compensation of such personnel and for the purchase of equipment, supplies and materials to be used by such personnel in the performance of their duties (which supplies, equipment and materials shall be deemed part of the Property).
- (e) Collect the Assessments against the Unit Owners, deposit the proceeds thereof in bank depositories designated by the Board of Directors, and use the proceeds to carry out the administration of the Property.
- (f) Make and amend the Rules and Regulations applicable to Unit Owners and occupants of Units.
- (g) Open bank accounts on behalf of the Association and designate the signatories thereon.
- (h) Make, or contract for the making of, repairs, additions and improvements to or alterations of the Common Elements, and for repairs to and restoration of the Common Elements, in accordance with these Bylaws, after damage or destruction by fire or other casualty or as a result of condemnation or eminent domain proceedings.
- (i) Enforce by legal means the provisions of the Declaration, these Bylaws and the Rules and Regulations and act on behalf of the Unit Owners with respect to all matters as provided for in the Declaration, Bylaws, and law.
- (j) Obtain and carry fidelity insurance and insurance against casualties and liabilities, as provided in the Declaration and these Bylaws, pay the premiums therefor and adjust and settle any claim thereunder.
- (k) Pay the cost of all authorized services rendered to the Association and not billed to Unit Owners of individual Units or otherwise provided for in these Bylaws.
- (l) Keep books and detailed accounts in chronological order of the receipts and expenditures affecting the Common Elements, and the administration of the Association, and any other expenses incurred. Such books and vouchers accrediting the entries thereupon shall be available for examination by the Unit Owners, their duly authorized agents or attorneys, and the holders, insurers, and grantors of first mortgages, during general business hours on working days at the

time and in the manner set and announced by the Board of Directors for the general knowledge of the Unit Owners. All books and records shall be kept in accordance with good accounting practices.

- (m) Borrow money on behalf of the Association when required in connection with any one instance relating to the operation, care, upkeep and maintenance of the Association; *provided however*, that the consent of both Unit Owners, obtained at a meeting duly called and held for such purpose in accordance with the provisions of these Bylaws, shall be required to borrow any sum which would cause the total debt of the Association to exceed Five Thousand Dollars (\$5,000.00).
- (n) Do such other things and acts not inconsistent with the Act, the Declaration or these Bylaws which the Board of Directors may be authorized to do by a resolution of the Association.

Section 3.3. Managing Agent. The Board of Directors may employ for the Condominium a "Managing Agent" at a compensation to be established by the Board of Directors. Any contract established by the Declarant with a "Managing Agent" or similar agreement may be terminated at the option of the Board of Directors after the Declarant surrenders control of the Association on not more than ninety (90) days' notice.

Section 3.4. Organization Meeting. The first meeting of the Association shall be held at such time and place as shall be fixed by the Declarant.

Section 3.5. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority of the Directors, but such a meeting shall be held at least following each meeting of the Association without notice. Notice of regular meetings of the Board of Directors shall be given to each Director, in the manner as from time to time determined by the Board of Directors.

Section 3.6. Special Meetings. Special meetings of the Board of Directors may be called by the President on not less than seven (7) days' written notice to each Director, given by mail, telegraph, facsimile, or hand-delivery, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice on the written request of any Director.

Section 3.7. Waiver of Notice. Any Director may at any time, in writing, waive notice of any meeting of the Board of Directors, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board of Directors shall constitute a waiver of notice by him of the time, place and purpose of such meeting. If all Directors are present at any meeting of the Board of Directors, no notice shall be required and any business may be transacted at such meeting.

Section 3.8. **Quorum; Voting.** A quorum of the Board of Directors is present if all of the Directors are present. At all meetings of the Board of Directors, each Director present shall have one vote. If a quorum is present when a vote is taken, the affirmative vote of a majority of the members of Board of Directors present is the act of the Board of Directors unless a greater vote is required by the Declaration or the Bylaws.

Section 3.9. **Compensation.** No Director shall receive any compensation from the Association for acting as such.

Section 3.10. **Telephone or Video Meetings.** The Board of Directors may meet by telephonic, video or other conferencing process if (i) the meeting notice states the conferencing process to be used and provides information explaining how Board Members may participate in the conference directly or by meeting at a central location or conference connection, and (ii) the process provides all Board Members the opportunity to hear or perceive the discussion and to comment.

Section 3.11. **Action Without Meeting.** Any action by the Board of Directors required or permitted to be taken at any meeting may be taken without a meeting if all of the Members of the Board of Directors shall individually or collectively consent in writing including by e-mail to such action. Any such written consent shall be filed with the minutes of the proceedings of the Board of Directors. After transfer of control of the Association by the Declarant, The Board of Directors may act by unanimous consent authenticated by all Directors only to undertake ministerial actions or to implement actions previously approved at a meeting of the Board of Directors.

Section 3.12. **Liability of the Board of Directors, Officers, Unit Owners, and Association.**

- (a) The officers and Members of the Board of Directors shall not be liable to the Association for any mistake of judgment, negligence or otherwise, except for their own individual willful misconduct or bad faith. The Association shall indemnify and hold harmless each of the officers and Directors from and against all expenses and liabilities to others arising out of claims made against the officers or the Board of Directors on account of their status as officers and Directors unless any such action taken by the officers or Directors shall have been made in bad faith or contrary to the provisions of the Act, the Declaration or these Bylaws.
- (b) Neither the Association nor the Board of Directors shall be liable for any failure of utility or other services to be obtained by the Association or paid for as a Common Expense, or for injury or damage to person or property caused by the elements or by any Unit Owner or any other person, or resulting from electricity, water, snow, or ice which may leak or flow from any portion of the Common Elements, or from any pipe, drain, conduit, appliance, or equipment. The Association shall not be liable to any Unit Owner for loss or damage by theft, or otherwise, of articles which may be stored upon any of the Common Elements. No diminution or abatement of any Assessments, as herein elsewhere provided,

shall be claimed or allowed for inconvenience or discomfort arising from the making of repairs or improvements to the Common Elements or from any action taken by the Association to comply with any law, ordinance or with the order or directive of any municipal or other governmental authority.

Article IV **Officers**

Section 4.1 **Designation.** The principal officers of the Association shall be the President, the Secretary, and the Treasurer, all of whom shall be elected by the Board of Directors. The Board of Directors may appoint an assistant treasurer, an assistant secretary, and such other officers as in its judgment may be necessary. The President shall be a Member of the Board of Directors. A person who is a Member of the Board of Directors may be an officer.

Section 4.2 **Election of Officers.** The officers of the Association shall be elected annually by the Board of Directors at the annual meeting of the Board of Directors and shall hold office at the pleasure of the Board of Directors.

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

Section 4.4 **President.** The President shall be the chief executive officer of the Association, preside at all meetings of the Association and of the Board of Directors, and have all of the general powers and duties which are incident to the office of president generally including, without limitation, the power to appoint committees from among the Unit Owners from time to time as the President may in his or her discretion decide is appropriate to assist in the conduct of the affairs of the Association.

Section 4.5 **Secretary.** The Secretary shall keep the minutes of all meetings of the Association and of the Board of Directors; have charge of such books and papers as the Board of Directors may direct; maintain a register setting forth the place to which all notices to Unit Owners and others shall be delivered; and, in general, perform all the duties incident to the office of secretary.

Section 4.6 **Treasurer.** The Treasurer shall have the responsibility for Association funds and securities and shall be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements, and for the preparation of all required financial data; make disbursements on behalf of the Association upon consent of the Board of Directors and shall be responsible for the deposit of all monies and other valuable effects in the name of the Board of Directors, the Association or the Managing Agent, in such depositories as may from time to time be designated by the Board of Directors; and, in general, perform all the duties

incident to the office of treasurer. All or any of the duties of the Treasurer may be contracted to be performed by the Managing Agent.

Section 4.7. **Compensation of Officers.** No officer who is also a Director shall receive any compensation from the Association for acting as such officer.

Article V

Operation of Condominium

Section 5.1 Determination of Common Expenses and Assessments Against Unit Owners.

- (a) Fiscal Year. The fiscal year of the Association shall be the calendar year unless otherwise determined by the Board of Directors.
- (b) Preparation and Approval of Budget.
 - (i) On or before the first day of November of each year, the Board of Directors shall recommend a budget to the Members. Within thirty (30) days after adoption of any proposed budget for the Condominium, the Board of Directors of the Association shall provide a summary of the budget to all the Members. The Board of Directors shall set a date, not less than ten (10) nor more than thirty (30) days after the date the budget summary is sent to the Members, for a meeting of the Members to ratify the budget. The budget shall be ratified, unless a majority of the Members rejects the budget, whether or not a quorum is present. If the budget is rejected, the budget last ratified by the Members shall be in effect until the Members ratify a budget proposed by the Board of Directors. If the Board of Directors votes to levy a Common Expense assessment not included in the current budget, in an amount greater than fifteen percent (15%) of the current annual operating budget, the Board of Directors shall submit such Common Expense to the Members for notice and ratification in the same manner as a budget under this section.
 - (ii) Such budget shall also include such reasonable amounts as the Board of Directors considers necessary to provide working capital, a general operating reserve and reserves for contingencies and replacements. On or before the next succeeding first day of December, the Board of Directors shall send to each Member a copy of the budget in a reasonably itemized form. Such budget shall constitute the basis for determining each Member's Assessment pursuant to the Declaration.
- (c) Assessment of Common Expenses. The total amount of the estimated funds required from Assessments for the operation of the Condominium set forth in the

budget adopted by the Board of Directors shall be assessed against each Unit Owner in proportion to the percentage undivided interests of each Unit as set forth in the Declaration.

- (d) Special Assessments. The Board of Directors, at any time, may propose a special assessment. A special assessment is effective only if the Board of Directors follows the procedures for ratification of a budget and the Unit Owners do not reject the proposed assessment. Notwithstanding the foregoing, the Board of Directors may determine by a two-thirds (2/3) vote that a special assessment is necessary to respond to an emergency if (i) the special assessment becomes effective immediately in accordance with the terms of the vote, (ii) notice of the emergency assessment is provided promptly to all Unit Owners, and (iii) the Board of Directors spends the funds paid on account of the emergency assessment only for the purposes described in the vote.
- (e) Excess Funds. Any funds collected during any fiscal year in excess of actual expenditures for that fiscal year shall be either applied to succeeding years' expenses or added to the Association's reserve account.
- (f) Reserves. The Board of Directors shall include in the budget and build up and maintain reasonable reserves for working capital, operations, contingencies and replacements as necessary to meet secondary mortgage market requirements. The proportionate interest of any Unit Owner in any replacement reserve shall be appurtenant to the Unit and shall not be separately withdrawn, assigned, or transferred. If the reserve is inadequate for any reason, the Board may levy a further Assessment, payable as the Board determines necessary at any time. The Board will specifically earmark such capital reserve fund for stated capital purposes and keep special assessments in a separate bank account. The Board shall keep documentation of and treat all such funds as capital items on the Association books.
- (g) Working Capital Fund. The Board shall establish a working capital fund which shall be used for the start-up costs of the Condominium, including the purchase of cleaning and maintenance equipment, furniture and fixtures beyond that supplied by the Declarant and any initial insurance fees. Additionally, start-up costs shall include extraordinary expenditures, temporary operating deficits due to seasonable fluctuations, and similar initial expenses.
- (h) Effect of Failure to Prepare or Adopt Budget. The failure or delay of the Board of Directors to prepare or adopt a budget for any fiscal year shall not constitute a waiver or release in any manner of a Unit Owner's obligation to pay his or her allocable share of the Common Expenses as herein provided or as provided in the Declaration whenever the same shall be determined and, in the absence of any annual budget or adjusted budget, each Unit Owner shall continue to pay each

monthly installment at the monthly rate established for the previous fiscal year until notice of the monthly payment which is due.

- (i) Availability of Financial Statements and Project Documents. Upon the receipt of a written request by the Association from a Unit Owner, the Association shall make the most recent regularly prepared income and expense statement of the Association, the current operating budget of the Association and all project-related documents, including the Declaration, Bylaws, Rules and Regulations, books and records of the Association available for inspection during regular business hours at either the Association's office or the office of the Managing Agent.

Section 5.2 Payment of Common Expenses. No Unit Owner may exempt itself from liability for its contribution toward Common Expenses by waiver of the use or enjoyment of any of the Common Elements or by abandonment of his or her Unit. All accounts not paid when due, including interest and costs, and reasonable attorneys' fees, shall be a lien against the Unit Owner's Unit. Prior to or at the time of any conveyance of a Unit by a Unit Owner, all liens and unpaid Assessments shall be paid in full and discharged; provided however that nothing in this section shall be deemed to impair the right of the Board to take action to collect unpaid Assessments as provided in Section 5.3.

Section 5.3 Collection of Assessments. The Board of Directors shall take prompt action to collect any Assessments for Common Expenses due from any Unit Owner which remain unpaid for more than thirty (30) days from the due date for payment thereof. Any Assessment, or installment thereof, not paid within five (5) days after the due date shall accrue a late charge in such reasonable amount as a percentage of the overdue Assessment or installment as the Board of Directors shall establish from time to time. Any Unit Owner who fails to make such payment within such period shall also be assessed the costs incurred by the Association to collect such unpaid Assessments. All such Assessments for Common Expenses, including interest, penalties, attorneys' fees, and costs shall become on the date such Assessments are due, a lien against the Unit so assessed.

Section 5.4 Statements.

- (a) Statements of Common Expenses. Within ten (10) days after a request by a Unit Owner, the Board of Directors shall provide the Unit Owner with a copy of the Declaration, without any plats and plans, the Bylaws, the Rules and Regulations of the Association, if any, and a certificate which discloses the information required by § 4-109 of the Act. The Board of Directors may impose a reasonable fee for the preparation of such statement.
- (b) Statement of Default. The Board of Directors will make a reasonable effort to notify any mortgagee of any Unit, upon request, of any default in the performance by the Unit Owner of any obligation pursuant to the Declaration, the Bylaws and

the Rules and Regulations, which is not cured within ninety (90) days of notice to each Unit Owner of such default.

Article VI

Miscellaneous

Section 6.1 **Amendments.** Except as otherwise provided herein, these Bylaws may be amended by affirmative vote of the Unit Owners to which at least fifty percent (50%) of the votes are allocated.

Section 6.2 **Notices.** All notices, demands, bills, statements or other communications shall be in writing and shall be deemed to have been duly given if delivered personally or if sent postage prepaid or if sent by electronic transmission; (i) if to a Unit Owner, at the address which the Unit Owner shall designate in writing and file with the Secretary or (ii) if to the Association or the Board of Directors, to the principal office of the Association or at such other address as shall be designated in writing to the Unit Owners pursuant to this paragraph.

Section 6.3 **Captions.** The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these Bylaws or the intent of any provisions thereof.

Section 6.4 **Gender.** The use of the masculine gender in these Bylaws shall be deemed to include the feminine and neuter genders and the use of the singular shall be deemed to include the plural, and vice versa, whenever the context so requires.

The undersigned hereby certifies that as of July 2, 2024, this is a true and accurate copy of the Bylaws of the Association adopted by the Declarant.

Declarant
Champlain Housing Trust, Inc.

By: M. LaRue
Duly Authorized Agent