BYLAWS OF
THE CROSSING AT SHERMAN MEADOWS CONDOMINIUM ASSOCIATION, INC.

ARTICLE I
NAME AND PURPOSE

Pursuant to the Articles of Incorporation of The Crossing at Sherman Meadows Condominium Association, Inc., and the Condominium Declaration of the Crossing at Sherman Meadows, a Condominium, recorded in the office of the Register, of Deeds for Washington County, Wisconsin, (hereinafter called the "Declaration") by Northbay Ventures, LLC, a Wisconsin limited liability company (together with its successors and assigns hereinafter "Declarant"), the following are adopted as the Bylaws of The Crossing at Sherman Meadows Condominium Association, Inc. (hereinafter referred to as the "Association"), which is a non-stock, non-profit corporation formed and organized to serve as an Association of the owners of Units (hereinafter referred to as "Unit Owners") who own real estate and improvements (hereinafter the "Property") under the condominium form of use and ownership, as provided in the Condominium Ownership Act under the laws of the State of Wisconsin and subject to the terms and conditions of the Declaration, which is incorporated by reference.

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

ARTICLE II
MEMBERS, VOTING AND MEETINGS

1. **Members:** The corporation shall have one class of members which are all Unit owners and shall have one vote for each Unit owned. Every Unit Owner upon acquiring ownership automatically becomes a member of the Association and remains 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.
    a. ***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 interest must be voted pursuant to the nomination contained in the Membership List.
    b. ***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.
    c. ***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 thereafter, be given written notice of such transfer, including the name of the new owner, identification of Unit, date of transfer, name of the person designated to vote, and any other information about the transfer which the Association may deem pertinent and the Association shall make appropriate changes to the Membership List effective as of the date of transfer.

2. **Quorums and Proxies for 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 votes is 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.

3. **Time, place, notice, and calling of member 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. Contact with members shall be via email, unless specifically requested by the unit owner, or personally delivered not less than ten (10) days nor more than thirty (30) days prior to the date of the meeting. Notice of meetings may be waived before or after meetings. Meetings shall be held at such time and place as designated by the board of directors. The annual meeting will be held in the month of March of each year for the purpose of electing directors and of transacting any other business authorized to be transacted by the members. Special meetings of the members shall be held whenever called by the president or any two members of the board of directors and must be called by such officers upon receipt of a written request signed by members with one-third (1/3) or more votes entitled to be the case.

ARTICLE III
BOARD OF DIRECTORS

The terms "board of directors", "officers", and "board members" may be used interchangeably in the rest of the document as roles of board of directors, board members, and officers are filled by the same individuals.

1. **Powers and duties of the board of directors:** The affairs of the association shall be governed by the board of directors. All powers and duties as shall be necessary for the administration of the affairs of the association shall be exercised by the board of directors. Such powers and duties shall be exercised by the board of directors. Such powers and duties shall be exercised in accordance with the provision of the Declaration, the Articles of Incorporation, and these Bylaws. There will be five (5) board members.

2. **Election and term of directors:** Elections will be held for one (1) board member to rotate out annually to ensure consistency and experience in board management. The open position will be determined by the board and communicated to the owners.

3. **Vacancies on the board:** Vacancies on the board of directors caused by any reason other than the removal of a director by a vote of the members shall be filled by a vote of the majority of the remaining directors, even though they may constitute less than a quorum, and each person so elected shall be a director until a successor is elected at the next annual meeting of the members at which that class of directors is to be elected.

4. **Removal of directors:** At any regular or special meeting duly called any one or more of the directors may

be removed with or without cause by a majority of the votes of the members entitled to be cast and a successor may then and there be elected to fill the vacancy created.

5. **Regular meetings and notice:** The board will, at a minimum, meet twice a year to conduct association business. Notice of any board of director meetings shall not be required.

6. **Special meetings and notice:** Special meetings of the board of directors may be called by the president or by two (2) directors on three (3) days prior. Notification can be via text or email.

7. **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.

8. **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.

9. **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.

10. **Compensation:** No director of the corporation shall receive any fee or other compensation for such services rendered to the Association, except by specific resolution of the membership.

11. **Informal action:** Action which is required to be taken at a meeting of the board of directors or which may be taken at such meeting, may be taken without a meeting. The board is able to communicate and administer informal actions via text or email communications. All officers will be included in these communications and decisions.

ARTICLE IV
OFFICERS

1. **Designation, election, and removal:** The principal officers of the Association shall be president, vice-president, secretary, treasurer, and member-at-large. The Unit owners will annually elect the outgoing president, vice president, secretary, or treasurer at the annual meeting. The member-at-large will be the outgoing officer. Upon affirmative vote of a majority of the members of the board of directors, an officer may be removed, either with or without cause, and his successor shall be elected at the regular meeting of the board of directors, or at any special meeting called for that purpose. Any two or more offices, except a combination of the offices of president and secretary and a combination of the offices of president and vice president, may be held by the same person. If the board positions are not filled appropriately by the Unit owners, consideration of a property management company may be

considered.

2. **President:** The president shall be selected by the Unit owners and shall be the chief executive officer of the Association. He will 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 the president, including but not limited to, the power to sign, together with any other officer designated by the board, any contracts, checks, drafts, or other instruments on behalf of the Association in accordance with the provisions herein.

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 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 on him by the board of directors.

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.

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.

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 conduct 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 has 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.

7. **Compensation:** No officer of the corporation shall receive any fee or other compensation for services rendered to the Association except by specific resolution of the membership.

ARTICLE V
OPERATION OF THE PROPERTY

1. **The association:** The Association, acting through the board of directors, shall be responsible for administration and operation of the condominium property, in accordance with the Declaration, the Articles of Incorporation, and these Bylaws. The Association may contract for management services and a managing agent with respect to the administration and operation of the condominium.

2. **Rules and Regulations:** The Association, through the Board of Directors, shall from time to time adopt

rules and regulations governing the operation, maintenance and use of the units, common elements, and limited common elements by the Unit owners and occupants. Such rules and regulations of the Association shall not be inconsistent with the terms of the Declaration, or the contracts, documents, and easements referred to in the Declaration, and shall be designed to prevent unreasonable interference with the use of the respective Units, Common Elements, and Limited Common Elements by persons entitled thereto.

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 assessments payable by each Unit to meet the estimated common expenses of the Association for the ensuing year. The amounts required by such budget shall be allocated among and assessed against the Units as set forth in the Declaration. The assessment shall be prorated and paid monthly to the Association on or before the first day of each month. If any payment is not made within ten (10) days of the due date, habitual offenders will be charged a late fee of $20 per month.

4. **Operating budget:** The annual operating budget shall set forth all of the following:
    a. All anticipated common expenses and any amounts to be allocated to a reserve fund.
    b. The amount and purpose of any other anticipated Association expenditures.
    c. The amount in any reserve fund or any other funds held for future expenditures.
    d. Any common surpluses. Annual common surpluses will be deposited into the reserve fund.
    e. The amount and sources of any income, other than Unit owner assessments.
    f. The aggregate amount of any assessment to be levied against Unit Owners and the purpose of the assessment.

    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 of the Association which occur with greater than annual frequency, such as amounts required for the cost of maintenance of the Common Elements and Limited Common Elements, lawn care and snow removal, insurance, common services, administration, materials and supplies. The reserve fund shall be used for contingencies and periodic expenses such as painting or renovation. In the event the Association incurs extraordinary expenditures not originally included in the annual budget, then such sums as may be required in addition to the operating fund shall be first charged against the reserve fund. The board will notify the owners when the extraordinary expense is over $5,000. In the event that both funds prove inadequate to meet the necessary expenses of the Association, the directors may levy a further assessment against the Units which are subject to assessment equally.

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

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

    The board of directors shall determine the amount to be assessed Unit owners for reserve funds after

considering all of the following:

a. The reserve funds currently in the fund
b. The estimated cost of repairing or replacing common elements other than routine maintenance
c. The estimate remaining useful life of the common elements
d. The approximate proportion of the estimated cost of repairing or replacing common elements that would be covered by the reserve funds and the approximate proportion that will be funded by other means.
e. Any other factor that the Association finds relevant.
f. The board's goal is to fund the reserve account, at minimum, with 10% of the Unit owners' annual dues.

Unit owners will be informed of changes to the assessment of monthly dues in November for the upcoming calendar year. Previous year's expenses and expenditures will be shared with the Unit owners at the annual meeting. The projected annual budget will be completed and distributed annually to the Unit owners by January 31st.

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 (5 0%) of the membership entitled to vote may revise the budget and charges, and such revised budget and corresponding charges shall replace for all purposes the ones previously established; provided, however, that the annual budget and charges may not be revised downward to a point lower than the average total budget for the preceding two years and provided further, that if a budget and charges have not been established and made for any two preceding years, then the budget and charges may not be revised downward until two years of experience exist.

5. **Default:** If a member of the Association is in default in payment of any assessments for a period of more than thirty (30) days, the Board of Directors, in the name of the Association, may bring suit for and on behalf of the Association, as representative of all members, to enforce collection of such delinquencies or to foreclose the lien therefor, as provided by law, and there shall be added to the amount due the costs of suit and the legal interest, together with a reasonable attorney's fee.

6. **Manner of borrowing money:** Upon the affirmative vote of Unit Owners having sixty-seven percent (67%) or more of the votes at a meeting called for such purpose, the Association may borrow money for Association needs and assess Unit Owners a charge sufficient to cover monthly principal and interest amortization. The President and Secretary on behalf of the Association shall be authorized to execute the necessary loan documents.

7. **Manner of acquiring and conveying property:** Upon the written consent of seventy-five percent (75%) or more of the Unit Owners, the Association may acquire land in its own name. The President and Secretary on behalf of the Association shall be authorized to execute necessary documents to effectuate the acquisition.

Upon written consent of One hundred percent (100%) of Unit Owners and mortgagees' portions of the Property as described in the Declaration may be sold. However, the Declaration shall be amended to reflect such sale. Proceeds of any sale shall be divided among the Unit Owners according to their

percentage of ownership in Common Elements.

ARTICLE VI
DUTIES AND OBLIGATIONS OF UNIT OWNERS

1. **Rules and regulations:** The Units, Common Elements, and Limited Common Elements shall be occupied and used in accordance with the Declaration, the Articles of Incorporation, these Bylaws, and the rules and regulations of the Association, including the following:
    - **a.** ***Use:*** No Unit to be occupied or used for any purposes other than a single-family private residence.
    - **b.** ***Obstructions:*** There shall be no obstruction of the Common Elements and nothing shall be stored therein without the prior consent of the association.
    - **c.** ***Increase of Insurance Rates:*** Nothing shall be done or kept in any Unit, Common Element, or Limited Common Element which will increase the rate of insurance on the Condominium without the prior consent of the Association. No Unit owner shall permit anything to be done or kept in his Unit or Limited Common Element which will result in the cancellation of insurance on any Unit or any part of the Condominium, or which would be in violation of any law or ordinance. No waste will be committed in the Common Elements or Limited Common Elements.
    - **d.** ***Signs:*** No sign of any kind shall be displayed to the public view on or from any Unit, the Common Elements, or the Limited Common Elements without prior consent of the Association.
    - **e.** ***Animals:*** No reptiles or uncaged birds shall be permitted within the Condominium. Unit Owners may keep no more than two (2) pets per Unit; provided, however, that:
        - i. The pet is under twenty-six (26") inches in height when measured from the base of its forepaw to the top of the corresponding shoulder
        - ii. The pet is not permitted on any of the Common Elements while unattended or unleashed
        - iii. The individual attending the pet immediately disposes of any and all of the pet's solid waste in the manner prescribed by the Association
        - iv. The owner of the pet complies with such rules of pet ownership as may be promulgated by the Association
        - v. The pet must immediately and permanently be removed from the Condominium if, in the sole judgment of the Board of Directors, any pet is or becomes offensive, a nuisance or harmful in any way to the Condominium or those owning or occupying therein or otherwise violates the terms of this Paragraph 6.1.e. or rules promulgated under subparagraph (iv).
        - vi. Any and all costs of repairing damage caused by a pet shall be borne by its owner. Any Unit Owner failing to comply with this Section shall, absent unusual circumstances under which the Board of Directors determines that some lesser or other remedial action is appropriate, be assessed a monthly pet fee in an amount of Five hundred Dollars ($500.00) per month or part thereof until the owner has complied. Such pet fee may be collected in the same manner as assessments under Article V, #3.
    - **f.** ***Noxious activity:*** No noxious or offensive activity shall be carried on in any Unit, the Common Elements or the Limited Common Elements, 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 elements except upon the written consent of the Association.

h. ***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.

i. ***Remedies:*** Failure to comply with any of these Bylaws or any other rules, regulations, covenants, conditions or restrictions imposed by the Act, the Declaration or the Board shall be grounds for action to recover sums due for damages or injunctive relief or both, maintainable for the Association or, in a proper case, by an aggrieved member.

*R**equests for any consent by the board need to be sent to the Association by email. Please include your name, unit address, photos if applicable, and description of your request.***

2. **Maintenance and repair 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 Condominium or a portion belonging to other Unit Owners, and such Unit Owners shall be personally liable to the Association for any damages caused by their failure to do so.

3. **Limited common elements:** Every Unit owner must maintain the limited common elements appurtenant to his unit in clean and proper condition. No objects or structures other than the approved moveable furniture or decorative pieces, shall be placed thereon without the prior written consent of the board of directors of the association. Every Unit owner shall have the right to decorate the limited commons elements appurtenant to his unit in a nonstructural manner provided that decorations which are visible to the other units or to the public shall have the prior written approval of the board of directors of the association.

4. **Additional rules and regulations:** Additional rules and regulations concerning the use of the Common Elements and Limited Common Elements may be promulgated and amended by the Board of Directors. Copies of such rules and regulations shall be furnished-by the Board of Directors to each Unit Owner prior to their effective date.

ARTICLE VII
GENERAL

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

ARTICLE VIII
AMENDMENTS

1. **By members:** These Bylaws may be altered, amended or repealed and new Bylaws may be adopted by the members, at any meeting called for such purpose, by an affirmative vote of Unit Owners having Sixty-seven percent (67%) or more of the votes.

ARTICLE IX
MISCELLANEOUS

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

2. **Mortgages:** Any unit owner who mortgages his Unit or any interest therein shall, when requested, notify the board of directors the name and address of this mortgagee and shall maintain all such information in the record of ownership of the Association. The Board of Directors at the written request of any mortgagee shall furnish timely written notice of:
    - **a.** Any condemnation loss or any casualty loss which affects the material portion of the property or any Unit on which there is a first mortgage held, insured, or guaranteed by such mortgagee, insurer or guarantor, as applicable
    - **b.** Any delinquency in the payment of assessments owed by a Unit Owner subject to a first mortgage held, insured or guaranteed by such mortgagee, insurer or guarantor, which may remain uncured for a period of sixty (60) days.
    - **c.** Any lapse, cancellation or material modification of any insurance policy maintained by the Association
      Any proposed action which will require the consent of a specified percentage of eligible mortgagees.
    - **d.** The Board of Directors at the request of any prospective purchaser of any Unit or interest therein shall report to such person the amount of any assessments against such Unit then due and unpaid.

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

3. **Books of receipts and expenditures; availability for examination:** The Association shall keep detailed, accurate records using standard bookkeeping procedures or receipts and expenditures affecting the Common Elements, specifying and itemizing the maintenance and repair expenses of the Common Elements and any other expenses incurred. The records and the vouchers authorizing the payments shall be available for examination by the Unit Owners at convenient hours.

4. **Indemnity of officers and directors:** The Association shall indemnify a director or officer, to the extent that he or she has been successful on the merits or otherwise in the defense of a proceeding, for all reasonable expenses incurred in the proceeding if the director or officer was a party because he or she is a director or officer of the Association.

    The Association shall indemnify a director or officer against liability incurred by the director or officer in a proceeding to which the director or officer was a party because he or she is a director or officer of the corporation, unless liability was incurred because the director or officer breached or failed to perform a duty that he or she owes to the Association and the breach or failure to perform constitutes any of the following:

    - **a.** A willful failure to deal fairly with the Association or its members in connection with the matter

in which the director or officer has a material conflict of interest.

b. A violation of the criminal law, unless the director or officer had reasonable cause to believe that his or her conduct was lawful or known reasonable cause to believe that his or her conduct was unlawful.

c. A transaction from which the director or officer derived an improper personal profit or benefit.

d. Willful misconduct.

Determination of whether indemnification is required shall be made under Wisconsin Statute Section 181.0873. The termination of a proceeding by judgment, order, settlement, or conviction, or upon a plea of no contest or an equivalent plea, does not by itself create a presumption that indemnification of the director or officer is not required under this subsection.

A director or officer who seeks indemnification shall make a written request to the Association.

5. **Subordination:** These Bylaws are subordinate and subject to all provisions of the Declaration and any amendments thereto and the Condominium Ownership Act under the laws of the State of Wisconsin, which shall control in case of any conflict. All terms herein (except where clearly repugnant to the context) shall have the same meaning as in the Declaration or said Condominium Ownership Act.

6. **Interpretation:** In case any provision of these Bylaws shall be held invalid, such invalidity shall not render invalid any other provision hereof which can be given effect. Nothing in these Bylaws shall be deemed or construed to authorize the Association or Board of Directors to conduct or engage in any active business for profit on behalf of any or all of the Unit Owner.

7. **Association mailing address:** The mailing address of the association shall be the address of the current treasurer.

-End of Bylaws-