

Sunset Lake Cooperative, Inc.

Application for Membership Packet - Cover Sheet

Enclosed you will find the following documents:

1. Letter to Applicants
2. Living in a Resident-Owned Community (ROC)
3. Application for Membership
4. Summary of Rights Under FCRA
5. Bylaws/ Community Rules/ Occupancy Agreement Acknowledgement Form
6. Consumer Authorization and Release Form
7. Pet Registration – when applicable
8. Community Rules
9. ROC Bylaws
10. Member Occupancy Agreement

NOTE: The seller and the realtor should be given copies of:

11. Selling the Home- Homeowner Responsibilities

Applicants who are 18 years or older are required to submit to a criminal background check.

For more information, see the enclosed “Letter to Applicants”.

Sunset Lake Cooperative, Inc.

Letter to Applicants A Resident Owned and Operated Community

Thank you for your interest in our community. We hope you consider joining us as resident owners. We strive to maintain a positive and well-kept community.

About the Community:

- This is a people-oriented community, we help each other
- Good roads, water lines and septic
- Conveniently located for natural beauty, employment, and shopping
- Clean and well maintained
- Strong sense of community
- Members (you) create and live by the Community Rules. Please read them carefully before you join.

About the Application Process:

- Complete the Application.
- Return it fully completed with all requested documentation, including:
 1. **Application for Membership**
 2. **Consumer Authorization and Release Form**, completed by all applicants 18 years of age or older.
 3. **A non-refundable fee equal to the amount of the credit and criminal background check of \$50.00**, for each applicant 18 years of age or older.
 4. A **copy of photo identification** for each applicant 18 years of age or older.
 5. Signed **Community Rules/Bylaws/Occupancy Agreement Acknowledgment Form**.
 6. **Proof of income**, including the previous 1 month's (4 week's) pay-stubs and the previous year's Federal Income Tax Returns (if filed), proof of Social Security and/or SSD income, annuities and/or proof of any other sources of income.
 7. **Pet Registration**, if applicable.

Please note that incomplete applications will be returned to the Applicant, along with a Notice of Adverse Action.

Next Steps:

1. Promptly respond to Majestic Property Services if they have any questions or requests for additional information.
2. Await approval or denial by the ROC's Board of Directors.
3. Complete applications will be processed within 21 calendar days. Applicants are notified of their acceptance or denial in writing.
4. If approved, an Acceptance Letter will be sent to you along with:

- The ROC's Articles of Association
- The ROC's most recent Financial Statement
- Member Interest Questionnaire
- Membership Agreement and Appendix A - Property Description
- **Acceptance Letter and Attachments Acknowledgement Form**

Once you are approved, you must do the following before you may move in:

1. Pay your \$100.00 Membership Fee. (This one-time fee is fully refundable when you sell your home, minus any outstanding fees owed to the ROC.)
2. Complete the **Acceptance Letter and Attachments Acknowledgement Form**.
3. Complete, sign, and return the **Occupancy Agreement**, with all household members listed.
4. Complete, sign, and return the **Membership Agreement**.
5. **Pay your first monthly lot rent of \$455.**

Optional:

6. Return the completed Member Interest Questionnaire.
7. Receive your Membership Certificate.

After you move in:

1. Learn how the ROC works; attend a Board meeting.
2. Sign up to participate on a committee.
3. Make sure you have received your Membership Certificate.
4. Get to know your neighbors- you are now part of the Community!

If you have questions, please call Maura Fitzgerald at Majestic Property Services at 802-881-3030 or email at maura@majestic802.com .



COOPERATIVE DEVELOPMENT INSTITUTE

The Northeast Center
for Cooperative Business

Living in a ROC

Living in a Resident-Owned Community (ROC) is different than living in a commercially-owned park. This type of community living is unique – homeowners in resident-owned communities are not simply tenants in a park, they are **Members** of a ROC and **owners** of a business. As a Member of the ROC, it is important to understand that:

- The ROC is a business incorporated under VT statute 11 V.S.A. § 1588. It is owned by its Members. Individual homeowners do not own the land underneath their neighborhood; the ROC does.
- The ROC has Member-approved Bylaws which spell out how the business is governed.
- The ROC is democratically governed by a one-Member, one vote system. Each household is a Member and has equal decision-making authority.
- New homeowners moving into the ROC are required to become Members and enter into an **Occupancy Agreement**, binding them to the Bylaws and Community Rules.
- Members elect a Board of Directors to carry out the day-to-day tasks of running the ROC. The Board then appoints committees to take on other tasks.
- Members have control over big decisions, such as carrying charges (rent), approving the annual budget, electing a Board and amending the Bylaws or Community Rules.
- Members can be **expelled** from ROC Membership (which is **different than being evicted** from the community) for obstructing the management of the ROC. This is a serious matter and not to be taken lightly – Members who are expelled lose voting privileges and typically pay a higher lot rent.

The Board and the appointed committee members must adhere to the ROC's Bylaws and Rules, as well as to state and federal laws. They are also ROC Members and are accountable to their fellow Members. They must run the ROC in a fair, consistent, democratic and business-like manner.

ROC Membership has rewards, rights and responsibilities. The strength of a resident-owned community is directly related to the participation and commitment of its Members. By participating in the ROC, Members can help reduce costs, build a vibrant neighborhood and grow as leaders. Participation includes everything from baking brownies for the annual community barbecue to operating the well system, from an hour a month to a two-year commitment on the Board of Directors.



**Sunset Lake Cooperative, Inc.
Application for Membership**

All information must be filled out completely. Incomplete applications will be returned to the applicant(s). If a question does not apply, place "n/a" in the space provided. Please print all information legibly.

Applying for: _____ (Address)

Current owner: _____

Applicant: _____

Co-applicant: _____
(if more than two applicants, please ask for an additional application)

Name(s) on Uniform Bill of Sale: _____

Current address: _____ (street)

_____ (city, state, zip)

Home phone: _____ Work phone: _____

Length of time at this address: _____

Current landlord: _____ Phone: _____

If less than three (3) years at current address, list previous addresses:

Address (street, city, state, zip):

Landlord: _____ Phone: _____

Address (street, city, state, zip):

Landlord: _____ Phone: _____

Applicant employer: _____ Phone: _____

Address: _____

Co-applicant employer: _____ Phone: _____

Address: _____

Please list all sources of *monthly* income to be considered towards payment of lot rent:

Applicant income:

Co-applicant income:

Amount \$ _____ Source _____

Amount \$ _____ Source _____

Amount \$ _____ Source _____

Amount \$ _____ Source _____

Amount \$ _____ Source _____

Amount \$ _____ Source _____

Anticipated monthly expenses:

Mortgage(s): _____

Car Payment(s): _____

Electric: _____

Auto Insurance: _____

Cable/Internet: _____

Homeowners Ins.: _____

Heat: _____

Phone(s): _____

Other: _____

Number of persons who plan to occupy home _____

Are you or any members of your household required to register as a sex offender?

Yes No

Please list three personal (not professional) references who can speak to your likelihood to pay your rent in a timely manner, obey the community rules and be a good ROC Member. References may not include relatives.

1. Name: _____ Phone: _____

Relationship: _____

2. Name: _____ Phone: _____

Relationship: _____

3. Name: _____ Phone: _____

Relationship: _____

Please read the following information before signing this application:

To join Sunset Lake Cooperative, Inc., I/we are aware that a Membership Fee of \$100.00 must be paid before I/we occupy the home. I/we understand that I/we may not move in until approval is made. I/we understand that the home must be lived in by the family/household purchasing and cannot be rented out except under clear cases of hardship as determined by the ROC Board of Directors.

The Cooperative does not discriminate based on age, sex, race, creed, color, marital status, familial status, physical or mental disability or national origin or on account of that person's sexual orientation in the approval of its members.

Information provided in this application found to be false may serve as immediate grounds for denial of Membership.

Disclaimer: I understand that should I be accepted as a Member of the Cooperative, failure to provide accurate information on this Application for Membership may be grounds for Member expulsion according to the Cooperative Bylaws. Such expulsion would result in the loss of Membership. Loss of membership/expulsion would result in the loss of voting privileges, an increased monthly lot rent, and may lead to eviction. By signing this application, I attest that this is accurate and true information to the best of my knowledge.

Applicant signature: _____ **Date:** _____

Co-applicant signature: _____ **Date:** _____

NOTE: Applications that are incomplete, illegible and/or are not accompanied by the proper documentation will be returned to the applicant(s).



COOPERATIVE DEVELOPMENT INSTITUTE

The Northeast Center
for Cooperative Business

A Summary of Your Rights Under the Fair Credit Reporting Act

The federal Fair Credit Reporting Act (FCRA) promotes the accuracy, fairness, and privacy of information in the files of consumer reporting agencies. There are many types of consumer reporting agencies, including credit bureaus that gather and sell information about your creditworthiness to creditors, employers, landlords, and other businesses. The FCRA gives you specific rights, which are summarized below. You may have additional rights under state law. For more information, go to www.ftc.gov/credit, or write to: Consumer Response Center, Federal Trade Commission, 600 Pennsylvania Ave. N.W., Washington, D.C. 20580.

You must be told if information in your file has been used against you. Anyone who uses information from a consumer reporting agency to deny your application for credit, insurance, or employment – or take another adverse action against you – must tell you and give you the name, address, and phone number of the agency that provided the information.

You can find out what is in your file. At any time, you may request and obtain your report from a consumer reporting agency. You will be asked to provide proper identification, which may include your Social Security Number. In many cases the report will be free. You are entitled to free reports if a person has taken adverse action against you because of information in a report; if you are the victim of identify theft; if you are the victim of fraud; if you are on public assistance; or if you are unemployed but expect to apply for employment within 60 days. In addition, you are entitled to one free report every twelve months from each of the nationwide credit bureaus and from some specialized consumer reporting agencies. See www.annualcreditreport.com for details about how to obtain your free report.

You have a right to know your credit score. Credit scores are numerical summaries of a consumer's creditworthiness based on information from consumer reports. For a fee, you may get your credit score. For more information, click on www.ftc.gov/credit. With some mortgage transactions, you will get your credit score information without charge.

You can dispute inaccurate information with the consumer reporting agency. If you tell a consumer reporting agency that your file has inaccurate information, the agency must take certain steps to investigate unless your dispute is frivolous. For an explanation of dispute procedures, go to www.ftc.gov/credit.

Inaccurate information must be corrected or deleted. A consumer reporting agency or furnisher must remove or correct information verified as inaccurate, usually within 30 days after you dispute it. However, a consumer reporting agency may continue to report negative data that it verifies as being accurate.

Outdated negative information may not be reported. In most cases, a consumer reporting agency may not report negative information that is more than seven years old, or bankruptcies that are more than 10 years old.

Access to your file is limited. A consumer reporting agency may provide information about you only to people with a valid need as determined by the FCRA -- usually to consider an application with a creditor, insurer, employer, landlord, or other business.

Identity theft victims and active duty military personnel have additional rights. Victims of identity theft have new rights under the FCRA. Active-duty military personnel who are away from their regular duty station may file "active duty" alerts to help prevent identity theft. For more information, visit www.ftc.gov/credit.

Your consent is required for reports that are provided to employers. A consumer reporting agency may not give out information about you to your employer, or potential employer, without your written consent. Blanket consent may be given at the time of employment or later.

You may choose to remove your name from consumer reporting agency lists for unsolicited credit and insurance offers. These offers must include a toll-free phone number you can call if you choose to take your name and address off lists in the future. You may opt-out at the major credit bureaus by calling 1-888-567-8688.

You may seek damages from violators. If a consumer reporting agency, a user of consumer reports, or, in some cases, a furnisher of information to a consumer reporting agency violates the FCRA, you may sue them in state or federal court.

The FCRA gives several federal agencies authority to enforce the FCRA:

TO FILE A COMPLAINT AND FOR INFORMATION:	PLEASE CONTACT:
Consumer reporting agencies, creditors and others not listed below	Federal Trade Commission Consumer Response Center - Washington, DC 20580 CRA 1-877-382-4367
National banks, federal branches/agencies of foreign banks (word "National" or initials "N.A." appear in or after bank's name)	Office of the Comptroller of the Currency Compliance Management, Mail Stop 6-6 Washington, DC 20219 800-613-6743
Federal Reserve System member banks (except national banks, and federal branches/agencies of foreign banks)	Federal Reserve Board Division of Consumer & Community Affairs Washington, DC 20551 202-452-3693
Savings associations and federally chartered savings banks (word "Federal" or initials "F.S.B." appear in federal institution's name)	Office of Thrift Supervision Consumer Programs Washington, DC 20552 800-842-6929

Federal credit unions (words "Federal Credit Union" appear in institution's name)	National Credit Union Administration 1775 Duke Street Alexandria, VA 22314 703-518-6360
State-chartered banks that are not members of the Federal Reserve System	Federal Deposit Insurance Corp Division of Depositor and Consumer Protection Washington, DC 20429 1-877-275-3342
Air, surface, or rail common carriers regulated by former Civil Aeronautics Board or Interstate Commerce Commission	Department of Transportation Office of Financial Management Washington, DC 20590
Activities subject to the Packers and Stockyards Act, 1921	Department of Agriculture Office of Deputy Administrator - Washington, DC 20250

Para informacion en espanol, visite www.ftc.gov/credit o escribe a la FTC Consumer Response Center, Room 130-A 600 Pennsylvania Ave. N.W., Washington, D.C. 20580.

Sunset Lake Cooperative, Inc.

**Bylaws/Community Rules/Occupancy Agreement
Acknowledgement Form**

I/We _____ are applying for
Membership in the ROC for the lot located at _____(street address). I/We have
received and read a copy of the Sunset Lake Cooperative, Inc. Bylaws, Community Rules, and
Occupancy Agreement.

By signing and dating this form, I/we acknowledge that we understand and will obey the Bylaws,
Community Rules, and Occupancy Agreement of Sunset Lake Cooperative, Inc. If I/we do not
follow these Bylaws and Rules, I/we understand that this could be grounds for expulsion from
Membership and/or eviction from the Community.

Applicant signature: _____ Date: _____

Co-applicant signature: _____ Date: _____

Consumer Authorization and Release

(Please print clearly)

Applicant _____
First MI Last

Social Security # ____ - ____ - ____

Date of birth ____ / ____ / ____
mo day year

Current address

city state zip

How long have you lived there? _____

Co-Applicant Name _____
First MI Last

Social Security # ____ - ____ - ____

Date of birth ____ / ____ / ____
mo day year

Current address

city state zip

How long have you lived there? _____

I/We hereby authorize **Sunset Lake Cooperative, Inc., or the designated property management company**, to obtain my/our consumer report/credit information, credit risk scores and other enhancements to my/our consumer report (hereinafter collectively referred to as "Report") from one or more of the three national credit reporting repositories (Equifax, Experian, Trans Union) and provide a copy of the Report to:

Sunset Lake Cooperative, Inc., or the designated property management company, for the purpose of assessing my/our **Application for Membership** in said Cooperative. I/We understand that 'other enhancements' includes conducting a national criminal background check, to which I/we give my/our consent.

This authorization is intended to comply with a consumer report request as set forth in 15 U.S.C. 1681b(a)(2).

I/We further authorize the **Sunset Lake Cooperative, Inc.** to contact the references listed on my/our application in order to assess my/our **Application for Membership** in said Cooperative.

I/We further authorize the **Sunset Lake Cooperative, Inc.** to verify past and present landlord references in order to assess my/our **Application for Membership** in said Cooperative.

It is understood that a photocopy and/or facsimile of this document shall also serve as an authorization to provide the information requested.

The information obtained is only to be used in the processing of my/our **Membership Application.**

Applicant

Date

Co-applicant

Date

Sunset Lake Cooperative, Inc.

Pet Registration Form

Please fill out one form per pet.

Please attach a photo of your pet to this registration form.

Pet owner's name(s) _____

Pet owner's address: _____

Pet owner's phone number: _____

Pet owner's email address: _____

Pet's name: _____ Tag #: _____

_____ cat

_____ dog

_____ other – specify: _____

Breed: _____ Color: _____

Insurance company: _____ Phone: _____

Account #: _____

Address: _____

Agent: _____

If you are not at home, who can handle this pet?

Name: _____ Phone: _____

Failure to comply with the Community Rules, specifically related to pets, is a breach of your Occupancy Agreement and is sufficient grounds for eviction. 9 VSA 4467(b).

The Community Rules, specifically related to pets, will be strictly enforced.

Signature: _____ Date: _____

Signature: _____ Date: _____

Signature: _____ Date: _____

BYLAWS
Sunset Lake Cooperative, Inc.

ARTICLE I

*(Most common wording is in **bold**)*

- 1.1** The name of this Corporation shall be **Sunset Lake Cooperative, Inc.**, herein after referred to as the “Corporation” or “Cooperative,” located in Hinesburg, County of Chittenden, State of Vermont.

ARTICLE II

Purpose

- 2.1** The purpose for which this Corporation is formed is to own and operate a manufactured housing community (commonly known as “park”), herein after referred to as the “Community,” as a Corporation and be involved in other Corporation activities, on a “cooperative” basis for the benefit of the current and future resident homeowners.
- 2.2** The broad purpose is to gain control of the rental costs, preserve the Community for the current residents, and to keep it affordable long term for low and moderate-income individuals and families. In accordance with the purpose stated in the Corporation’s Articles of Incorporation is to engage in any lawful act or activity for which a Cooperative may be organized under such laws. The Corporation will conduct its business in a manner designed to preserve the affordability of the sites within the community for low to moderate income homeowners.

ARTICLE III

Members

3.1 Eligibility

A “Member” is defined as the adult (18-years-or-older) individual(s), without regard to their social, political, racial, religious, age, sex, sexual orientation, disability, or marital status who

- A. Own and reside in a manufactured housing unit (herein after referred to as the “Home”) in the Community and any spouse or partner in civil union entitled to a homestead interest who has signed an Occupancy Agreement and the other additional adult occupants listed on the Occupancy Agreement. A person is seen as owning or co-owning a Home if he or she owns the Home directly or through his or her “living” or “Grantor” trust. A “Grantor” or “living” trust is any trust that is established by an individual under such terms as: (1) appoint him or herself as the trustee during his or her lifetime (and or competency); (2) is revocable by him or her; and (3) designates him or herself as the beneficiary for his, her or their lifetime.

“Ownership” of a home shall include, where appropriate, persons purchasing a home under a lease purchase or contract of sale, which is current and in good standing, are brought into good standing by agreement acceptable to the Board of Directors, where the home buyer has some established equity in the home.

- B. Is/are in good standing with the Corporation. A “Member in good standing” is a Member whose lot rent and Membership Fees are current or has signed an agreement satisfactory to the Board of Directors to bring these rents and fees current.
- C. Is/are willing to accept Membership responsibilities, including, but not limited to, voluntary participation in the governance of the Corporation and in the operation of the community.

3.2 Membership Rights

- A. A Member will have a perpetual right to occupy a lot within the community as long as he or she continues payment of the lot rent and compliance with the other terms of the Member Occupancy agreement, the Bylaws of the Corporation and the Community Rules established by the Members, all as they may be amended from time to time. However, if a Member is evicted from the Community or moves out of the Community, that Member will lose his or her right to occupy said lot.
- B. Only one Membership interest will be assigned to a home, and only one full vote may be exercised under a Membership interest.

3.3 Membership Obligations

- A. All Members and Non-Members are required to pay their lot rent. This lot rent, initially established by the Membership of the Corporation, may be increased by a majority vote of the Corporation Board of Directors or by a majority vote of the Membership, consistent with Article 5.2 of these Bylaws, with a sixty (60) day written notice to all Members and Non-Members.
- B. A Member will participate cooperatively in the operation of the Corporation.

3.4 Enrollment of Members

- A. Owners of homes seeking to reside in a home and lease a lot in the Community must become Members of the Corporation. Owners seeking Membership shall:
 - (1) Apply for Membership on a form prescribed by the **Membership Committee**
 - (2) Be approved for Membership by a majority vote of the **Board of Directors**;
 - (3) Pay in full the Membership Fee;
 - (4) Execute an Occupancy Agreement;
 - (5) Have an intent to occupy a home in the Community; and
 - (6) Commit to the purposes and policies of the Corporation including the Community Rules and these Bylaws.
- B. Owners of homes in place at the time the Corporation purchases the Community have the right to become Members without Board approval as per (2) above; but, must fulfill all other Membership enrollment conditions (1), (3), (4), (5), (6) above.

- C. Buyers of homes may be approved for Membership conditional upon purchase and occupancy of the home.
- D. A person is considered a buyer or owner if he or she seeks to or does own or co-own a home directly or through his/her/their "living" or "Grantor" trust (see definition at paragraph 3.1 above) or becomes the subsequent beneficiary of a trust, previously existing as a living trust, upon death of the Grantor, or upon devise or distribution from a deceased Member's estate, or any other event. If an existing Member transfers title to a home to his or her "living" or "Grantor" trust, the trust will not be considered a new owner or buyer under this paragraph. Members transferring their Membership into a permissible "living" or "grantor" trust must furnish the Corporation with either a copy of said trust document or a letter of opinion from an attorney stating that the trust to which the title has transferred is a revocable, grantor trust wherein the Member(s) is (are) the trustee(s) during his/her/their lifetime, or competency, and with said Member(s) as the sole beneficiary during his/her/their lifetime.

3.5 Membership Fee

- A. The Membership Fee shall be *one hundred dollars (\$100.00)*. Membership Fees accumulate no interest.
- B. A Certificate of Membership shall be issued to any Member, or to trustee of any Member's "living" or "Grantor" trust, who has fully paid their Membership Fee. This certificate shall entitle the holder (or, in the case of a living or Grantor trust, the trust grantor only) to occupancy of a lot in accordance with the Member Occupancy Agreement, provided that the holder also abides by the Community Rules of the Corporation and does not interfere with the effective operation of the Corporation. The certificate is not transferable, except by will or trust distribution by a permissible trust, or the rules of law that apply if someone dies without a will, to someone that would otherwise be eligible for Membership. A Membership may not be transferred to someone or some trustee or beneficiary who does not plan to own the home and reside in the Community nor shall a "living" or "Grantor" trust continue to hold a Membership interest beyond the usual and customary time required for a wind up of a probate estate, should title have passed by that means and occupancy during such periods shall not extend to any other party not previously permitted Membership and occupancy.
- C. The Board of Directors reserves the right to use all or part of a Member's Membership Fee to pay any debt due to the Corporation, or expenses incurred as a result of a Member's actions or non-actions, in regards to the Corporation; such debts and expenses being legally the responsibility of the Member. The Member shall replenish a capital balance decreased on such account in order to remain in "good standing."

3.6 Termination and Expulsion

- A. Any Member whose activity in the Corporation is contrary to basic cooperation principles (see copy of International Cooperative Alliance Principles attached hereto and incorporated herein by this reference) or who endangers the effective operation of the Corporation may be expelled from Membership in the Corporation by the Board of Directors for good cause in accordance with 11 V.S.A. 1599 (3). Loss of Membership

carries with it loss of all Membership privileges, including the perpetual right to occupy said lot and any Member lot rent. Written notice of the charges against each Member, reasonable opportunity to cure the violation, and reasonable opportunity for a hearing before the Board of Directors, shall be provided before any such expulsion. A reasonable opportunity is defined as fifteen (15) day notice. The Member's Certificate shall be repurchased for the amount of the Membership Fee paid, less any debts owed and expenses due and owing the Corporation on behalf of the Member, and if and when there are sufficient reserve funds as determined by the Board of Directors. An eviction of the Member shall automatically terminate his or her Membership.

- B. The Member shall have the right to appeal the decision to terminate Membership to the next Membership meeting and will be given a reasonable opportunity to be heard, either in person or by their attorney. Members may request a Special Meeting of the Membership within a reasonable time period and such request will not be unreasonably denied. In the absence of a board call for a Special Meeting, the Member may do so in accordance with Article 5.3 of these Bylaws. A Member need not be expelled before being evicted. Re-application for Membership will require Board review and Membership approval before re-issuance of Certificate of Membership. The reason for the expulsion shall be clearly stated, recorded, placed in the permanent files and a copy given to the Member.
- C. Any Member who wishes to be represented by legal counsel as the result of a Corporation action must notify the Board of this fact ten (10) days in advance of the meeting. The Member shall solely be responsible for the cost of his or her attorney. In no case should the Corporation be responsible for the legal fees of the Member.
- D. The cooperative housing corporation's possessory remedy in event of default of a Member affecting that person's right to occupancy shall be in an action for ejection consistent with Subchapter 3 of Chapter 169 of Title 12 of the Vermont Statutes in accordance with 11 V.S.A. 1599 (3). However, good cause shall be required for termination of the right of occupancy. Good cause shall include nonpayment of loans, fees, costs or assessments pertaining to the cooperative interest, or material violation of bylaws, rules, or proprietary lease which continues following reasonable notice and reasonable opportunity to cure the alleged material violations.

3.7 Patronage Refunds

Members shall have a right to determine whether excess lot rent collected in any given fiscal year shall be returned to Members as patronage refund or retained as additional funding for reserves or for the needs of the following year operations. The decision may be made at the time that they approve the budget for the coming fiscal year. The Corporation may refund or credit to the Member, within ninety (90) days of the end of its fiscal year; but only insofar as such refund or credit is consistent with state law or permissible under the terms and provisions of any loan terms, as applicable from time to time. Such patronage refunds are limited to a pro rata return of fees paid by Members in excess of the Corporation's needs and are not from earned income from other sources.

3.8 Shares

- A. Issuance. Shares will only be issued or reissued by the Cooperative in connection with the execution and delivery of a Proprietary Lease for a home lot in the Property owned by the Cooperative. The ownership of a share entitles the holder to occupy the home lot for the purposes specified in the Proprietary Lease.
- B. Share Register and Certificate Form. Certificate Shares of the Cooperative will be printed in the form adopted by the Board of Directors, signed by the President or Vice-President, and the Secretary or the Treasurer. Each share certificate is to be numbered in consecutive order and recorded into the Cooperative's books and records with the name of the individual or individuals holding the share and the date of issue. Each share certificate exchanged or returned to the Cooperative will be cancelled with the date of cancellation indicated in the records and the certificate retained in the permanent archives of the Cooperative. Upon request of a secured party, the Cooperative will note in its records of the interest of the secured party in the given Membership Interest. The original share certificate shall be given to the Member and a copy remains in the Cooperative's archives.
- C. Transfers. Shares will only be transferred in accordance with the Articles of Association and these Bylaws. Transfers of shares may only be placed in the books of record by the holder in person or by power of attorney, properly executed and filed with the Secretary of the Cooperative. At that time, the share-certificate is surrendered to the Cooperative and is available for resale.
- D. Lost Certificates. In the event that a share is lost, stolen or otherwise significantly damaged, the Board of Directors may reissue the certificate. Before a replacement certificate can be issued, the holder or holders or their legal representative must sign an affidavit attesting to the certificate's lost, stolen, or damaged condition.
- E. Legend of Share Certificate. "The rights of any holder named on this certificate are subject to the provisions of the Articles of Association and the Bylaws of the Corporation and to the terms of the Proprietary Lease made between the holder or holders named on this certificate as issued with the Lessee or Lessee's and Sunset Lake Cooperative, Inc. as the Lessor of the home lot in the Cooperative's Property located in Hinesburg, Vermont, which limits and restricts the title and rights of any transferee. The share represented by this certificate is transferable only to an approved assignee of the Proprietary Lease. Copies of the Proprietary Lease, Articles of Association and the Bylaws are available for inspection at the Cooperative's business office."

"The Cooperative will have the first lien on the share represented by this certificate to secure payment of any arrearages or damages owed by the holder or holders to the Cooperative. The Board of Directors may refuse to consent to transfer the share until any money owed to the Cooperative is paid in full." All restrictions upon the transfer of this share shall also be noted on this certificate.

ARTICLE IV
Sale and Rental of Homes

4.1 Use of Homes

- A. In order to unify the Members and make the Corporation stronger, all homes within the Community must be owner-occupied. Failure to comply with this article shall result in an eviction from the Community.

- B. Rental or leasing of homes in the Community ***shall not be allowed*** unless approved by the Board of Directors. The Board of Directors shall not approve a rental or lease unless (1) a written request is submitted by the Member alleging hardship and (2) the Board of Directors determines that a hardship exists. If an approval is granted, the decision shall specify the hardship circumstance(s) and the condition(s) of approval. The vote of the Board of Directors shall be maintained in the official records of the Corporation.

4.2 All Home Sales

- A. Any Member or Non-Member who plans to sell or move their home out of the Community or demolish the home on site shall give written notice thirty (30) days in advance of that happening to the Board of Directors by certified mail. Failure to give notice can result in 30 days additional lot rent.

- B. Notice to the Board of Directors stating the intention to sell a home in place shall contain the estimated date of sale, and the name, address, and phone number of the selling agent, if any. It is the responsibility of the seller to supply potential buyers with information regarding the requirement that all buyers become Members of the Corporation. The seller shall supply the Corporation with the names and telephone numbers of any buyers who have signed a Purchase and Sales Agreement. See the exception for certain trust transfers contained in paragraph 3.3, which applies here as well.

- C. If the Corporation is owed money by the resident or the resident is in breach of any other obligation to the Corporation, the Board of Directors may consent to the transfer, as requested by that resident for the sale of his/her/their home to a new buyer, but may insist that the consent or transfer documents or deed be transmitted directly to the escrow or closing agent with a Notice of Lien on the resident's home for those amounts due and owing the Corporation. The documents shall only be recorded upon payment to the Corporation of all outstanding balances due to the Corporation.

4.3 Sale of Member Homes

- A. For a period of thirty (30) days following the delivery of the notice to the Board, if the Member receives more than one offer for the same price upon the same terms and conditions, and one of said offers is from a lower-income family or individual, the Member shall accept the offer from the lower-income family or individual. Provided, that the Board may authorize the sale to someone other than a lower-income family or individual at the request of the selling Member in the case of a sale to a family Member or where the delay in selling would pose an unreasonable hardship for the selling Member.

The following shall apply in all situations where Fannie Mae holds an Eligible Loan on a home in this Corporation:

A.1 Notwithstanding any other Bylaw provision, the purchaser of a Manufactured Home who acquired title at a foreclosure sale conducted by the holder of an "Eligible Loan" (as defined by statute), or directly from the holder of an Eligible Loan, shall be exempt from any "low income" requirement.

A.2 Notwithstanding rights of the Corporation under state law, any holder of an Eligible Loan, which is actively pursuing the right to foreclose or which has acquired title to the Manufactured Home by purchase itself at a foreclosure sale or by deed in lieu of foreclosure, and which has paid or is paying the Corporation Rent and Other Charges owing by a Member under an Occupancy Agreement, shall not be required to advance more than six (6) months of Rent and Other Charges, and the Corporation's lien rights, as to amounts owing to it by the Member under the Occupancy Agreement or otherwise, shall be subordinate to the rights of the holder of an Eligible Loan, and amounts owing to the Corporation shall only be paid out of the excess proceeds, if any, available after transfer of the Manufactured Home to a third party, and after all amounts outstanding under the Eligible Loan, including repayment of advances of monthly Rent and Other Charges, have been paid in full.

B. A lower-income family or individual shall be defined as a family or individual whose total income does not exceed 80% of the median income in the county as determined by the U.S. Dept. of Housing and Urban Development and published in the Federal Register.

C. The Board of Directors shall purchase the Membership Interest from said Member household by paying them an amount equal to the Member's total payment toward their Membership Fee, without interest, less any debt owed by the Member to the Corporation, within sixty (60) days of the removal or sale of the home, or at such later date when the purchase can be made without jeopardizing the solvency of the Corporation.

4.4 Vacant Lots

Any lot in the Community that becomes vacant (other than a temporary vacancy when a Member of the Corporation replaces his or her existing manufactured home with a new or different one), shall be leased by the Board of Directors to a lower-income household approved for Corporation Membership; provided, however, that if after advertising the lot for thirty (30) days, the Board does not receive an offer to lease from a lower-income household reasonably capable of affording the home and living in the Community, the Board of Directors may lease the lot to any suitable household. The Board will keep a waiting list for these purposes.

ARTICLE V
Membership Meetings

5.1 How the Membership Can Legally Act

- A. The Membership may act only at a properly called meeting of the Membership where a quorum is present. 30 % of the current Membership shall constitute a quorum at a Membership Meeting.
- B. A Member who is not in good standing (as defined by these Bylaws at 3.1B) shall be ineligible to vote upon any matter, and shall not be counted toward a quorum.
- C. There shall be no voting by proxy; nor shall a proxy be counted towards the establishment of a quorum. The existence of a quorum shall be established at the beginning of each meeting and shall remain valid until the meeting is adjourned.
- D. If a quorum has been achieved, any motion for consideration that is properly noticed before the meeting shall be approved by a majority vote of Members present except for motions affecting the Bylaws and Community Rules.
- E. The Bylaws of the Corporation and the Community Rules shall be adopted or repealed by at least a majority vote of the total Membership of the Corporation.
- F. The Bylaws and the Community Rules may be amended by a majority vote of the Members present at any regular or special meeting at which a quorum is present, provided that notice of the proposed amendment shall be given in writing to all Members not less than ten (10) days prior to such meetings. After the ten (10) day notice, technical changes in wording or detail of the proposed amendment that do not alter the subject matter shall not require an additional notice.
- G. Any business required or permitted to be taken at a Membership meeting may be taken without a meeting, by means of a ballot clearly stating a Board-approved motion. To be passed, the motion must be approved by a majority of the entire Membership. A copy of the motion and vote must be kept on file with the Corporation's Membership Meeting minutes. Notice that such an action took place, including the nature of the action, and the availability of the resolution shall be posted or otherwise published to the Members within 3 days.

5.2 Annual Meeting

- A. The Annual Meeting of the Members shall be held in the month of August each year in Hinesburg, Vermont, or a place designated by the Board of Directors within 5 miles of the Community. An Annual Meeting of Members is to be held at least once a year.
- B. The Board shall give written notice of the Annual Membership Meeting not less than 10 calendar days nor more than 60 calendar days before the date that such a meeting is to be held. Such written notice shall be given in writing to each Member at his/her address, and posted and maintained at a common area, and shall state the place, day, and time of the meeting, as well as the agenda items or subject matter to come before it.

- C. The Annual Report to the Secretary of State, the report of the examination of the prior year's finances, and the proposed annual budget of the Corporation shall be made available to each Member no later than ten (10) days before the Annual Meeting for approval by the Membership at the Annual Meeting.
- D. The Board shall recommend for the approval by Membership the annual budget with proposed future rents. If Members, after meeting held or ballot conducted for said purposes, shall fail to approve a budget that meets all contractual obligations, the Board may approve such a budget without further vote of the Members.

5.3 Special Meetings of the Membership

- A. Special meetings of the Membership may be called by the President, the Board of Directors, or by petition of **at least 20 %** of the Members. Such Member petition may be delivered to any Board Member. The Board shall set the date, place and time of the Special Meeting, to be held within 30 days after receipt of such demand.
- B. The Secretary of the Corporation shall deliver or mail written notice stating the place, day, hour and purpose of the Special Meeting to each Member and post the notice in a common area not less than 10 days in advance of the meeting date. Business at a Special Meeting of the Membership is limited to the scope of the notice provided.

ARTICLE VI Board of Directors

6.1 Number and Term of Directors

- A. The Board of Directors shall consist of Seven (7) Members who are in good standing with the Corporation.
- B. Directorships will not be denied to any person on the basis of age, race, religious creed, color, sex, sexual orientation, gender identity, marital status, disability, national origin, or due to receipt of public assistance, or because there are minor children in the household. To be eligible to serve as a Director, an individual must be a resident homeowner of a manufactured housing unit in the Community and be a Member in good standing with the Corporation.
- C. All Directors shall serve for a term of **two years**, except that at the first election, the ***Treasurer, Vice President, and (1) Director-at-Large*** will be elected for one-year terms, or until their successors are duly chosen. No Director may serve for more than **three consecutive two-year terms**.

6.2 Election of Directors

- A. The Board of Directors shall be elected by the Membership at an Annual or Special Meeting of the Corporation. All newly elected Directors will take office thirty (30) days after elections or at the next Board of Directors meeting, whichever is first.

- B. Members shall elect Directors to each officer position as well as those Directors serving at large.
- C. A ballot provided on a form approved by the Board of Directors shall be used for the election of Directors. It shall clearly state the Director and Officer position to be filled and those nominees known in advance of the meeting. It shall also clearly state that other nominees may come from the floor. Ballots must be identifiable by either a lot number or other means. The ballots shall be sealed and opened at the Membership meeting.
- D. The Board of Directors may allow for an absentee ballot for the following reasons: *hospitalization, shift work, infirmity, and out of state*. A request for an absentee ballot must be made in writing at least three (3) days before the meeting, if not the result of emergency circumstances. If the ballot is to be mailed, the Member must request it ten (10) days before the meeting. Absentee ballots may not be counted towards a quorum.

6.3 Powers

- A. The Board of Directors shall be responsible for the day-to-day management and control of the Corporation operations.
- B. No Director may act on behalf of the Corporation unless duly authorized by the Board of Directors.
- C. Any matters outside of the ordinary course of business or that involve the sale or encumbrance of assets shall require Member approval.
- D. The Board of Directors may from time to time set up committees and/or ad-hoc groups to work on specific responsibilities, with the Committee Members serving at the pleasure of the Board of Directors. These committees will report to the Board of Directors and operate with only as much authority as granted by the Board. Further explanation of these committees may be found in the policies of the Board of Directors.

6.4 Resignation

Any Director may resign at any time by delivering written notice to the Secretary or President of the Board of Directors. Such resignation will take effect upon the later of receipt or the time specified in the notice.

6.5 Removal

- A. Any Director whose actions are determined to negatively affect the operation of the Corporation may be removed by a majority vote of the Members present at any regularly scheduled or Special Meeting of the Membership where a quorum is present, provided that a 10-day notice of the impending vote has been given to the Director who may be removed. Said notice of a vote to remove shall only be made after:
 - i. If initiated by the Board of Directors for cause - a two thirds vote of the Board of Directors, or

- ii. If initiated by a Membership Petition- after the Board of Directors receives a written petition requesting the proposed removal, signed by at least 10% of the Membership.
- B. Said Notice shall clearly advise that, once a quorum is established, a majority vote of the Members present will be needed to remove the Director.
- C. The notice shall state the date, time and place of the meeting where said vote will be taken.
- D. If the Members' petition for removal of a Director does not state that the vote to remove is requested for the next regularly scheduled meeting, or if the Board of Director lacks time to give the required notice to the Director to be removed before the next regular meeting, then the Board of Directors shall take said Petition for Removal to also be a request for a Special Membership Meeting for said purposes, and proceed in accordance with these Bylaws regarding Special Meetings, and shall set the date, place and time of the Special Meeting, to be held within 30 days after receipt of such Petition. The Secretary, or any designated officer of the Corporation, shall deliver or mail written notice stating the place, day, hour and purpose of the Special Meeting to each Member and post the notice in a common area not less than 10 days in advance of the meeting date.

6.6 Vacancies

Vacancies that result from resignation or other means may be filled by a majority vote of the Directors present at any regular or special meeting of the Board of Directors. The Director so appointed shall serve the remainder of the unexpired term, which shall not be counted as a consecutive term for the purposes of Article 6.1 of these Bylaws.

6.7 Compensation

Directors shall serve without compensation, but shall be entitled to reasonable compensation for expenses incurred while conducting legitimate Corporation business. Any expenses incurred must have prior approval by the Board of Directors. Receipts must accompany all requests for reimbursement. Directors may not simultaneously serve on the Board and receive compensation for services, products, or contracts, and may not be employed by the Corporation.

ARTICLE VII **Officers**

7.1 Roster of Officers

The Officers of the Corporation shall consist of a *President, Vice President, Secretary, Treasurer, Operations Manager, and Director(s) at Large* and any other designated position as decided by the Membership. All Officers are Directors of the Corporation and must meet the requirements for being a Director set forth in Article 6.1.

7.2 Election and Removal of Officers

See process for Election and Removal of Directors in Article 6.

7.3 President

The President shall serve as chair and preside at all meetings of the Directors and Membership. He or she shall be responsible for general day-to-day administration according to the authority granted by the Board and the Membership. The President shall perform such duties prescribed by the Board or as necessary to accomplish the directives of the Board of Directors.

7.4 Vice President

The Vice President shall preside at all meetings in the absence of the President and shall perform such duties delegated to him/her by either the Board or the President. He/she shall report on the activities of the President to the Board in the absence of the President.

7.5 Secretary

The Secretary shall keep the records of the Corporation and these Bylaws. Amendments to these Bylaws shall be typed, noted, dated and maintained with these Bylaws, and copies distributed to the Membership. He or she shall keep a true record of the proceedings of all meetings of the Directors and Members. If the Secretary is absent from any such meetings, the chair may request that some person act as a recording secretary to take the minutes. The Secretary shall also be responsible for posting meeting notices, typing correspondence and maintaining and updating Membership and resident lists. The signature of the Secretary, or acting secretary, on minutes and actions of the Board shall serve as evidence of their authenticity.

7.6 Treasurer

The Treasurer shall have charge of all the funds of the Corporation and shall be responsible for all disbursements and collections. The Treasurer shall be responsible for maintaining all financial records of the Corporation including previous fiscal years; financial reports, bank statements and returned checks, invoices, records and any and all other financial records. The Treasurer will see that all checks drawn on Corporation accounts shall bear the signature of at least two of these three Officers: *President, Treasurer, or Secretary*. As a standard fiscal control, a Member of the Corporation other than the Treasurer shall reconcile the Corporation accounts each month. The Treasurer shall be responsible for having the books prepared for examination. The Treasurer may delegate any tasks to any Member of the Finance Committee or a contracted bookkeeping service.

7.7 Operations Manager

The Operations Manager sits on the Maintenance Committee and is responsible for the effective upkeep of grounds and systems; developing services, standards, emergency and general repair procedures; maintaining a list of qualified trades people; obtaining bids, maximizing volunteer contributions, submitting a capital improvement plan and annual projected maintenance budgets.

7.8 Powers

All Officers of the Corporation shall, subject to these Bylaws and to any vote of the Directors, have such powers and duties as the Directors shall from time to time designate, in addition to the specific powers and duties set forth above.

ARTICLE VIII

Board Meetings

8.1 Regular Meetings

Regular meetings of the Directors shall be held monthly. Notice of the time and place together with the agenda of the Board of Directors' meeting shall be posted in a public place in the Community no less than 3 days before the meeting. The Board shall have the sole discretion to establish the agenda for all regular meetings.

8.2 Special Meetings

Special meetings of the Directors may be held at the call of the President or any two Directors. Written notice stating the place, day, hour, and agenda of any special meeting shall be posted in a common area and communicated personally to each Board Member not less than three days before the date of the meeting. In an emergency situation, a shorter notice may be given, provided that the agenda for that meeting is limited to dealing with the emergency at hand and that all actions taken are ratified at a subsequent properly noticed meeting.

8.3 Open Meetings

Regular and Special Meetings of the Board of Directors shall be open to the Membership except when the Board moves to an Executive Session. Executive Sessions are used only for purposes of protecting a person's reputation and confidentiality, or to receive or discuss advice from legal counsel. A decision may not be made in Executive Session, where minutes are not kept. Decisions must be made in the form of a motion at a public meeting.

8.4 Notice

Written notice stating the place, day, hour and agenda of all Board meetings, regular and special, should be posted in a common area no less than three (3) days before any meeting.

8.5 Quorum

At any meeting of the Board of Directors, a simple majority of the number of Directors then in office shall constitute a quorum for the transaction of business. A majority of those present must vote in the affirmative to pass a motion, once a quorum has been established. A Director may attend by telephone and such Director is included in a quorum count.

8.6 Action without a Meeting

- A. Any action required or permitted to be taken by the Board of Directors at a meeting may be taken without a meeting if the written motion is approved and signed by all Board Members. Authority for such action commences when the last Director signs. A copy of the written motion with all signatures must be kept with the Board minutes.

- B. Notice that such an action took place, including the nature of the action, and the availability of the resolution shall be posted within three (3) days.

8.7 Proxy Voting Prohibited

Proxy voting is prohibited.

ARTICLE IX
Indemnification and Bond

9.1 Indemnification

- A. The Directors, Officers and Members shall not be personally liable for the debts, liabilities or other obligations of the Corporation.
- B. Should any person be sued or threatened with suit, either alone or with others, because he or she was or is a Director or Officer of the Corporation, in any proceedings arising out of his or her alleged misfeasance or nonfeasance in the performance of his or her duties or out of any alleged wrongful act against the Corporation, indemnity for his or her reasonable expenses, including attorney's fees incurred in the defense of the proceeding, may be assessed against the Corporation, its receiver, or its trustee, by the court in the same or a separate proceeding if (1) the person sued is successful in whole or in part, or the proceeding against him or her is settled with the approval of the court; and (2) the court finds that his or her conduct fairly merits such indemnity. The amount of such indemnity shall be so much of the attorney's fees incurred and other expenses as the court finds to be reasonable.
- C. Should any person be sued or threatened with suit, either alone or with others, because he or she was or is a Director, Officer, or employee of the Corporation, in any proceedings other than an action by the Corporation, indemnity for his or her reasonable expenses including attorney fees incurred in the defense of the proceeding may be paid by the Corporation if the person acted in good faith and in a manner he or she reasonably believed to be in or not opposed, to the best interest of the Corporation; any such indemnity shall be made as authorized by majority vote of the Membership.

9.2 Bond

Each Officer, Director, employee, and agent handling funds or securities amounting to \$1,000 or more in any one year shall be covered by adequate bond in accordance with state law.

ARTICLE X

Operations

10.1 Signing of Documents

Unless specifically authorized by the Board of Directors or as otherwise required by law, all final contracts, deeds, conveyances, leases, promissory notes, or legal written instruments executed in the name of and on behalf of the Corporation will be signed and executed by the President and one other Director. The Board will authorize by written resolution all final documents to be so executed. No more than one individual from each Member household may have signing authority.

10.2 Disbursement of Funds

- A. All checks disbursing funds from any of the Corporation's accounts will require the signatures of at least two Directors. No more than one individual from each Member household may have signing authority.

- B. Any decisions that may commit expenditures of *two thousand dollars (\$2,000)*, or more of Corporation resources per fiscal year, that does not appear in the approved annual budget, shall be made by the Membership at an Annual or Special Meeting of the Members. Capital improvement and replacement reserve expenditures that do not appear in the Member-approved Capital Improvement Plan and that exceed *three thousand dollars (\$3,000)* per fiscal year, require the approval of the Membership except in cases of emergency repairs. The Board shall notify the Membership of such an emergency action at the next regular or Special Meeting of the Membership.

10.3 Ethics, Procurement and Conflict of Interest:

In addition to the requirements of these Bylaws, the Corporation through a Membership vote shall adopt, and all Director-Officers shall abide by, a Board of Directors Code of Ethics Policy, a Procurement Policy, and a Conflict of Interest Policy. No member of the Board of Directors may be retained by the Corporation for compensation whether as an employee, independent contractor, consultant or in any other capacity. The role of employee, contractor, or vendor is inherently a conflict of interest with the Director's role as a Board Member, and that conflict cannot be waived by the Board or Membership.

10.4 Records

The records of the Corporation shall be kept by the Directors then in office and transferred to newly elected Directors upon change over.

10.5 Inspection of Books and Records

- A. Records of the Corporation shall be open to the inspection of any Member at a reasonable time and place within 72 hours of a Member's request, limited to those items not protected for reasonable privacy concerns of Members, including but not limited to financial applications, credit reports, hardship applications, materials discussed in executive session and individual collection matters.

B. The Treasurer will make the Annual Financial Statements available to the Board within three months after the end of the fiscal year.

10.6 Fiscal Year

The fiscal year of the Corporation shall be the twelve (12) month period ending the last day of September of each year. The Corporation shall cause its books to be examined within a reasonable time after the end of each fiscal year in accordance with the audit/review requirements of state law.

10.7 Dissolution

A. Dissolution will be in accordance with **11 V.S.A. § 1603**.

B. In the event of dissolution of the Corporation, the assets, after payment of the Corporation's debts and expenses, shall be distributed in the following manner:

1. The face value, or the amount equal to the Membership Fee paid minus any outstanding obligation to the corporation, whichever is lower, shall be returned to the Members.

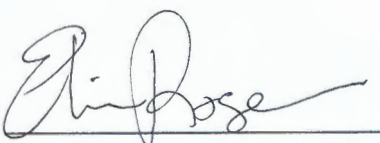
2. Any surplus remaining after the distributions in paragraph 1 may be distributed as a contribution to any corporation, association or other nonprofit association to which contributions are deductible from income tax under current Internal Revenue Service regulations.

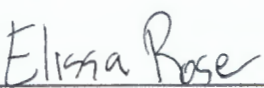
ARTICLE XI
Rules of Procedure

In case of any question not covered in these Bylaws or adopted Board policies, the guidelines in “**Parliamentary Procedure for Manufactured Housing Community Corporations**” as published by the *Management Guide* © 2003, 2007, 2017 ROC USA, LLC or the foundation document, *The Standard Code of Parliamentary Procedure, Fourth Edition*, by Alice Sturgis, 2001) shall prevail.

CERTIFICATION

I hereby certify that these Bylaws were adopted by the Membership of Sunset Lake Cooperative, Inc. at its meeting held on October 11, 2018.

Signature:  _____

Name:  _____
Secretary of the Corporation

International Cooperative Alliance Principles

1st Principle: Voluntary and Open Membership

Co-operatives are voluntary organizations, open to all persons able to use their services and willing to accept the responsibilities of membership, without gender, social, racial, political or religious discrimination.

2nd Principle: Democratic Member Control

Co-operatives are democratic organizations controlled by their members, who actively participate in setting their policies and making decisions. Men and women serving as elected representatives are accountable to the membership. In primary co-operatives members have equal voting rights (one member, one vote) and co-operatives at other levels are also organized in a democratic manner.

3rd Principle: Member Economic Participation

Members contribute equitably to, and democratically control, the capital of their co-operative. At least part of that capital is usually the common property of the co-operative. Members usually receive limited compensation, if any, on capital subscribed as a condition of membership. Members allocate surpluses for any or all of the following purposes: developing their co-operative, possibly by setting up reserves, part of which at least would be indivisible; benefiting members in proportion to their transactions with the co-operative; and supporting other activities approved by the membership.

4th Principle: Autonomy and Independence

Co-operatives are autonomous, self-help organizations controlled by their members. If they enter to agreements with other organizations, including governments, or raise capital from external sources, they do so on terms that ensure democratic control by their members and maintain their co-operative autonomy.

5th Principle: Education, Training and Information

Co-operatives provide education and training for their members, elected representatives, managers, and employees so they can contribute effectively to the development of their co-operatives. They inform the general public - particularly young people and opinion leaders - about the nature and benefits of co-operation.

6th Principle: Co-operation among Co-operatives

Co-operatives serve their members most effectively and strengthen the co-operative movement by working together through local, national, regional and international structures.

7th Principle: Concern for Community

Co-operatives work for the sustainable development of their communities through policies approved by their members.

These principles can be found on the International Cooperative Alliance website at <http://www.ica.coop/al-ica/>.

Community Rules

Sunset Lake Villa Mobile Home Park

A Resident Owned Community

Owned and operated by: Sunset Lake Cooperative, Inc.

Introduction

We wish to welcome you to our community. It is our desire to provide a pleasant, attractive and affordable place for people to live. All communities need some form of regulations to accomplish this goal. The rules of this community are not intended to be unnecessarily restrictive but are meant to help provide you a safe and tranquil environment. The future value of your manufactured home rests, to a great degree, on our community's appearance and its reputation in the community at large.

The Board of Directors

IMPORTANT NOTICE:

THE RULES SET FORTH BELOW GOVERN THE TERMS OF YOUR RENTAL AGREEMENT WITH THIS MANUFACTURED HOUSING COMMUNITY. THE LAW REQUIRES ALL RULES OF THIS COMMUNITY TO BE REASONABLE. NO RULE MAY BE CHANGED WITHOUT YOUR CONSENT UNLESS THIS COMMUNITY GIVES YOU 60 (SIXTY) DAYS ADVANCED NOTICE OF THE CHANGE.

SUBJECT TO THE TERMS OF ANY WRITTEN LEASE AGREEMENT, YOU MAY CONTINUE TO STAY IN THIS COMMUNITY AS LONG AS YOU PAY YOUR RENT AND ANY OTHER LAWFUL CHARGES, FOLLOW THE RULES OF THE COMMUNITY AND APPLICABLE LOCAL, STATE AND FEDERAL LAW, DO NOT DAMAGE COMMUNITY PROPERTY AND DO NOT REPEATEDLY INTERFERE WITH THE PEACEFUL ENJOYMENT OF OTHER TENANTS IN THE COMMUNITY. YOU MAY BE EVICTED FOR NONPAYMENT OF RENT, BUT ONLY IF YOU FAIL TO PAY ALL RENT DUE WITHIN 30 DAYS AFTER YOU RECEIVE WRITTEN NOTICE THAT YOU ARE BEHIND IN YOUR RENT.

YOU MAY ALSO BE EVICTED FOR NOT FOLLOWING THE RULES OF THIS COMMUNITY, BUT ONLY IF THE RULES ARE REASONABLE, YOU HAVE BEEN GIVEN WRITTEN NOTICE OF YOUR FAILURE TO FOLLOW THE RULES, AND YOU THEN CONTINUE TO BREAK THE RULES. YOU MAY NOT BE EVICTED FOR JOINING A TENANT ORGANIZATION.

IF THIS COMMUNITY WISHES TO EVICT YOU, IT MUST GIVE YOU 60 DAYS ADVANCE NOTICE, EXCEPT IF YOU ARE BEHIND IN YOUR RENT, IN WHICH CASE ONLY 14 DAYS NOTICE IS REQUIRED. THE EVICTION NOTICE MUST GIVE YOU THE REASON FOR THE PROPOSED EVICTION. THE EVICTION MUST BE IN ACCORDANCE WITH 12 V.S.A. CHAPTER 169.

YOU HAVE THE RIGHT TO SELL YOUR HOME IN PLACE TO ANYONE AS LONG AS THE BUYER AND HIS HOUSEHOLD MEET THE RULES OF THIS COMMUNITY. YOU MUST NOTIFY THE COMMUNITY IF YOU INTEND TO SELL YOUR HOME. FAILURE TO DO SO MAY MEAN THAT THE BUYER WILL BE REQUIRED TO MOVE THE HOME FROM THE COMMUNITY.

COPIES OF THE LAW UNDER WHICH THIS NOTICE IS REQUIRED MAY BE OBTAINED FROM THE CONSUMER PROTECTION AND ANTITRUST BUREAU OF THE ATTORNEY GENERAL'S OFFICE, at 109 STATE STREET, MONTPELIER, VERMONT.

I. GENERAL RESPONSIBILITIES

- 1) The corporation is responsible for:
 - All underground utilities
 - Snowplowing of roads
 - Maintenance of roads, culverts, and common areas
 - Trees
 - Utility Poles (applicable in some communities)
 - Enforce the community rules of the corporation
- 2) The homeowner is responsible for:
 - Hooking up to utilities and maintaining connections
 - Upkeep of their lot
 - The care, maintenance and snow removal of their own walk-ways and driveways.
 - Obeying Community Rules
 - Payment of lot rent on time
 - Prominently displaying the street number on the front of the home for emergency location (911)
 - All state or local taxes on the home are the responsibility of the homeowner. You may not remove your home unless all taxes are paid and a copy of the permit from the local governing body allowing removal of the home is given to the Corporation.
- 3) All homeowners are liable for damages, injury or loss incurred in their homes and on their lot. Homeowners are strongly urged to carry homeowner's insurance.
- 4) The speed limit in the community is **Fifteen (15) MPH.**
- 5) Discharge of firearms, BB guns, archery equipment, paint ball guns, fireworks and any other dangerous weapon is strictly not allowed. This is a life safety issue!

II. OCCUPANCY

- 1) All housing units are to be owner-occupied. No rentals or sub-leases are allowed, except as specified in the Corporation's Bylaws. In order to promote the safety of the homeowners and make a fair distribution of services, the maximum number of individuals allowed per home is two persons per bedroom unless otherwise dictated by the condition of the home.
- 2) All lot rents are due on the **first (1st)** day of the month with a 10-day grace period. The Corporation reserves the right to assess late fees related to the actual costs incurred by the Corporation as a result of a Member's late payment. Cash is not acceptable for payment of rent. A returned check fee will be assessed in the amount of the fee charged to the Corporation by the bank. No re-deposits will be made.
- 3) Any homeowner wishing to sell or remove their home is required to give a thirty (30) day written notice of intent to the Board of Directors. Failure to give notice can result in 30 day's additional lot rent. In either case, the homeowner is responsible for advising any potential buyers of the requirement of join the corporation as a condition of allowing the home to remain in the community.

For a period of thirty (30) days following the delivery of the notice to the Board, if the resident receives more than one offer for the same price upon the same terms and conditions, and one of said offers is from a lower-income family or individual, the resident shall accept the offer from the lower-income family or individual. Provided that the Board may authorize the sale to someone other than a lower-income family or individual at the request of the selling resident in the case of a sale to a family member or where the delay in selling would pose an unreasonable hardship for the selling resident.

A lower-income family or individual shall be defined as a family or individual whose total income does not exceed 80% of the median income in the county as determined by the U.S. Dept. of Housing and Urban Development and published in the Federal Register.

If the Corporation is owed money by the resident, the Board of Directors will sign a deed (within 21 days as required by applicable state law and Housing Division Rules, as requested but may insist that the deed be transmitted directly to the escrow or closing agent with a Notice of Lien 9 VSA Section 2602 on the resident's home for those amounts due and owing the Corporation. The Notice of Lien must be included in the deed transferring ownership of the mobile home under the known encumbrances. The Corporation may collect it against the home despite the transfer. 12 V.S.A. Section 2903 confers the right of a judgment lien holder to foreclose on the property pursuant to Title 12 and Vermont Rule of Civil Procedure 80.1 and applicable state law.

The following shall apply in all situations where Fannie Mae holds an Eligible Loan on a home in this corporation:

- Notwithstanding any other Bylaw provision, the purchaser of a Manufactured Home who acquired title at a foreclosure sale conducted by the holder of an "Eligible Loan" (as

defined by [applicable state law), or directly from the holder of an Eligible Loan, shall be exempt from any “low income” requirement.

- Notwithstanding rights of the Corporation under applicable state law or other law, any holder of an Eligible Loan which is actively pursuing the right to foreclose or which has acquired title to the Manufactured Home by purchase itself at a foreclosure sale or by deed in lieu of foreclosure, and which has paid or is paying the Corporation Rent and Other Charges owing by a Member under an Occupancy Agreement, shall not be required to advance more than six (6) months of Rent and Other Charges, and the Corporation’s lien rights, as to amounts owing to it by the Member under the Occupancy Agreement or otherwise, shall be subordinate to the rights of the holder of an Eligible Loan, and amounts owing to the Corporation shall only be paid out of the excess proceeds, if any, available after transfer of the Manufactured Home to a third party, and after all amounts outstanding under the Eligible Loan, including repayment of advances of monthly Rent and Other Charges, have been paid in full.
- a) For sales of homes:
 - i) The letter will contain the agent’s name, telephone number, and address;
 - ii) The asking price and the names, telephone number and address of any party having signed a Purchase and Sales Agreement.
 - iii) If the homeowner desires an inspection of the home as a contingency of the sale, it must be done in compliance with applicable state law.
 - b) For removal of homes:
 - i) All taxes assessed against the home, all lot rent, fees and assessments are to be paid in full.
 - ii) In addition, a copy of the permit to remove is given to the Board of Directors prior to removal.
 - iii) The lot is to be cleaned of any trash, debris, and hazards, i.e. stairs falling apart, outbuildings in disrepair, broken glass.
 - c) For homes to be moved in:
 - i) The Board of Directors requires written approval of all new and used homes prior to delivery.
 - ii) The Board of Directors reserves the right to inspect and view any used home before moving into the community.
 - iii) If required by local, state or federal regulations, the age and condition of the home must first be approved by the regulating authority.
 - iv) All work must meet the minimum standards set by state law and Housing Division Rules.
- 4) Only those in-home businesses that do not create additional traffic, noise, or odor to the community are allowed.
- 5) Septic systems are not to be used for disposal of grease, condoms, feminine napkins or tampons, children’s toys, diaper wipes, non-bathroom tissue or bio-hazard material. As a corporation Member, you are an owner of our systems and premature failure of the leach beds is a costly expense that could increase our rent. If the damages are found to be due to the homeowner’s failure to follow this rule, the homeowner may be responsible for the entire cost of the repair.

- 6) It is the responsibility of the homeowner to provide for securing the home's water lines from leakage, especially during the winter months. At this time, the standard method is by heat tape. You are required to inspect and plug them in each year in the fall. The Corporation reserves the right to shut off the water at any home where there is a leak until such time as a repair is made. If the damages to the Corporation's property and/or infrastructure are found to be due to the homeowner's failure to follow this rule, the homeowner may be responsible for the entire cost of the repair.
- 7) Notify the Board of Directors if there are any additions of occupants in your home that exceeds **30 (thirty) days and any applicable state law**. In all cases, the total number of occupants shall not exceed the Corporation's established occupancy limits. The Board of Directors requires an Occupancy Agreement to be modified as needed to list the new resident as an Occupant, but not to sign as a party. Each additional adult Occupant must meet the Corporation's Criminal Background Criteria. Occupancy may NOT exceed limits set for the home-site (lot).
- 8) All homeowners are responsible for the actions of their guests, members of their household and their pets. Community Rules apply to all guests and invitees, as well as the homeowner household.
- 9) Adults, children, pets, and their guests are not to be on the lot or property of others, uninvited.
- 10) Residents and guests will conduct themselves in a reasonable manner so as not to disturb others. Public drunkenness is strictly prohibited. This is a drug free community. Use, sale or giving of illegal drugs to others in this community is prohibited and is cause for immediate eviction, with prosecution to the fullest extent of the law.
- 11) A moderate noise level from radios, electronic equipment, vehicles and parties is expected at all times. Quiet hours are from **10 PM to 8 AM**.
- 12) **Homeowner owns and is responsible for all repairs and maintenance of any above-ground fuel-storage tank (AST) on homeowner's lot. All ASTs shall be in compliance with the rules and standards as published by the Vermont Department of Environmental Conservation (DEC) and incorporated herein by reference as if fully set forth herein. Any tank not in compliance shall be brought into compliance. Any tank not brought into compliance with such standards within the time given in a written notice from the Corporation Board of Directors may be replaced by the Corporation at the expense of the homeowner and such expenses may be collected and assessed as capital improvements under the Housing Division Rule 6.2. Screening the tank from view is required and should be constructed according to required DEC rules.**

III. BUILDINGS AND STRUCTURES

- 1) All homes need to be maintained in good condition, skirted, clean, neat, and properly painted in a manner in keeping with the general appearance of the community.

- 2) Accessory buildings, porches, decks and skirting are to be kept painted and in good repair so the appearance of the home and lot are attractive overall.
- 3) Concrete blocks are not acceptable as stairs. All outside doors must have stairs with hand railing on opening side in accordance with the town's building code.
- 4) Only one utility building is allowed. Metal buildings are permitted. Any new structure is to comply to the following standards:
 - a) may not exceed **12' X 12' or 144 square feet**
 - b) roof is pitched
 - c) doors and windows stay in good repair and are able to be closed
- 5) All buildings, additions, porches, sheds, towers, children's play facilities, and decks are to have prior written approval by the Board of Directors, who must sign the Permit Request, and are to comply with the town building codes, and federal and state regulations. Homeowners are required to present a plan for any of the above structures, showing details of the structure and the location on the lot. A copy of the Town's building permit is to be given to the Board of Directors before work begins, which will be placed in the homeowner's file.
- 6) Pools and trampolines are strictly prohibited.
- 7) Commercial signs are not allowed.

IV. SITES

- 1) Freestanding clotheslines are permitted in side and back yards. Stringing lines between trees and/or the home is not permitted (except for lines in existence prior to cooperative ownership).
- 2) Rubbish removal is included in the lot rent. Said service shall be provided weekly, the exact date subject to change. All rubbish shall be placed in heavy-duty plastic bags inside the tote bin provide and should only be placed outside for collection the night before the day of rubbish pick-up. The amount of rubbish to be picked up is limited to the size of the container and only trash in the bin will be collected. All other trash and rubbish shall be removed at the Tenants' expense. No burning or dumping of any rubbish is allowed on park property. Rubbish is to be kept in closed containers designed for that purpose and out of sight if possible. Tote bins are not to be left at the bottom of driveways. Residents are encouraged to recycle.
- 3) Yards are to be kept neat and free of debris. Lawns are to be kept trimmed and mowed. If a lot is neglected, the cooperative reserves the right to have the lot cleaned and paid for at the owner's expense.
- 4) Appliances, large containers, motors, auto body parts, tools, building supplies, chemicals, drums, tires, and other discarded items may not be left on lawns or around homes. No furniture of any kind except for lawn furniture may be kept outside the home.

- 5) Outside burning of leaves, rubbish, etc. is **not** permitted. Gas and charcoal grills are permitted but permanent fireplaces and barbecue pits are not permitted. This rule does not supersede any and all applicable fire codes.
- 6) Fences may be used for decorative purposes only and no higher than **four (4)** feet. No lot perimeter fences are allowed. The Board of Directors has final approval on fences.
- 7) The use of the lot by the homeowner will not interfere with the Corporation's ability to perform any upkeep and maintenance of the community infrastructure. Ask **before** you dig or plant! **DIGSAFE and 20 V.S.A. Chapter 86** regulations apply.
- 8) Prior written approval by the Board of Directors for planting, trimming and replacement of all trees is required.
- 9) Seasonal maintenance of driveways is the homeowners' responsibility. Prior written approval by the Board of Directors must be granted before modifying (design/materials) the driveway.

V. VEHICLES

- 1) Unregistered and/or un-inspected motor vehicles are not allowed in the community. No major automotive repairs may be performed in the community. Basic maintenance, such as oil changes, may be performed provided the resident uses appropriate ramps and catch basins, and disposes of the oil and filters appropriately. Any spills will be dealt with at the homeowner's expense.
- 2) Parking spaces will be allocated to each home. There is no parking of any motorized vehicles on lawns. This includes campers, boats, trailers, or other motorized vehicles. Seasonal storage of recreational vehicles or boats is allowed provided you have room in your driveway. Parking is allowed on the streets during the day (8 am- 10 pm) as long as it does not block snow plowing or emergency vehicles.
- 3) Motorized trail bikes, skimobiles, go-carts, and all-terrain vehicles are not to be used in the community except to enter and exit.
- 4) There is to be no racing or inappropriate use of any vehicles in the community.
- 5) The speed limit is **Fifteen (15) MPH**.
- 6) Overnight parking of vehicles with a gross vehicle weight (GVWR) of over 20,000 pounds in the community requires prior written consent of the Board of Directors.

VI. ANIMALS

While the members of this community understand that animals are personally pleasurable and important, not everyone likes the same pets. The following rules are intended to create a healthy environment for everyone.

- 1) Domestic pets are allowed in this community with restrictions. Proper vaccinations/immunization and licensing with the town is an important responsibility of the homeowner. Placement of farm and wild animals on any cooperative property is not allowed.
- 2) These dogs are prohibited:
 - a) Any dog with a history of aggressive behavior or biting.
 - b) Any animal that is on a list of prohibited pets, as provided by the Corporation's insurance company.
- 3) Two animals permitted per home. Maximum of one dog per home.
- 4) Permitted dogs will either be restricted to their lot or walked on a leash at all times. No dogs should be left outside unattended. A barking dog may not be outside for longer than five minutes.
- 5) Cats are allowed to roam free provided they are not damaging any property of another homeowner. Should this occur, the homeowner will remove the pet or confine it to the inside of the home. All outdoor cats should be spayed or neutered. All outdoor cats need to be properly collared and tagged with up to date vaccinations and immunizations.
- 6) Animals that cause damages to any property will be restricted to the homeowner's lot and the pet owner will be liable for damages.
- 7) All solid wastes from pets are to be picked up by the owner immediately and disposed of in the proper manner.
- 8) Residents may apply for an exception to the "VI. Animal section of the Community Rules" by submitting a Request for A Reasonable Accommodation.

VII. REQUESTS FOR REASONABLE ACCOMODATIONS

Where the situation warrants, residents may apply for an exception to Community Rules by submitting a written Request for a Reasonable Accommodation to any member of the Board of Directors. The request for a Reasonable Accommodation will be heard by the Board of Directors at the next regularly scheduled board meeting. Any exception that is granted by the board shall be subject to revocation at the sole discretion of the board.

VIII. ATTORNEY'S FEES AND COSTS

In the event any legal action is commenced by the Corporation to collect past due rent, to evict for any reason, or for any other reason, the homeowner must pay all legal fees and costs incurred by the Corporation. These fees and costs will be paid by the homeowner, even if the eviction is terminated or cancelled by the Corporation. The legal fees would also include all such fees and costs incurred in connection with a Supreme Court Appeal filed by the homeowner. The legal fees and costs incurred by the Corporation shall be considered additional rent for the unit in question, and this additional rent shall be due and payable by the homeowner in accordance with these Community Rules.

In the event a legal action is commenced against the Corporation by a homeowner and the Corporation prevails in said action or the action is withdrawn by the homeowner, the homeowner shall be required to reimburse the Corporation in defending such action. In no event shall the Corporation be responsible for paying the homeowner's legal fees. This is justified since the homeowner is a member of the Corporation and a partial owner of the Corporation. The term legal action shall include any civil action brought before the court of law and any action or claim brought before a Board, administrative agency or other such body.

IX. SEVERABILITY

Should any part of these rules to be deemed illegal it does not mean that these entire rules are illegal.

X. LIABILITY AND INDEMNITY

The Corporation shall not be liable for debt or damage claimed for injury to persons, including homeowners and their guests or for property damage from any cause related to homeowner's occupancy of the lot or pets, guests, family members or invitees of the homeowner. The Corporation shall not be liable for any damages due or occasioned by or from plumbing, gas, water, steam or other pipes or sewage, or the bursting, leaking or running of any pipe, tank, washstand, water closet or waste pipe, in, above, upon or about said lot or community premises. The Corporation shall not be liable for any damage arising from acts of neglect of co-resident, or other Occupants of the manufactured home community or of any homeowners, residents, occupants, owner of adjacent or contiguous lots and property. Homeowners shall pay for any expense, damage, or repair occasioned by the stopping of waste pipes or overflow of water, and from any and all damages not occasioned by reasonable wear and tear, caused by their improper use thereof. Homeowners hereby covenant and agree to indemnify cooperative and save it harmless from all costs and expenses including attorney's fees, liability loss or other claims or losses. Nothing herein shall be deemed to release the Corporation from gross negligence.

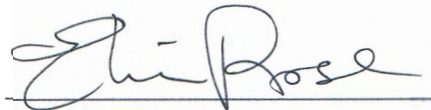
Except for gross negligence of the Corporation, homeowners hereby release the Corporation from any responsibility for any injuries or damages occurring upon or in any way connected with, the premises or nearby streets. Also, the Corporation is not responsible for claims or damages that may be caused by the re-entering and taking of possession by the Corporation under conditions of these rules and regulations or the laws of the State of **Vermont**.

Sunset Lake Villa Mobile Home Park Community Rules

Total 10 Pages – Approved on 10/11/2018

by the Membership

The foregoing is a true and accurate account, attested by,


Secretary

Member Occupancy Agreement Sunset Lake Cooperative, Inc.

This Agreement, made and entered into at Hinesburg, State of Vermont this date of purchase by the Sunset Lake Cooperative, Inc. _____[Date], by and between the Sunset Lake Cooperative, Inc., a corporation organized under the laws of the State of Vermont, having its principal place of business at 60 Jourdan Street, Hinesburg, (hereinafter called the “Corporation”), and _____[Member name] (hereinafter called the “Member”) of _____[street address] in said Corporation.

WHEREAS, the Corporation was organized to own and operate a manufactured housing community, now known as the Sunset Lake Villa Mobile Home Park, (hereinafter called the “Community”), for the benefit of its Members and others; and

WHEREAS, the Member has been provided a complete copy of the Articles of Association, most recent financial statements, Membership Agreement and Promise to Pay (pre-purchase)/ Membership Agreement (post-purchase), and the Bylaws of the Corporation, and is familiar with their terms; and

WHEREAS, the Member has a bona fide intention to reside in the Community and to continue such residence during Membership; and

WHEREAS, the Member has paid or agrees to pay the Membership Fee of one hundred dollars (\$100.00) and will receive a Certificate of Membership in the Corporation once the fee has been paid in full; and

WHEREAS, the Corporation and the Members deem it to be in their mutual interest to commemorate the Membership and rental arrangement in written form.

NOW THEREFORE, the parties do agree as follows:

Article 1 – Premises. The Corporation leases to the Member and the Member leases from the Corporation _____[street address] (hereinafter called the “Lot”) in the Community.

Article 2 – Term. Upon payment of the rental herein, and upon compliance with the other terms of this Agreement, the Bylaws of the Corporation, and the Community Rules established by the Members, all as they may be amended from time to time, the Member shall have a perpetual right to occupy said Lot. If Member intends to terminate the lease and Membership, Member shall provide thirty (30) days’ written notice to the Corporation.

Article 3 – Lot Rent. The Member covenants and agrees to pay all lot rent and other expenses in a timely manner in the monthly sum of \$455 for Members owning a manufactured home in the Community, the Member’s share of the monthly sum currently required by the Corporation, as estimated by its Board of Directors, to meet its expenses and reserves. The Lot Rent may be

increased according to the Bylaws, with a sixty (60) day written advance notice. The Lot Rent must be paid on the 1st day of each month. The Corporation reserves the right to assess late fees related to the costs incurred by the Corporation as a result of a Member's late payment. All such late fees shall be considered additional rent hereunder.

The Member further agrees to timely pay when and if due to the Town of Hinesburg all property taxes assessed against the manufactured housing unit owned by the Member. (If the Corporation, upon demand or requirement of a lender or for other reason, has elected to pay any real estate taxes so assessed against the Members' unit, the Members shall promptly reimburse the Corporation.) Any fees advanced by the Corporation for municipal taxes or other Lot Rent shall be added to the Corporation's lien for unpaid rents. The Corporation reserves the right to secure a lien on the home of the Member for any Member's Lot Rent and non-reimbursed expenses incurred by the Corporation.

Article 4 – Waiver of Homestead Interest. Member (and Member's spouse or partner in civil union signing this agreement for these purposes, if not as a Member) hereby waives any and all homestead rights, if any, established by state or federal law as to any lien by the Corporation for payment of Lot Rent and advances provided for in this agreement or by statute.

Article 5 – Membership Fee. The Member has paid or will pay the Membership Fee by payment in full before occupying the Lot. An exception is hereby made for tenancies prior to acquisition of the Community by the Corporation; the payment plan agreed to in the Subscription Agreement is hereby incorporated into this Occupancy Agreement.

Article 6 – Patronage Refunds. The Corporation may refund or credit to the Member, within ninety (90) days of the end of its fiscal year, the proportionate share of accumulated Lot Rent as has been collected from the Member that are in excess of the amount needed for expenses of all kinds, including reserves; but only insofar as such refund or credit is consistent with state law or permissible under the terms and provisions of any loan documentation incidental to secured mortgage financing upon the Community, as applicable from time to time.

Article 7 – Member's Further Obligations and Covenants. The Member shall comply with all duties set forth under Vermont law, specifically, but not limited to 10 V.S.A. Chapter 153 and 11 V.S.A. Chapter 14, and shall further agree to abide by the terms and conditions of this Agreement, and the Articles of Association, Bylaws, and Community Rules of the Corporation now in force or as they may be placed in force from time to time during the period of occupancy. The Member acknowledges receipt of a copy of the applicable Rules in effect at the execution of the Occupancy Agreement.

The Member further agrees to participate "cooperatively" in the operation and management of the Corporation by serving as requested on its committees or Board of Directors; to conduct himself/herself and his/her guests when on the Lot and in the Community in such a manner as not to disturb or threaten other Members, other tenants, or their respective guests and invitees; to pay any and all damages caused intentionally or negligently by the Member, or the Member's guests or invitees, to any and all property, real or personal, of the Corporation; to be otherwise in control of and responsible for the peaceable and non-disturbing conduct of Member's family, guests and invitees; and to otherwise reasonably obey and comply with all Community Rules.

The Member shall be responsible for all maintenance and repair of the Lot, including usual maintenance of paved parking spaces if provided, with exception of any underground system, such as underground oil tanks, or water, electrical or septic systems, unless such repair is due to the negligence of the Member. The Member owns and is responsible for all repairs and maintenance of any Aboveground Fuel-Storage Tank (AST) on Member's Lot. All ASTs shall be in compliance with "SAFE TANK" standards as published by the Vermont Department of Environmental Conservation (DEC) and incorporated herein by reference as if fully set forth herein. Any tank not in compliance at the time of the signing of this Agreement shall be brought into compliance at time of occupancy or such other time as may be agreed by a separate written consent of the Corporation Board of Directors. Any tank not brought into compliance with such standards at time of occupancy or within the time given in a written notice from the Director of Operations or Corporation Board of Directors at any other time during the term of this Agreement, may be replaced by the Corporation at the expense of the Member and such expenses may be collected and assessed in the same manner as rents under landlord-tenant law.

Member must have the consent of the Corporation Board of Directors to plant, replace, cut or trim trees or to modify landscaping with anything more than flowers. Any and all additions to landscaping become part of the Member's Lot and shall not be removed by the Member except with the expressed written consent of the Corporation Board of Directors.

Member should carry homeowner's insurance including general liability insurance, however, because the Corporation is not able to effectively monitor that the homeowner's insurance coverage is current, it is the homeowner's responsibility to keep it current.

Article 8 – Corporation's Covenants. The Corporation shall comply with all duties set forth under the law, and it agrees to otherwise abide by all affirmative obligations assumed by it pursuant to its Articles of Association, Bylaws or Community Rules, as they now exist and as they may be later amended from time to time.

The Corporation shall not discriminate for reasons of race, religious creed, color, sex, sexual orientation, gender identity, marital status, disability, national origin, or due to receipt of public assistance or because there are minor children in the household. Further, the Corporation shall not discriminate based on age, except in legally designated 55 and older or 62 and older communities, as permitted under 9 V.S.A. § 4503 (b) and (c).

Provided that the Member has provided a safe and properly maintained connection capability, the Corporation agrees to provide water and sewer utilities to the Member's Lot and to maintain these utilities in good and reasonable working order; to plow and maintain roads providing ingress and egress between the Community and the public road, to maintain common areas in a reasonably neat and attractive manner; to responsibly manage the Community and the Corporation's finances, including the payment of liability insurance and property taxes on the land; to duly report the significant and material doings and undertakings of the directorship to the Membership, and any special meetings that may be called from time to time; to provide copies of

annual audit of the Corporation's finances; and not to discriminate against the Member in the provision of any services it is required to provide.

Article 9 – Eviction. The Member understands and acknowledges that he/she may be evicted from the Community for violation of this agreement or for any violation for which a Member may be evicted as set forth in the Community Rules or for any reason specified by statute, all as they now exist or as they may hereafter be amended from time to time.

The Member also understands and acknowledges that eviction pursuant to this agreement is grounds for expulsion from Membership in the Corporation. The Member may be evicted for any reason specified in the Bylaws, as it now exists and as it may hereafter be amended from time to time. For this reason, Eviction Notices may be accompanied by a notice of the charges against them and of a reasonable opportunity to cure the alleged material violation and be heard before the Board of Directors of the Corporation not less than 15 days from the date of said notice.

The cooperative housing corporation's possessory remedy in event of default of a Member affecting that person's right to occupancy shall be in an action under subchapter 3 of chapter 169 of Title 12. However, good cause shall be required for termination of the right of occupancy. Good cause shall include nonpayment of loans, fees, costs or assessments pertaining to the cooperative interest, or material violation of Bylaws, Rules, or Occupancy Agreement which continues following reasonable notice and reasonable opportunity to cure the alleged material violation.

Article 10 – Illegal Activity. Member shall refrain from engaging in any illegal activity(ies) whether on or off Park property. The Corporation may terminate the Lease for criminal activity if the Corporation determines that Member, household member or Member's guest has engaged in the criminal activity, based on arrest or arraignment.

Article 11 – Sublease. The Premises may be sublet to a third party only in the event of extreme and temporary hardship, as determined by the Board of Directors and upon such terms and for such time periods as it deems appropriate in its sole discretion and sets forth in writing. No sublease in excess of one year, no amendment, and no modification to such proprietary lease shall be permitted or created without the prior written consent of the Board of Directors of the Corporation.

Article 12 – Limitation on Member's Right to Make On-Site Sale. The Member acknowledges the application of the resale limitations and restrictions of Section II:3 of the Community Rules of the Corporation as may be amended from time to time and agrees to abide and comply therewith.

Article 13 – Severability. Each provision of this Agreement is severable from the Agreement. If any clause, part of a clause or provision of this Agreement shall be determined to be invalid under any law or their application by a Court of competent jurisdiction, such invalidity shall not affect the validity of all remaining portions of that clause or provision or the other clauses or provisions of this Agreement.

Article 14 – Waiver. Either party's failure to insist upon strict performance of any provision of this Agreement shall not be deemed or construed as a waiver of performance of any other term of the Agreement or a waiver of such provision on future occasion.

Article 15 – Notices. Whenever the provisions of law or the Corporation Bylaws require notice to be given to either party, any notice by the Corporation to the Member shall be deemed to have been duly given if the notice is delivered to the Member at the Lot or to the Member's last known address; and any notice by the Member if delivered to a current elected Officer of the Corporation. Such notice may also be given by depositing the notice in the United States mail, addressed to the Member, as shown on the books of the Corporation, or to the President of the Corporation, as the case may be, and the time of mailing shall be deemed to be the time of the sending notice. If any law suit arises, Member must sign a waiver of service of process in accordance with the Vermont Civil Rules of Civil Procedure. If the Member fails to sign and file a waiver of service of process, Member shall bear all costs of service including reasonable attorney's fees.

Article 16 - Representations Not Binding: No representations other than those contained in this Agreement, the Articles of Association, the Bylaws or the Community Rules of the Corporation, now in effect, or as they may hereafter be amended from time to time, shall be binding upon the Corporation.

Article 17- Incorporation of Articles of Association, Community Rules, Bylaws, Agreements and Corporation Resolution. The Articles of Association, the Bylaws, all Corporation resolutions, and its duly adopted Community Rules pertaining to the Community, now in effect, or as later amended from time to time, shall be binding upon the Member.

Article 18 – Attorneys' Fees and Costs. In the event any legal action is commenced by the Corporation to collect past due rent, to evict for any reason, or for any other reason, the homeowner must pay all legal fees and costs incurred by the Corporation. These fees and costs will be paid by the homeowner, even if the eviction is terminated or cancelled by the Corporation. The legal fees would also include all such fees and costs incurred in connection with a Supreme Court Appeal filed by the homeowner. The legal fees and costs incurred by the Corporation shall be considered additional rent for the unit in question, and this additional rent shall be due and payable by the homeowner in accordance with these Community Rules.

In the event a legal action is commenced against the Corporation by a homeowner and the Corporation prevails in said action or the action is withdrawn by the homeowner, the homeowner shall be required to reimburse the Corporation in defending such action. In no event shall the Corporation be responsible for paying the homeowner's legal fees. This is justified since the homeowner is a member of the Corporation and a partial owner of the Corporation. The term legal action shall include any civil action brought before the court of law and any action or claim brought before a Board, administrative agency or other such body.

Article 19 – Time of the Essence. Time is of the essence regarding this Occupancy Agreement and any term, covenant or condition contained herein.

Article 20 – Joint and Several Liabilities. If more than one (1) Member party shall execute this Agreement, the obligations of the Members shall be their joint and several obligations in every instance.

Article 21 – Assignment to Lender. The Member recognizes and agrees that this Agreement is subject to a certain Collateral Assignment of Leases and Occupancy Agreements between the Corporation and its lending institutions and further agrees to accept and recognize these lenders' rights under said Assignment in the event those rights are exercised.

Article 22 – Loans and Security Interests. The security for a loan against the Member's cooperative interest shall be in the nature of a personal property security interest, and any default of such loan shall entitle the lender to treat such default in the same manner as a default of a loan secured by personal property.

Article 23 – Defaults on Member's Cooperative Interests. The Corporation reserves the right to cure any default in the Member's obligations pertaining to the Member's cooperative interest, including but not limited to cooperative fees, costs and assessments.

Article 24 – Amendments. The terms and form of this agreement and any proprietary lease shall be amended only by the Corporation.

Article 25 – Home Financing Contact. The following are the names and addresses of persons and/or institutions holding a mortgage or security interest in the Member's home:

Name: _____ Address: _____

Name: _____ Address: _____

Article 26 – Contact Information.

Member Name (s): _____

Address: _____ Telephone: _____

Names of each additional person living at the above address:

Article 27 – Emergency Contact Information.

List the name, address, and phone number of the person(s) Member would want notified in case of an emergency:

Name: _____ Address: _____ Phone: _____

Name: _____ Address: _____ Phone: _____

Article 28 – Enforceability. Any term contained herein which is not uniformly applied to all Members or prospective Members of the same or similar category shall be unenforceable.

IN WITNESS WHEREOF, the parties have hereunto set their hands on the date first above written.

Corporation Officers:

Signed _____
Its duly authorized Officer

Printed _____

Signed _____
Its duly authorized Officer

Printed _____

Witnesses:

Signed _____

Printed _____

Signed _____

Printed _____

Home Owners/Members:

Signed _____

Printed _____

Signed _____

Printed _____

Witnesses:

Signed _____

Printed _____

Signed _____

Printed _____

All titled Members must sign above. Untitled spouses or partners in civil unions are also encouraged to sign above.

Untitled spouse or partner in civil union who do not sign above must sign below for the purpose of waiving Homestead Interest.

Untitled spouse or partner in civil union:

Signed _____

Printed _____

Witness:

Signed _____

Printed _____

Sunset Lake Cooperative, Inc.

Occupancy Agreement Addendum - Schedule of Fees

In accordance with 10 VSA 6236 (e) All mobile home lot leases shall contain the following: (1) Rental and utility charges and other reasonable incidental service charges, if any. No charges other than properly disclosed charges for rent, utilities, or other reasonable incidental services may be imposed or collected.

Please note that all fees are subject to change. Contact the Board of Directors if you have any questions regarding the schedule of fees. This document has been approved by the Board of Directors effective date April 8, 2019.

Monthly Lot Rent Rates:

Member Lot Rent	Effective 6/1/2019 \$455.00
Non-Member Lot Rent	Effective 6/1/2019 \$480.00

Lot Rent is subject to change with a 60-day notice if approved in accordance with the bylaws of the cooperative.

Lot Rent includes household rubbish & recycling removal, water, sewerage, and routine maintenance of roads, driveways, and common areas.

Rules Enforcement:

In an effort to enforce the Community Rules the following fees will be charged if a resident does not take action to correction the violation. Please see the Rules Enforcement Policy and Community Rules for specific guidelines.

Rules Enforcement Process:

Step 1 – Friendly Reminder Letter and Request for Assistance

Step 2 – Final Reminder Letter with deadline

Step 3 – If Homeowner does not take action by deadline, action will be taken by the Co-op and Homeowner will be charged.

Miscellaneous Fees:

- Membership Fee - \$100.00
 - See Membership Agreement for terms. Owner-occupied units eligible for membership.
- Credit and/or Criminal Background Screening - \$50.00
 - New Members, Additional Household Occupants, Renters (Per Person 18+).
- Late Rent Fee - \$25.00
 - A late charge will be assessed on each rent payment over 10 days late.

- Bounced/Returned Check Fee - \$35.00
 - Fee equal to the amount charged to the Corporation by the bank. No re-deposits will be made.
- Mowing - Fee equal to the expense charged the co-op by third-party and/or \$25.00 per person hour if undertaken by the Cooperative's members.
- Trash - Dumping fee equal to the expense charged the co-op by third-party and/or \$25.00 per person hour if undertaken by the Cooperative's members.
 - Tenants may be charged a fee for removal of any items or trash other than normal household trash by the usual trash disposal provider. The Board of Directors will impose a reasonable fee, as well as the cost of such removal, should the Board of Directors have such items removed.
- Towing Vehicles - Fee equal to the expense charged the co-op by third-party
 - Unregistered vehicles and any vehicles parked in violation of any enforceable rule are not permitted and a towing fee may be charged after reasonable notice is given to the vehicle owner and the appropriate local authorities.
- Attorney Fees - Fee equal to the expense charged the co-op by third-party as granted by order of judgement of the court.
- Lot Clean-up Fee - Fee equal to the expense charged the co-op by third-party and/or \$25.00 per person hour if undertaken by the Cooperative's members.
- Disruption in Utilities
 - After failure of the tenant in a reasonable time frame to maintain their home as to not cause disruption or damage to the cooperative's utilities, action may be taken by the cooperative to remediate homeowner's negligence. The cost to the homeowner will be equal to the expense charged the co-op by a third-party and/or \$25.00 per person hour if undertaken by the Cooperative's members.
 - Some Examples of Homeowner Negligence that could cause utility damage:
 - Not properly skirted,
 - Heat tape not functional,
 - Insufficient heating systems,
 - Leaving water running to prevent freezing pipes, and/or
 - Leaky toilets, faucets, etc.

Acceptance Letter

Sunset Lake Cooperative, Inc.
60 Jourdan Street, Hinesburg, VT 05461

Date: _____

Dear _____,

Congratulations! The Board of Directors at Sunset Lake Cooperative, Inc. is honored to inform you that you have been accepted as a Member into Sunset Lake Cooperative. We understand that purchasing a new home is an exciting and busy time. If you have questions about ROC living or Member rights and responsibilities, please do not hesitate to ask. You can reach Maura Fitzgerald at maura@majestic802.com or 802-881-3030.

Please find enclosed with this Acceptance Letter the following documents (items in **bold font** need to be **completed and returned prior to move in**):

- Articles of Association
- Most Recent Financial Statement for the ROC
- **Member Interest Questionnaire**
- **Membership Agreement** with Appendix A – Property Description
- **Acceptance Letter and Attachments Acknowledgement Form**
- **Occupancy Agreement**

In addition to completing the above **bold font** items, please pay your **Membership Fee of \$100** and **your first month's lot rent of \$455** in order to move in and to receive your **Certificate of Membership**.

We invite you to attend our next Board of Directors meeting. Board meetings are currently on the 4th Wednesdays of the month beginning at 6:45pm. We look forward to welcoming you in person or online, depending on how the meeting is conducted and how you choose to attend.

Sincerely,

Maura Fitzgerald
Majestic Property Services.
Signing on behalf of the Board of Directors of Sunset Lake Cooperative, Inc.



COOPERATIVE DEVELOPMENT INSTITUTE

The Northeast Center
for Cooperative Business

Selling the Home - Homeowner Responsibilities

- The homeowner must inform the Board of his or her intent to sell the home, in accordance with the Bylaws and Community Rules.
- In most ROCs, the home is required to be marketed to low to moderate income homebuyers for the initial period of 30 days, depending on the Bylaws. All other considerations being equal, income-qualifying buyers will take precedence during this period. After this time period passes, this restriction is removed.
- If the homeowner vacates the home during the sale process, he or she is still fully responsible for all upkeep and lot rent.
- All ROC requirements regarding “For Sale” signage must be adhered to. Check the Community Rules for clarification.
- The homeowner is responsible for continued maintenance of the lot and preparation for the change in ownership. The lot must be left neat and clean. Any failure may result in the ROC holding back part or all the seller's Membership Fee.
- The homeowner is the initial liaison between buyers/real estate agents and the Membership Committee.
- The homeowner/seller should request that a Membership application package be given to any prospective buyers and/or real estate agencies that list the home.
- The homeowner/seller is required to inform all prospective buyers of the requirement of Membership acceptance, the process, the time-frame involved, and any special conditions that may apply.
- Fuel storage tanks must be upgraded to meet state and federal installation standards BEFORE ownership changes. The financial responsibility for this must be decided between the seller and buyer.
- Proration of lot rent must occur between the seller and buyer. No credit for any portion of lot rent will be given by the ROC to either party.
- The ROC DOES NOT involve itself with negotiations of the sale of the home, except as it may directly affect the ROC!
- Transfer of the Membership Fee as a part of the sale is not allowed. The homeowner/seller must request reimbursement from the ROC and the buyer must pay their whole Membership Fee directly to the ROC.

- The sale transaction is not complete until the buyer's Membership Fee is paid in full to the ROC and verified, and a new Occupancy Agreement is fully executed. Only then may the new homeowner take full possession of the dwelling and move in.
- Under no circumstance may the new owner move any property into the home or onto the lot until the sale is complete. This includes resolving any issues between the ROC and the previous homeowner.

Important Note: The ROC, as the Property Owner, is subject to 10 V.S.A. Chapter 153.